wacpay

WHITEPAPER 2.0

Enabling Blockchain Payment Ecosystems

Abstract

WadzPay's business model has evolved since the creation of its first Whitepaper 1.0. In this updated Whitepaper, WadzPay details the company's evolved strategy in B2B payments, emerging CBDCs while addressing global changes in payments. The development of WadzPay is backed by the fact that digital currencies are the way of the future and are already replacing Fiat.

The WadzPay platform first went live in 2021, it will be rapidly expanding and delivering new capability and increased capacity in 2022. The platform enables interoperability and bridges old world traditional payments with new technologies such as blockchain, CBDC , NFTs.

Updated in January 2022.

ADDRESS FROM THE FOUNDER

Digital payments are the ‘new normal’. When we started WadzPay, we predicted that we are on the brink of the next industrial revolution, which is being brought about by the amalgamation of technology and humanity for the betterment of society.

Existing payment systems lack the necessary technology in the backend to deal with the increasingly globalised world: there are bottlenecks in scalability and prohibitive costs leading to a lack of participation by those who would stand to benefit the most from financial services (the underbanked/unbanked).

Digital currency payments are pivotal to the next industrial revolution with the potential to bring those who are underbanked/unbanked into global financial ecosystems, while offering the banked both economic and lifestyle-related advantages. Digital currencies will fuel the borderless and globalised world, bringing fast, secure and cost-effective financial services to all.

Governments are recognising the advantages of digital currencies and we expect that over 90% of Central Banks will pilot or launch Central Bank Digital Currency (CBDC) projects over the next five years.

While our lives will be improved with these new generations of payments, the next decade will present challenges around interoperability between legacy payments systems, as well as the new world of digital currencies.

WadzPay is in the prime position to deliver on this market need by providing interoperable solutions allowing all payments technologies to operate horizontally, instead of in vertical silos.

Our vision is being recognised by our partners which include large conglomerates, governments, banks and enterprises.

I would like to thank you personally for joining us on our journey and welcome you to the interconnected world of WadzPay.

Anish Jain

Managing Director &

Chief Executive Officer

1. PREFACE

When we embarked on the WadzPay journey we made some bold predictions:

- Digital currencies will continue to grow in adoption, while physical payments will sharply decline in use
- Central banks will rush to launch their own Central Bank Digital Currencies
- The payments space will see further fragmentation as new payments technologies emerge, which will lack interoperability with these emerging technologies as well as legacy payments systems

Our predictions were correct. We started WadzPay primarily as a B2C company aiming to develop our own extensive merchant network while focusing on the WadzPay-branded App.

As we presented our vision, and learned from the payments challenges faced by large enterprises, banks, payment processors and governments, we quickly realised that we have a far bigger business opportunity on our hands.

The biggest mindset shift for WadzPay is the company's pivot from being the face of interoperable payments solutions to our evolution towards a technological solution powering payments for large partners. This shift follows the request from our partners to leverage their own front-ends and existing merchant networks while utilising WadzPay as a custom-made backbone to address their unique use case requirements.

We have been overwhelmed by the demand for our interoperable WadzPay-powered solution with partnership requests coming from diverse industries and all levels of businesses and governments.

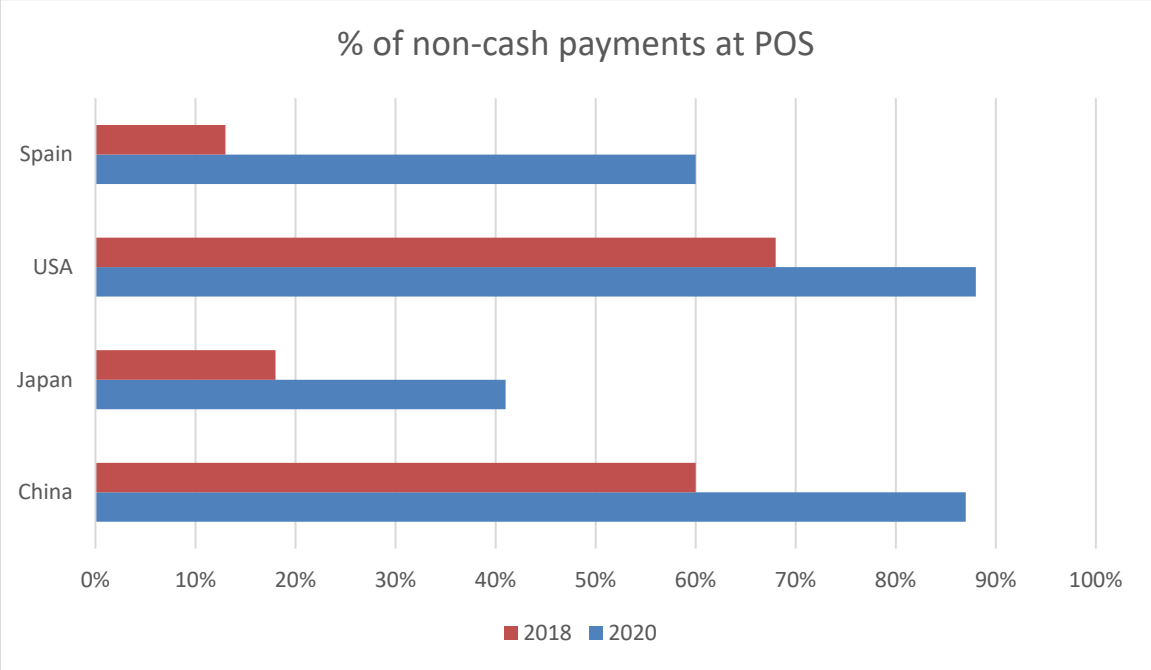
2. TRENDS: 2020/2021

The year 2020 should have been a year of “hindsight is 2020” puns, but it will go into the annals of history as the year the earth stood still. Going into 2022, we have all come out different: the ways in which we work, travel, spend time with others have all changed. Commercial habits have also been drastically reshaped: an anecdotal office poll revealed that the biggest casualties have been travel, dining and fashion. This section outlines some of the biggest trends impacting payments and the blockchain, which we have used to streamline our business model.

2.1 Towards Cash-Free Societies

COVID was the catalyst for this behavioural change and its impact was especially prevalent in the payments market. With media coverage around viral transmission through cash, even those who were largely resistant against digital payments started to transition towards a cash-free society.

The share of cash transactions has fallen from 89 to 64% globally in the last 8 years (data only available until 2020). Despite the higher relative transaction costs when using non-cash based payment methods, this movement has been largely driven by the convenience offered by digital and card-based payments, as well as safety concerns during the pandemic.



Cash payment markets saw steep drops in cash usage, such as Spain which moved from 87% cash usage for payments in 2018 to 40% in 2020. Cash was a casualty even in markets with strong cultural reasons for cash usage such as Japan which went from 82% to 59%. China, which was already perceived as a relatively cash-free market (40% usage at point of sale in 2018) now only features 13% cash payments.

The move towards cashless societies contributes towards a digital payments segment valued at $5.2 trillion in 2020, expected to grow 27% in 2021.

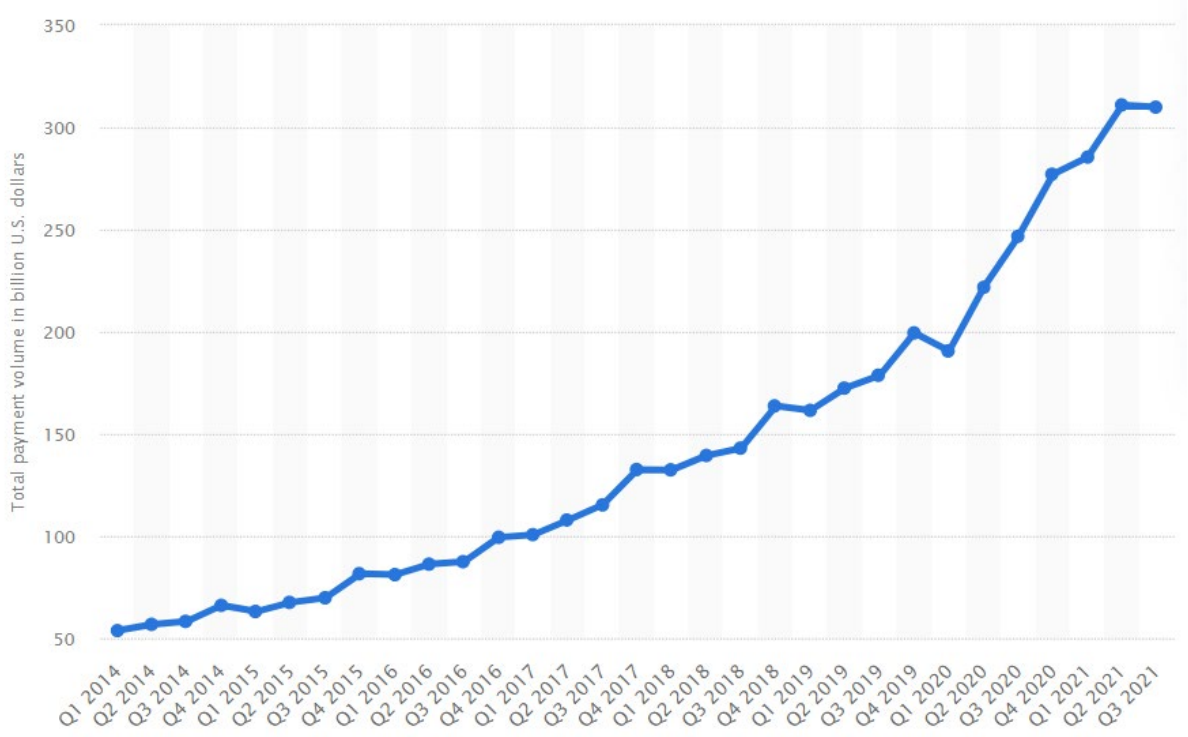
Despite this, access to this cash-free society has remained restrictive to segments of society. At least 1.7 billion adults in the world (most of whom are in Asia and MEA) remain unbanked/underserved or not connected to the global financial/payments grid. While not updated to reflect 2021, by 2020, at least 64% of the world's payments were still transacted in cash.

2.2 Another E-Commerce Boom

Existing macro consumption and payment trends were accelerated on a global level. Global retail revenue has been growing 5% annually, reaching $25 trillion in 2020 and while we wait for the final data, is expected to grow by between 7-13% in 2021. A mere 17% of global retail revenues came from e-commerce in 2020, while this number is predicted to rise to 20% in 2021 (a 17.6% increase in market share).

With the continued gloom of COVID, financial and technological accessibility of the world, we will see the continued transition of retail revenues to e-commerce. While physical retail revenue dipped 5.7% during the pandemic, e-commerce continued its growth and will remain on this course for the foreseeable future. Retail e-commerce has burgeoned into an estimated $5.3 trillion market in 2021 (an astonishing 26% annual increase) and is projected to exceed $6.3 trillion in the next 3 years. Over 2 billion people purchased goods or services online.

The explosion of e-commerce has driven business towards payment acceptance providers such as PayPal who saw payment volume grow by over 60% since the pandemic started (see line graph below).



2.3 Asia Payments

Asia is projecting a $2 trillion e-commerce market and a $1.4 trillion gap in financial accessibility for its unbanked population of 850 million people. Asia's e-Commerce sales accounted for more than a third of global figures whilst growing steadily at 13% annually.

While a lot of data on payments is pre-COVID, at that point, payments via card accounted for only 14% with a whopping 75% of payments made via Cash On Delivery, 3 times more than the global average. With the high reliance on COD, resultant to the limited access to financial services especially bank accounts and credit cards, there is a gap of more than $1 trillion across 2.3 underbanked Asians.

Despite this, the move towards cashless societies contributes towards a digital payments segment which is projected to reach $2.9 trillion this year in Asia. Mobile payments drove 1.2 trillion in transactions in Asia in 2020 and projected to reach an astounding 2.1 trillion by 2024. This represents a $1.2 trillion gap and opportunity for WadzPay in the next 3 years.

China leads Asia for mobile payments, with $3.3 trillion in spending in 2020, and a projected CAGR of 9.6%. Developed economies such as Singapore also saw massive growth during COVID and is expected to grow at a CAGR of 45.5% for the next five years.

Southeast Asia dominates digital currency ownership globally: Philippines (#1), Thailand (#4) Indonesia (#6) and Malaysia (#10) have the highest per capita ownership in the world and is is a key market within the region. 1 in 3 Indonesians are unbanked /underbanked. Despite this,1 in 9 Indonesians own digital currency, spurred by the deflationary IDR fiat currency and the opportunity to access financial services.

2.4 MENA Payments

The Middle East & North Africa Digital Payments Market is expected to grow at a CAGR of 15.39% over the forecast period (2021-2026).

Certain Middle Eastern governments are actively working to encourage the shift away from cash. For instance, Saudi Arabia aims to have 70% of the nation's transactions handled digitally by 2030 (currently, that number sits at 39%). In UAE, traditionally a cash-heavy market, the share of cash payments is 27%

The country has the third-highest smartphone penetration rate globally with around 21 million smartphone users (in 2019, about 80.7% of the population used a smartphone), a number that is likely to increase to almost 24 million by 2022.

As interest in digital currencies accelerates, 5 in 10 UAE individuals said they plan to use digital currencies within the next year, with 63 per cent admitting they are more open to using them now than they were a year ago.

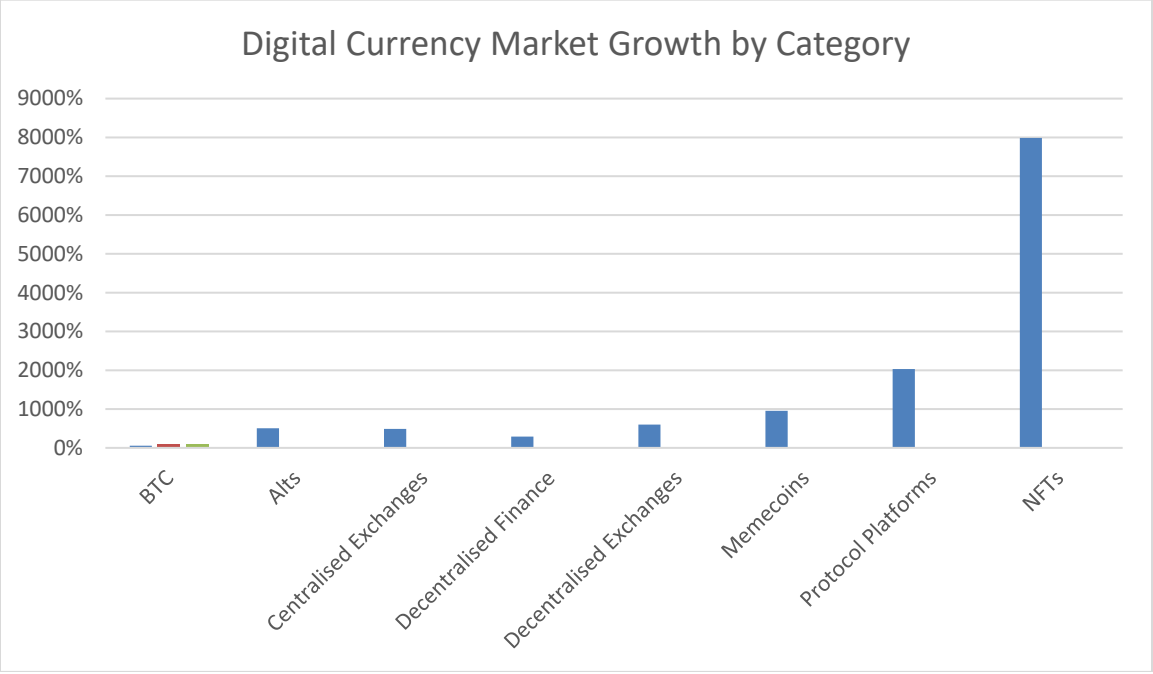
Bahrain is the big surprise within MENA. Binance was granted a license to operate out of the country, and the regulators have adopted a liberal approach towards the market.

2.5 Blockchain Trends

Through the advent of blockchain and the increased awareness of digital currencies, stablecoins and Central Bank digital currencies (CBDCs), fintechs are bringing about the next evolution of payments. As of today, digital assets have an estimated $2 trillion market cap but acceptance and useability has not yet been unlocked. Global consensus from governments, stakeholders, corporates and the unbanked directs that digital assets are expected to continue to grow and be the norm of the future.

In total, the digital currency market closed 2021 up 187% in market capitalisation. The market shifted away from digital currencies as a store of value towards looking to blockchain as an enabler of novel use cases: this was evidenced by Bitcoin dominance decreasing from 70% at the start of 2021 to 40% by the close of the year.

Despite the media narrative around digital currency assets being *memeified* assets without use cases, the reality is that the market growth showed the biggest increases were around assets with real world utility.



Protocol Platforms

Ethereum's ERC-20 protocol, the most adopted smart contracts platform in the world, was challenged by many players offering alternate use cases and specs, including faster TPS and lower fees. This led to over 2000% growth in market capitalisation in 2021.

Many of these protocols are defined as third-generation protocols and are directly designed to address functionality gaps of Bitcoin and Ethereum protocols. Some of the biggest winners this year included Solana (11000% growth), which was partly responsible to the boom in NFTs.

Stablecoins

Privately-held licensed institutionally-issued cryptographic digital currencies pegged to a physical or stable store of value (e.g. USDT, IDRP). One unit of each stablecoin will always be equal to one unit of its equivalent store of value. Due to their stability, they have a clear use case in payments. However, as different stable coins may be built on top of different protocols, the limitations to do with a lack of interoperability continue to exist.

The supply for stablecoins grew over 500% in 2021 to $146 billion. This was driven by a number of factors which include their recognition as a safe, secure, efficient method for payments.

The number of markets offering stablecoin based pairings increased substantially, while their use case as a payment mode, settlement method, and remittance use cases became abundantly clear to the market.

Central Bank Digital Currencies (CBDCs)

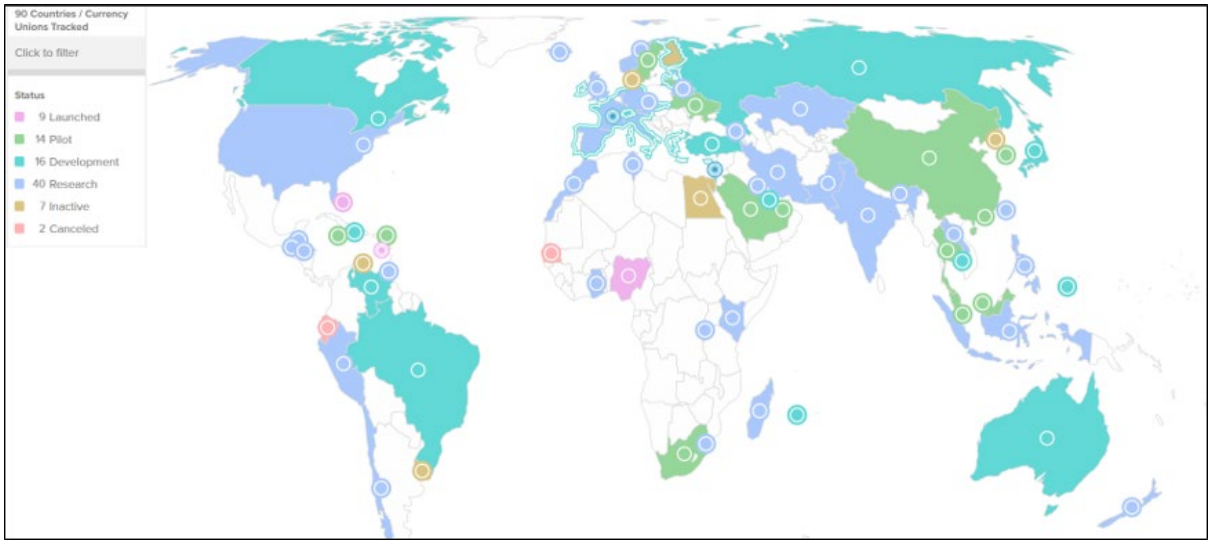
A CBDC is a digital representation of a central bank liability that is issued by a central bank and designed to be used as legal money. While a CBDC system could improve the efficiency of domestic economies in part through the use of unified technologies for minting, distribution, and payment rails, imagining similar unified models for cross-border payments between independent CBDC networks would be difficult to conceptualise and implement.

Seeing the potential of stablecoin-like digital assets, 87 countries, covering 90% of global GDP have central banks which are considering launching their own CBDC.

China began exploring launching its CBDC in 2014 and was first to market, executing trials and distributing over $30 million to date across multiple cities internally. In April this year, testing has expanded abroad to Hong Kong.

The rest of the world is rushing to keep up, seeing immense benefits and use cases including: the elimination of the cost of cash; control and security; ease of distribution to the underbanked/unbanked.

There are already nine ‘live’ CBDCs: the Bahamas case is the most famous one, with the government successfully launching the Sand Dollar.



The two types of CBDCs available are: retail and wholesale. Retail CBDCs are essentially digitalised cash and can be used by all participants in an economy (consumers and businesses), while wholesale CBDCs are available to banks/permitted institutions and replace/supplement their reserves; a major use case is their use as a settlement asset.

NFTs and Gaming

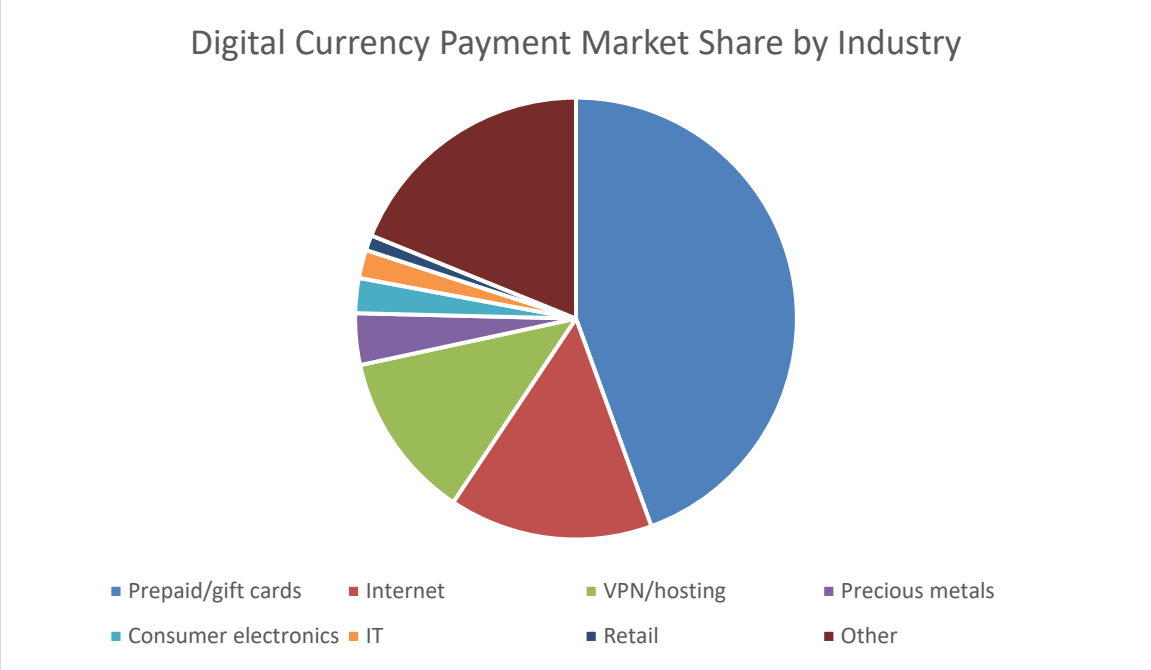
Non-fungible tokens (NFTs) saw a prolific acceleration in mainstream adoption, with NFT-related tokens experiencing close to 9000% growth in 2021, surpassing $40 billion. This market grew to such prominence that it became the word of the year by a HarperCollins Dictionary.

These tokens allow users to prove ownership over a digital asset. The biggest growth sub-sectors were for gaming, where NFTs could be used for play to earn mechanisms, rewarding gamers with digital currencies and other collectibles for their time; a huge difference from the current gaming model devoid of financial incentives.

Digital Currency Payments

Despite increased adoption, the use of digital currencies for payments/purchases is still relatively niche, restricted mostly towards the purchase of IT-related services, and prepaid/gift cards.

This is in part due to the difficulty in integrating digital currency checkout options in e-commerce retailers, something that WadzPay has developed a solution to solve.



Biggest Breakthroughs for Digital Currency Adoption in 2021

2021 was the year for broader adoption by large corporations, financial institutions, governments, and payments processors. Mastercard, Visa, PayPal have accelerated their digital currency plays in markets such as the USA.

Some of the biggest news showing mass adoption for digital currencies included:

- Bitcoin is now legal tender in El Salvador: merchants have to accept Bitcoin as a payment method.
- The growth in digital currency related regulated funds: growing from $0 in value at the start of the year to $60 billion at the end.
- Large enterprises holding Bitcoin as an asset: MicroStrategy, Tesla, Square Inc, Meitu, Nexon and many other companies diversified their assets by purchasing large amounts of Bitcoin.
- Countries/governments started accumulating digital currency assets: these include Bulgaria (holding a mammoth 200,000BTC), Ukraine and Finland.
- Increased digital currency payments:
    - Mastercard announced plans to utilise digital currency for payments at merchants.
    - VISA executed a pilot using the USDC stablecoin as a settlement currency.
    - Rakuten, the largest e-commerce company in Japan accepts digital currencies at checkout.
    - Paypal launched digital currency checkout options, along with Venmo.

Beyond Digital Currencies

Blockchain saw much use beyond digital currencies in 2021. This ledger system provides security and safety for the exchange of information.

Estonia has been using blockchain technology for its healthcare system: digitising patient records, while provide immutable information across healthcare providers. Billing is also issued via the blockchain, which ensures that healthcare costs are transparent, while healthcare information is private.

Beyond record-keeping, blockchain has been used to track and secure medical supplies. This ensures that doctors and patience are given access to verifiable medicine and supplies, eliminating the risk of counterfeit products and financial risks from unverified suppliers.

Electronic voting systems backed by blockchain have been trialled in some parts of the USA: this is seen as a positive by both sides of the political spectrum as these systems have the potential to eliminate voter fraud. Thailand and South Korea are at proof-of-concept stage and look to roll out national blockchain voting systems in the upcoming elections.

3. PAYMENT: OPPORTUNITIES

3.1 Market Evolution

In just a few years, payments have evolved from a traditional processing and hardware to a global provider of full-stack software and merchant services. Together, these shifts, along with the fragmentation of the merchant-facing payments value chain, are having a significant impact on the economics and business models of merchant acquisition as it has been done historically, with the value-added approach of the new merchant services players taking precedence.

As a result, we have seen the emergence of challenger banks on the global financial scene. In Europe, startups such as N26, Revolut, and Starling Bank have gained significant traction, while Chime is the market leader in the United States, with a valuation of approximately $15 billion, which exceeds the valuations of several regional banks in the United States. There is also the emergence of WeBank in China serving 200 million customers and a number of smaller regional digital banks across the region.

These entrepreneurs have focused on providing an exceptional user experience and frequently tailoring their offerings to underserved market niches. As a result, digital currencies are becoming more mainstream, with market activity and consumer demand reaching all-time highs, owing in large part to fintech companies such as Square, Coinbase, and Robinhood.

The rise of fintech is driven by rapid advancements in technology, higher consumer expectations and growing economies. The financial arena is navigating this trend shift to embrace new payment technologies and solutions. No change is created by itself without a fair bit of chaos. The financial industry is currently in a state of disruption with FinTech players capturing the market with new-age tools that promise better convenience, reliability, performance, access, and flexibility to the consumer.

In addition, new fintech companies — such as BlockFi and Celsius — have emerged to provide new products that enable people to earn digital currencies using credit and debit cards, as well as savings accounts. Customers may also use their currency to trade on margin or as collateral for other types of lending, provided they meet certain requirements.

3.2 Existing Problems with Legacy Payment Systems

This evolution comes in response to constraints within legacy payment systems:

- ✕ The high cost of card-based transactions
- ✕ Settlement delays
- ✕ Digital payment methods are expensive
- ✕ Sending money abroad is complex and incurs high fees

- ✕ Cash and check payments also attract fees and incur risks
- ✕ Lack of infrastructure for the unbanked
- ✕ Multiple intermediaries increase the risk of payment failure
- ✕ Lack of transparency and traceability
- ✕ High transaction failure rates

Real-time mobile P2P payments, digital remittances, and digital business payments are all growing in popularity as the payments ecosystem evolves. This growth is fuelled by fast technological breakthroughs, rising consumer demands, and expanding economies. The COVID-19 pandemic accelerated market growth to unprecedented levels. The financial sector has reacted to this shift in demand with a non-stop flood of M&A activity, acquiring market share with next-generation solutions that offer consumers more convenience, dependability, performance, access, and flexibility.

Despite the advantages of digitisation, many companies are struggling to make the transition due to challenges in implementing scalable solutions in the back end. Around 26% of financial businesses have challenges with digital transformation as a result of insufficient technological infrastructure.

For the big enterprises, millions of incoming consumer payments may occur daily using a mix of cash, cheque, card, and account-to-account payment methods such as ACH and SEPA. Simultaneously, the firm may create an equally big and diversified assortment of outbound payments to compensate employees, suppliers, and partners.

Moreover, consider how payment methods and formats used in each global area might also differ significantly. EBICS is used in Europe, NACHA is used in North America, SWIFT is used for international payments, and H2H, ACH (direct) connections are used internationally. Local versions of similar channels exist in various locations, and taking it a step further, each of the banks that a company uses will have its own preferences for payment and information reporting connections.

The explosive expansion of digital payments has resulted in the proliferation of payment processing companies. While the industry is at a crossroads and values are high, financial sponsors with payment expertise are well-positioned to spearhead consolidation in a still fragmented sector. Firms are concentrating their efforts on implementing buy-and-build strategies to bolster mid-tier players and position them as appealing targets for global strategics actively pursuing size and geographic reach in order to save costs and comply with increased regulation. Banks are also making a comeback, acquiring payment processors to seize control of the consumer experience and connection.

Not all of these worldwide systems are capable of interconnecting or integrating. Perhaps some solutions are too outdated, the money is inadequate, or the available IT bandwidth is insufficient to prioritise the construction of suitable connections. As a consequence, it may take days, weeks, or even months to make the data and information contained in these local systems accessible across the company. And if these compartmentalised systems are not isolated occurrences but constitute a

significant component of the enterprise's back-office architecture, they will affect practically every financial and payment-related operation.

On the merchant front, most banks charge a convenience fee for card use at the merchant’s outlet, which are either absorbed by the merchant or passed on to consumers through higher prices. These fees can be as high as 21% in some markets, especially in developing countries.

Settlement delays can also be business-breaking for certain businesses reliant on cash flow. For example, credit card companies can make merchants wait between 7 to 30 days for settlement.

Furthermore, payment systems such as PayPal, meant to simplify cross-border transfers and online payments attract huge fees e.g. commercial transactions in the United States can attract 4.4% fees plus a flat fee of 30 USD cent per transaction for transferring money into their bank account in the USA. Bank transfers across borders are equally expensive with banks charging high fees to complete transactions. Those who are unbanked/underbanked, such as foreign workers in Asia who send money to their families lose a large chunk of their remittance when using services such as Western Union.

A cashless economy predicated on e-payments and digital currencies is truly the way of the future.

4. BLOCKCHAIN FOR PAYMENTS

4.1 Improved User Experience, Lagging Backends

Due to legacy systems and aged physical infrastructure, incumbent institutions have been reluctant to respond to technological change. Empowered by technology, disruptors have acquired market share via leaner channels. Financial services are now entirely reliant on technology. Technology has allowed for data harvesting and analysis processes, the streamlining of operations, and the implementation of digital distribution methods.

The user experience (front end) for consumer payments is at its historical best. Handy applications like Venmo, PayPal, and Google Pay have put a fresh coat of paint on the P2P payments experience. However, these providers are still forced to use legacy payment technologies in the middle and back end. This further provides an opportunity for service providers such as WadzPay to replace what is not working within these layers. Banks are seeing competition from the likes of the above P2P payments companies, and will need to adapt to the changing marketplace in order to stay relevant, and achieve their customers' expectations. They will undoubtedly need a contemporary payments infrastructure that allows seamless real-time payments. To step-change their services and broaden offerings, banks are looking to partner with technology providers like WadzPay who can tailor technologies to meet the demands of their customers. Alternative payment methods are increasingly considered the standard, not an optional extra. To maintain a position of dominance in the payments industry, the capacity to send money at the precise time of need is critical.

4.2 Blockchain for Revolutionising Payments

The shift to digital channels has resulted in a significant increase in demand for enhanced authorisation, real-time data connectivity, improved data-driven fraud detection, and other services. Banks and large financial institutions now have a prime opportunity to compete by mainstreaming retail banking applications that incorporate digital currencies and blockchain technology, potentially generating additional revenue. Closing this decade-long chasm within the next few years will yield enormous benefits.

The two types of blockchains available are private and public. Private blockchains requires pre-approval for users to enter into their ecosystem and can instil controls over activities within the ledger. Corporate, banking and government blockchains tend to gravitate towards private types. Public blockchains, on the other hand, allow for unlimited participation in the activities of the chain. Most current cryptocurrencies and stablecoin based assets operate on public blockchains.

Using Blockchain Technology to Facilitate Cross-Border Payments has benefits including:

- On average, transaction costs are reduced by 40%–80%.

- The movement of money is slow: often taking 2-3 days for a successful transfer. With blockchain, these transfers can be near-instant.
- Cryptography is a highly secure technique for encrypting data.
- Multiple-party authorisation is an option.
- End-to-end metadata transfer with a high level of detail.
- Pre-transaction information is shared between parties in order to pre-authorise transactions.
- Each transaction is meticulously documented and verifiable.

In addition to increasing the scalability and sophistication of data infrastructure, there is significant untapped potential for enabling enhanced authorisation, fraud detection, and performance-based payment arrangements — all of which are enabled by WadzPay's market-leading solutions

In this era of the technological revolution affecting almost every sphere of life, Blockchain has emerged as the disruptor. As the Internet did three decades ago, the payments landscape is once again not spared from the effects of technological revolution.

Blockchain impacts the payment value chain to make it more accessible, scalable, agile, and efficient. This technology enables best in class payment tools for merchants and consumers, while driving financial inclusion for the unbanked/underbanked in Asia, South America, Africa and other developing economies.

WadzPay products and solutions are designed to revolutionise the payment ecosystem by capturing the vast potential of Blockchain technology and delivering it in an easy to use framework.

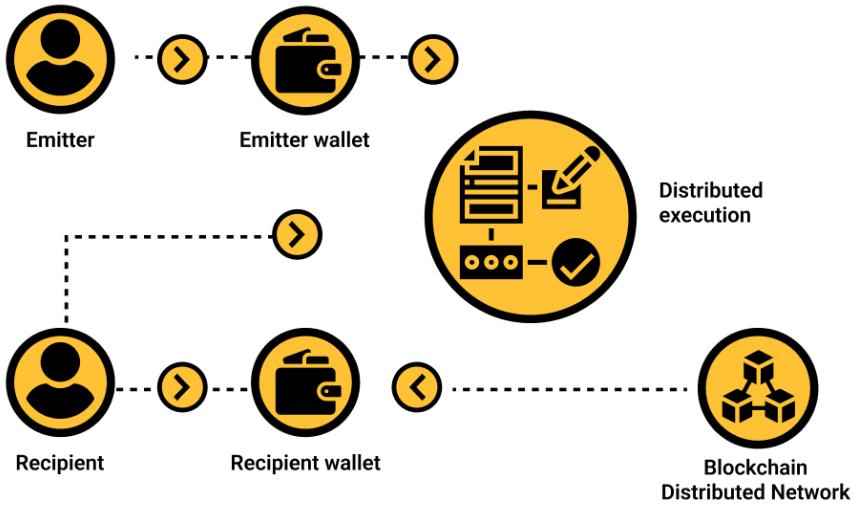
This adoption of Blockchain technology will help businesses eliminate traditional intermediaries and payment hubs to operate on a low-cost framework. Reliant on the core principle of ‘decentralisation’, Blockchain provides an opportunity to break through into different payment service layers and enhance overall service efficiency to consumers by saving on time, costs and helping to decentralize accounting and financial management. This, in turn, will elevate consumer experience to a whole new level.

4.2.1 How Does Blockchain Work?

Although blockchain is best recognised as the ‘hardware’ that powers Bitcoin, investment firms envision several other uses for the technology, including smart contracts, improved consumer data, quicker payments, and more transparency. Over half of full-service banks have already conducted blockchain pilots and aim to use it by 2022. However, during the next five years, the majority of investment providers will double their utilisation.

A blockchain is a public ledger (often decentralised) that records transactions, credentials, and other data. Due to the ledger's encryption, which prevents tampering with the encoded data, it has the potential to supplement trusted third-party intermediaries such as banks for a variety of transaction types and identity management.

The consumer authorises the transfer of their currency to a business or individual. On the Blockchain, transactions are digitally signed using cryptographic means. A blockchain's key characteristic is that it employs a data structure where transactions are organized and bundled into a block. Every block is chained together with a previous block using a cryptographic hash function.



4.2.2 Blockchain and Digital Currency Limitations

Digital currencies can eliminate some of the aforementioned pain points, however, they do also come with challenges of their own. While having the same core principles, blockchain can come in an infinite number of protocols (what could be equated to 'Operating Systems'). Different blockchains can utilise differing approaches to how transactions are processed, speeds (measured in transactions per second (TPS)), and costs.

Some of the better-known protocols include ERC-20 (Ethereum), XRC-20 (XinFin), TRC-20 (Tron), BSC (Binance) and SOL (Solana). There is a right to win for each protocol depending on their specific use cases. Currently, ERC-20 is the most adopted protocol in the world.

These protocols are not designed to 'talk' to one another (no interoperability). While adoption is generally increasing, this is causing fragmentation in the market, whereby payment providers are often forced to fully commit their solution towards a particular protocol. As an example, the Ethereum protocol is not interoperable with Solana's, requiring inelegant and often complicated, expensive solutions such as bridging.

Similarly, digital currencies exist in silos, which have not built-in interaction with existing fiat/legacy payments ecosystems.

These are pain points that WadzPay solves.

5. WADZPAY PAYMENT PLATFORM

WadzPay was founded in 2018 by bringing together payments and technology experts with a unified goal of delivering a new sustainable and scalable digital payments ecosystem that improves transaction efficiencies and consumer experiences.

WadzPay is an interoperable blockchain-based payments ecosystem. The company was founded in Singapore and currently operates in South-East Asia, South Asia, Middle East and Africa.

WadzPay harnesses the power of blockchain to build the future of payments.

5.1 Over 250 Years in Payment and Technology Expertise

The WadzPay recruitment philosophy is to hire industry opinion leaders. With great minds and a breadth of experience comes innovation. We believe in the power of people, which is why unlike other Whitepapers, we have put the team early in the paper. It is thanks to their visionary thinking, that WadzPay can deliver on its transformative promises.

The team brings together leaders from all around the world, with experiences at the likes of Mastercard, American Express, SWIFT, PundiX, GE Capital, Citicorp, Cathay Pacific, Deutsche Bank, Procter & Gamble and World Bank.

The executive leadership list below is not exhaustive, for the latest team updates, follow: https://wadzpay.com/executive-team/

Anish Jain

Managing Director & Chief Executive Officer

Over 15 years of extensive experience with two of the top payment's companies. He worked as Vice President, Market Development- Asia Pacific for MasterCard, and Client General Manager for American Express. He has worked across multiple geographies and led large payment platforms and programs across Asia, Australia, Middle East, Africa and India.

Ram Chari

Board Member & Executive Director

Ram has over 30 years of diverse experience in Payments, Software Products and Technology with hands on operating functional role. He is experienced in running enterprises in Australia, India, Hong Kong, Singapore, Turkey, Taiwan, UAE, USA, and regional exposure to North America, Europe, Middle East, Africa and APJ.

Melcom Copeland

Group Head - Market Development for Blockchain Payments

With over 20+ years in the Enterprise Software industry, Melcom most recently spent the past 4-years exclusively in the Blockchain, Cryptocurrency, and Payments space serving the likes of Pundi X, Blockchains LLC, and Samtrade FX. Prior to this, he spent 17 years as a B2B technology solution provider in the UK, Europe, Asia, and Africa providing solutions to Genting Group, Senegal National Lottery, Philippine Amusement and Gaming Corporation, Rank Group Grosvenor Casino, and many other tier 1 gaming operators.

Khaled Moharem

President – Middle East

Khaled has worked in leadership roles at some of the world's most renowned financial organizations including Arab Financial Services, BPC Banking Technologies, FSS and SWIFT.

Khaled has expertise in the financial payments segment which matured during 21 years of business relationships with top financial institutions. His expertise in Account Management and Sales developed during his successful 27 years old career.

Nikunj Aggarwal

Group Head & Global Head of Finance

Nikunj is a Chartered Accountant by profession having over 20+ years of experience across Banking and Financial sector, based in India, having worked with multiple financial services organizations like GE Capital, Citicorp Finance, SBI cards and ABN Amro Bank. He has managed diverse roles in Finance, Risk and Credit including Financial reporting and Budgeting.

Steve Tunstall

Director & Group Head - Compliance and Risk

Steve has over 20 years in senior management positions, managing teams of up to 500 employees, mostly based in Asia. He has deep domain knowledge in compliance, risk, insurance and resilience previously holding such roles as Head of Risk for Cathay Pacific and Genting Singapore.

Kiran Venkata

Senior Vice President – Technology & Global Head of SDC

Kiran has over 22 years of experience in Software Industry at various leadership roles. He is an experienced enterprise architect and has designed and delivered cutting edge products for various big companies like HCL Technologies, Nagarjuna Group, Compuware Corporation, Thomson Reuters, Fujitsu etc.

Stas Madorski

Senior Vice President – Blockchain Marketing

Stas' has 13+ year career in marketing includes his role as a Brand Manager at Procter & Gamble (P&G). He has been involved in cryptocurrencies since 2017, consulting on multiple blockchain projects. His strengths lie in high-ROI digital marketing strategies and in transforming brands into meaningful ideas that touch consumer hearts.

Priyanka Chadha

Senior Vice President & Global Head – Human Resources

Priyanka has 18 years of experience in HR Strategy and operations – building and scaling organization across India, Japan, EU, APAC, and Pacific Region. She has worked across multiple HR disciplines and has deep expertise in creating Business Operating Models, Talent Management frameworks, Organizational Development practices, Employee Value Proposition, HR automation and Mergers & Integration.

Jonathan Tay

Senior Vice President & Group General Counsel

Jonathan is a Singapore qualified lawyer, whose experience includes shipping litigation, insolvency and arbitration work. After leaving private practice, his experience includes consulting with Priority Token Asia as legal and blockchain consultant, and co-founding INFT Group, a SME lending and NeoBanking FinTech, as Head of Legal and Compliance.

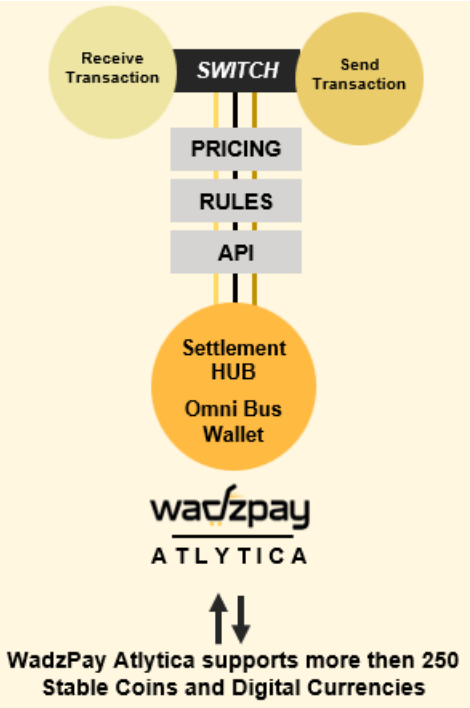
Kenneth Teo

Senior Vice President – Investor Relations & Special Projects

Over 17 years' experience in Originations and Client Management with various Global Corporate & Investment banks working across Capital Markets, M&A and Financing transactions with coverage across APAC. Has the networks with investors and corporates to help the organisation manage capital raising requirements, gain entry and build markets.

5.2 WadzPay Payment Ecosystem

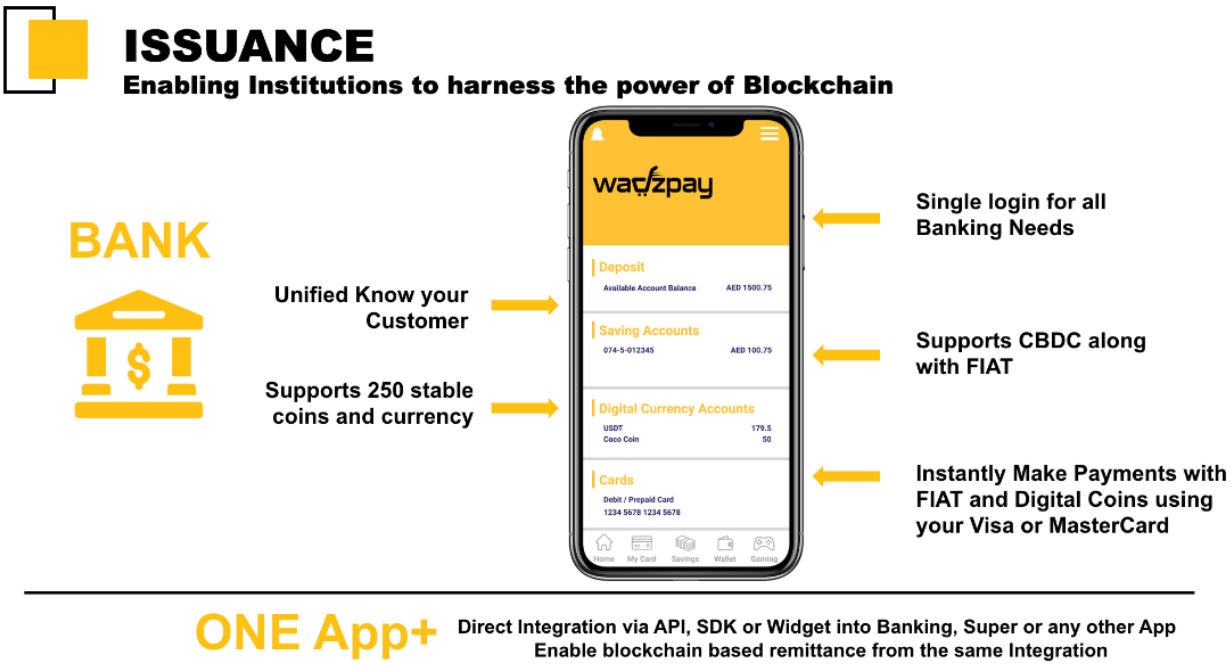
WadzPay is creating a game-changing payments environment by harnessing the immense potential of blockchain technology and encapsulating it in intuitive technological solutions. This use of blockchain technology allows those using the WadzPay platform to operate on a low-cost basis by removing existing middlemen and payment hubs. Relying on the fundamental idea of 'decentralisation,' WadzPay's blockchain-based solution enables customers to benefit from increased service efficiency by saving time and money and contributing to the decentralisation of accounting and financial administration. As a result, the customer experience will be elevated to a whole new level.



WadzPay's payment ecosystem (the engine of which is nicknamed Atlytica) is the flagship product of the WadzPay Group. WadzPay allows banks, payment processors, enterprises, merchants and consumers to accept and make payments in digital currencies. The product is designed to help economies and society leapfrog into the next generation of digital payments. This is especially true for developing economies with large unbanked/underbanked populations.

5.3 WadzPay Platform Use Cases

5.3.1 Issuance



- Support for CBDCs and welfare disbursement

Governments have experienced challenges historically in disbursing welfare, especially to underbanked/unbanked, and geographically disbursed populations. The temperamental welfare disbursement system is especially put under stress during times of crisis including during natural/environmental disasters, and recently has shown its limitations during COVID.

Economic stimuli disbursed during COVID faced issues due to the lack of traceability and controls to ensure that the funds are used appropriately. A blockchain-powered payments platform eliminates this risk, while enabling anyone with a smartphone to receive and spend welfare receipts.

WadzPay provides systems aided by ‘checks and balances’ to ensure that welfare disbursement can occur at the time of need and that funds are used for their specific intention (such as paying for business costs, or emergency supplies).

CBDCs are the logical digital currency to use for welfare-related use cases. However, there is no uniformity between protocols/technologies used by central banks to create their CBDC offerings. This creates difficulties for CBDC holders to spend their currencies abroad. WadzPay provides an interoperable offering to enable international CBDC payments.

- Buy and store digital assets

WadzPay allows partners to provide services to their customers which enables the conversion of fiat to digital assets, and a safe platform upon which to hold these assets. A specific use case in progress is with a digital bank, which will allow its customers to purchase digital assets using their fiat banking account and build up their digital asset portfolio, or spend these digital assets at merchant partners worldwide.

The WadzPay App which can be white-labelled to suit our partner needs, and will also be released as a self-branded App in Singapore (January, 2022) allows for digital asset storage, P2P transactions and in markets where permitted, payments.

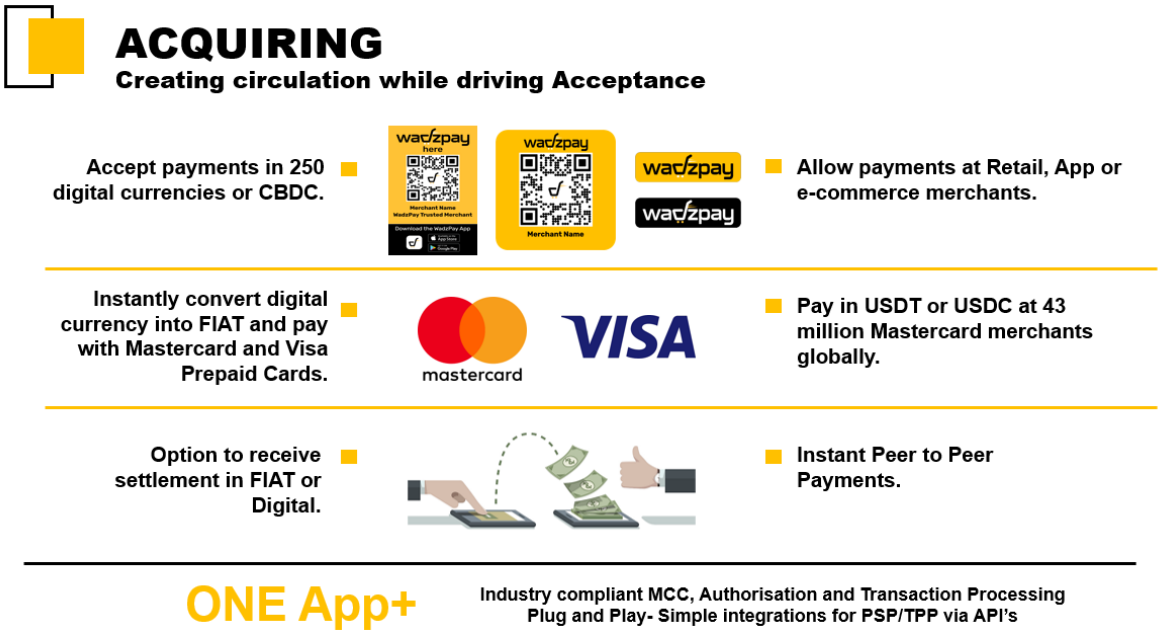
- Prepaid cards

While digital currency trading has rapidly grown in adoption, payments have been lagging behind due to user-unfriendly payment methods and interfaces. Similarly, while digital payments have accelerated their adoption, particularly after COVID, there are still large segments of users who prefer more physical payment methods such as using cards.

Digital currency backed prepaid cards allow the same legacy payment experience familiar to many consumers, while using these digital currencies as a source of funding.

WadzPay provides prepaid cards for white-labelling to our partners. For more details see below.

5.3.2 Acquiring



- Retail and e-Commerce payments

Live payments at merchants at a bricks and mortar level is an important use case for digital currencies. Most digital currency payments are currently made online/outside of the field. An expedient payments platform based on the blockchain will enable consumers to transact physically in-store, mirroring current best in class local fiat payment experiences, while adding the benefits of the blockchain.

Digital currency e-Commerce integration has also been a challenge, with few credible service providers and challenging to use APIs to enable the acceptance of digital currencies. WadzPay has created a simple plug-and-play solution for use with some of the world's leading e-Commerce marketplaces.

- Faster settlements

Commercial customers expect to receive settlements instantly. However, in today's reality settlements can take days, weeks, or even months. This creates cashflow issues and forces vendors to use up their valuable time to follow up and chase for settlements.

With WadzPay, settlements can occur in as little as 1-3 days or faster, depending on the business use case and geography. This ensures that businesses have cash to meet their day to day operating expenses.

- Buy-Now-Pay-Later (BNPL)

As the volume of Buy Now Pay Later (BNPL) and Card Not Present (CNP) transactions has increased, so has the financial strain on banks' payment back-offices. BNPL programs are gaining traction in a number of markets, as they address customer pain points associated with online shopping and payment for goods and services.

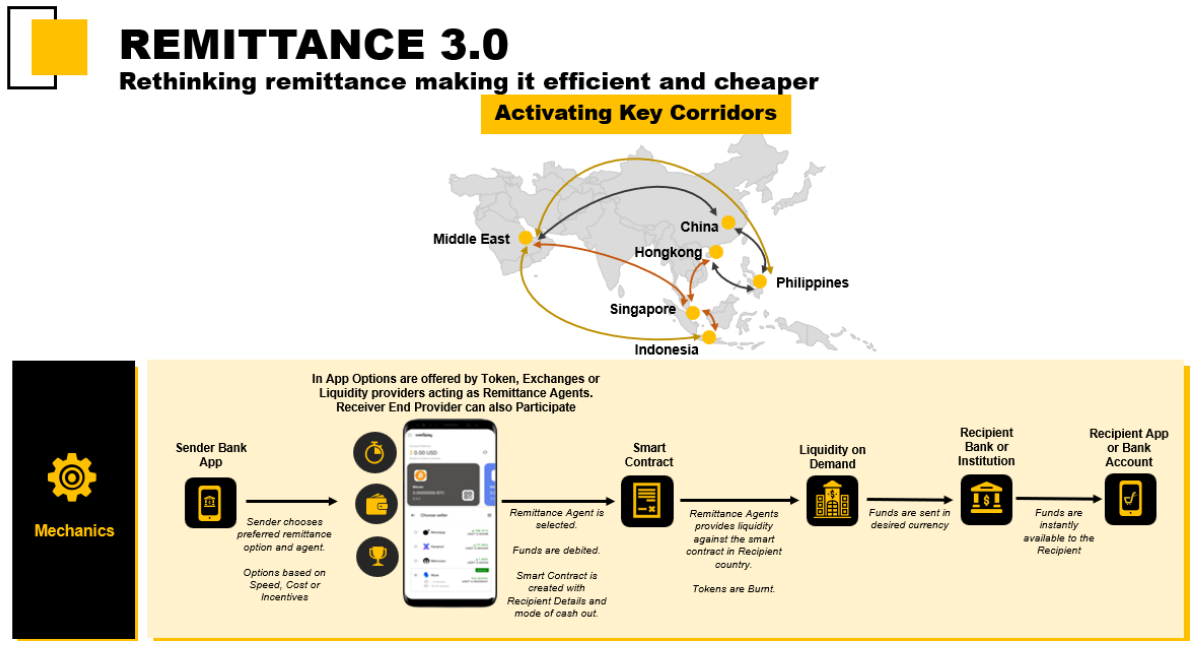
Through smart contract execution, BNPL programs can be implemented which minimise the risk of default, while also reducing the cost of repayment processing. These programs can also then be implemented on a global level, as opposed to having to stick to local bank-oriented solutions.

- Microtransactions

Microtransactions, especially lowest-value ones (such as those that are fractions of a dollar, or even a cent) are not possibly using legacy payments methods, due to the high costs in processing these transactions. Effective blockchain protocols have the potential to allow for these low value transactions creating additional use cases and business opportunities.

For this reason, WadzPay is providing support for multiple blockchain protocols which can have very niche use cases, such as those allowing microtransactions to flourish.

5.3.3 Remittance



The target market for remittances include consumers, as well as business operating across multiple geographies, which also includes banks.

- Banking the underbanked/unbanked

A World Bank study[1] found that "globally, 1.7 billion adults remain unbanked/underbanked, yet two-thirds of them own a mobile phone that could help them access financial services. Digital technology could take advantage of existing cash transactions to bring people into the financial system. More than 200 million unbanked/underbanked adults who work in the private sector are paid in cash only." More than 50% of those reside in Asia. See also World Bank Financial Inclusion home.[2]

The World Bank also highlights several reasons why many people prefer to remain unbanked/underbanked, such as their lack of sufficient money to open a bank account, costs of maintenance, distance barriers, distrust in the current financial system, and documentation requirements. Thus, addressing some of these hurdles is key to ameliorate financial inclusion for many adults.

- Cross-border transfers and payments

Cross-border payments have become sluggish, inefficient, and costly for banks and businesses alike. The costs of international transactions are determined by a variety of factors. Merchants and consumers are more likely to incur fees not only for international payments, but also for additional explicit or implicit costs associated with conducting their operations, such as foreign currency conversion.

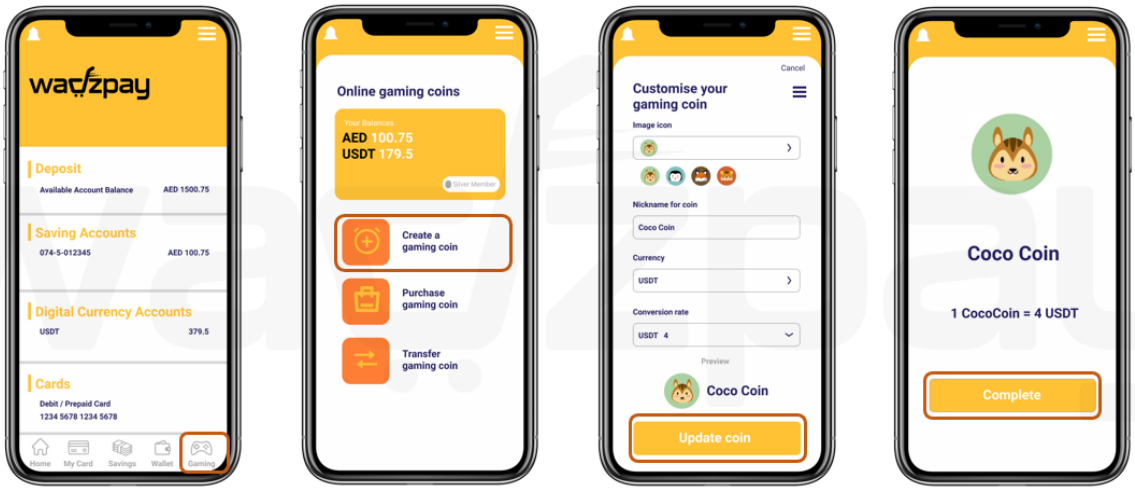
There is no universally available and widely used payment system. The majority of payment systems are based on existing domestic banking and financial institution rules and practices. Due to the lack of a globally recognised standard and system differences, both bank and corporate treasury/enterprise systems have been limited in their ability to exchange data easily. As a result, cross-border payment execution times are significantly longer than domestic payment execution times.

Globalisation and the improvement of physical supply chain efficiency are creating a demand for process improvement. Banks and payment systems are being pressed to improve the efficiency of the cross-border payment system. Utilising vendor blockchain-based payment rails, digital currencies are gaining traction with individuals and financial institutions to facilitate cross-border payments for business-to-business and person-to-person transactions.

1 The World Bank – Financial Inclusion Overview October 2018 (see here)
[2] The World Bank Financial Inclusion Home (see here)

5.3.4 Gamification

- GameFi/NFTs



Payments are fundamental to the GameFi experience. WadzPay recognises this opportunity and will bring a breakthrough gaming experience to the market in 2022. WadzPay allows its partners to create their own gaming coin, or offer this service to their users.

- Tokenisation and loyalty

Loyalty reward programs are largely relics of the past. Rewards points depreciate over time and only top tier spenders, usually those spending on business accounts gain perceived value from these programs. Tokenising loyalty rewards programs allows for value to appreciate over time and creates opportunities for once in a lifetime rewards, as well as NFT/digital asset based rewards.

5.4 WadzPay Value-Added Products

- WadzPay Atlyica: the engine that powers the WadzPay ecosystem, enabling interoperability, and the redemption of digital value irrespective of form factor.
- WadzPay White-label Application: an easy-to-use wallet application that allows for interoperable cross-payment system transactions, which can be white-labelled towards client needs.
- WadzPay Prepaid Cards: White-label cards which allow our client's customers to easily spend their digital currencies.

- Merchant Account Manager: The tool allows easy integration of traditional and emerging payment methods into a single API.
- WadzPay Analytics: The tool provides live data feeds and hence better control. The data feeds are completely customisable based on individual business needs.
- The WadzPay Token which ensures governance on our platform and can be used for fee payments and settlements.

5.5 WadzPay Platform Benefits

WadzPay payment solutions powered by Atlytica integrate the benefits of blockchain to simplify payments by making the entire process seamless, faster, and more cost-effective for merchants. This translates into minimal/no fees, more transparency and enhanced security, as well as intelligent analytics. Delivering intelligent commerce is a by-product of focused efforts at WadzPay, aptly defining our winning edge in the financial domain.

WadzPay is automating almost the entire transaction lifecycle using Blockchain. This enables us to manage the cost of running such a powerful network and pass these benefits to our WadzPay community.

Our tools will enable merchants and store managers to get business insights and manage elements like cash flow and their inventory.

Whether you are an end user of one of our partners (including consumers or merchants), using our platform will unlock:

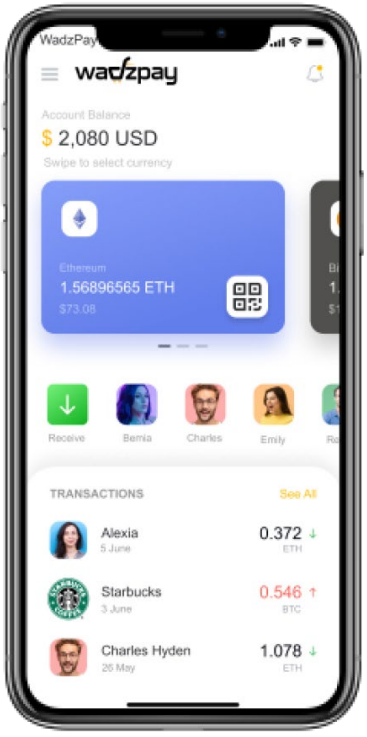
- ✓ Customisable fee options (at low cost to our partners) which allows the partners to pass on benefits and customise rates
- ✓ Low fees:
    - Minimal fees for consumers, whether they are paying for goods & services, or receiving digital currency from friends and family.
    - No fees for partners receiving WadzPay tokens, and a low market-leading fees on other digital currencies.
- ✓ Near-Instantaneous P2P transfers. All you need is a smartphone and internet connection.
- ✓ Support for microtransactions (MTX): unlike credit cards, WadzPay aims to have no minimum transaction requirement. This enables a key revenue stream for game and software developers and other businesses.
- ✓ Unlocks a new source of liquidity for existing digital currency investors and traders.

Additionally, our partners and their clients will benefit from:

- ✓ Speedy settlement times including the ability to ‘cash out’ in Fiat seamlessly in as little as 1-3 days.
- ✓ Access to a new source of assets which otherwise they do not currently enjoy. The platform provides backend accounting support for merchants.
- ✓ Complete unification of services into a single payment ecosystem to connect the downstream and upstream, as opposed to disconnected system e.g. POS, inventory management and CRM.
- ✓ AI powered analytics helps business owners make informed decisions.
- ✓ Automated supply chain management, providing cost savings and reduced inventory rollover.

5.6 The WadzPay App

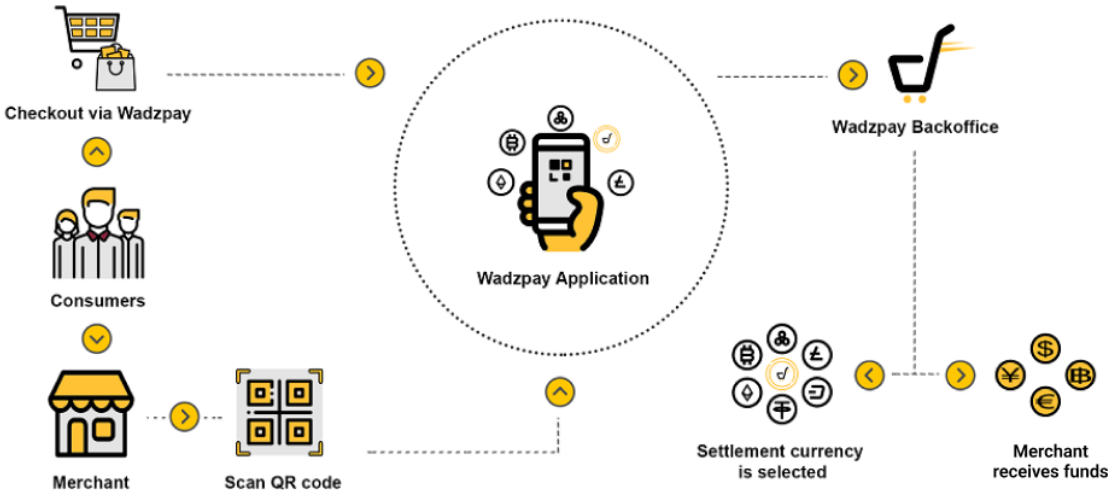
The WadzPay App can be white-labelled and customised for individual partner needs, and in some markets will also be available as a WadzPay-branded B2C product. This product is already live and active with some of WadzPay’s partners, who utilise our Atlytica backend, while utilsing their brand’s UI/UX requirements as the product’s skin. The App is a functional digital multi-currency wallet which connects merchants and consumers as well as businesses to each other. It provides on-ramp and off-ramp solutions to enable the movement of fiat to digital currencies and vice versa.



The objective of the WadzPay App is to simplify the complexity of using digital assets for accepting and making payments, and bring them to the masses using familiar methods, with a simple user-interface. The WadzPay application provides convenient access to manage funds and make payments.

The application is designed to be agile, support multiple languages, and tailored to launch markets with special features (e.g. discounts/offerings).

Through a series of simple and intuitive steps, users will be able to load digital currencies into their digital wallet and make purchases using common sense and intuitive language, regardless of their technological knowledge.



- ✓ Accept and pay in most digital currencies with a simple QR code or username/email, instead of a complicated digital wallet address.
- ✓ Speedy user onboarding with fast and secure KYC/AML performed according to local regulations and enabled by a market leading partner. It only takes a few minutes to register and start using the application for most people.
- ✓ Easy loading & withdrawal of funds: friendly UI/UX that simplifies loading and managing your preferred digital currencies, as well as the withdrawal of funds should you elect to receive funds in Fiat.
- ✓ Invoicing via email or chat: Merchants can generate E-invoices which can be sent for payments via email or popular chat applications.
- ✓ Safe & secure: Every transaction on the WadzPay platform is monitored real time for any threats, fishing for data or potential leaks. This is achieved by using multiple inhouse and third-party security and fraud detection provisions.
- ✓ Microtransactions: WadzPay can significantly reduce overheads for merchants with near-zero charges and instant verification.

5.7 KYC & AML on the WadzPay App

Lack of compliance as well as looming new regulations are partly responsible for the current hurdles faced by Blockchain-related FinTech's. As digital currencies continue to exist with Blockchain in anonymity and confidentiality, the regulatory demand for transparency and identity verification using KYC and AML laws are being set forth.

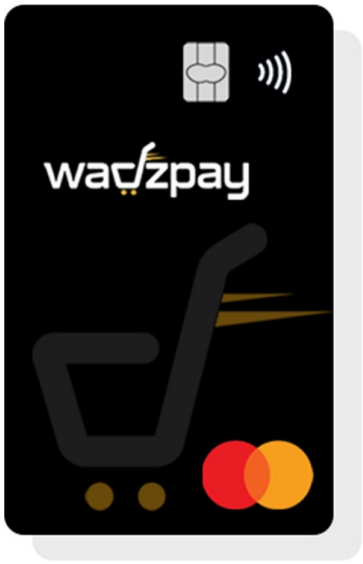
WadzPay has partnered with best of breed and regulator recognised companies to offer our community KYC, AML, and digital wallet protections.

KYC is applied at two levels on the WadzPay application. Simple KYC will be used for our users and consumers, balancing community protection with a smooth and fast sign up process. Expert or 'pro-consumers' who will be more active on the WadzPay platform or require transaction values to be higher than general regulator limits will go through a 2nd level of KYC, to protect users and ensure these higher transaction values are valid, and that merchants are transacting with good actors in the community. This higher level of KYC will also be applied to all merchants as they are core to having a solid and trusted community. This service also offers AML analysis based upon policies and patterns that are common in the payments world but also adapted to digital economies that WadzPay will be at the heart of.

WadzPay employs digital/crypto wallet analytics through a Blockchain based service that we believe this is essential for the WadzPay community as a safeguard due to the increased number of digital wallets that will be created and to prevent bad actors causing any disruption in the flow of business on the WadzPay platform.

5.8 WadzPay White-Labelled Prepaid Cards

While our vision is to enable a cashless and cardless reality, we understand that behavioural change takes time. Based on consumer feedback, we have partnered with two of the largest card issuers in the world and will be issuing white-labelled multi-currency Prepaid cards for our partners.



These cards are available for licensing by WadzPay partners will give consumers the power to spend digital and traditional currencies seamlessly, everywhere the card issuer's cards are accepted.

This will enable them to:

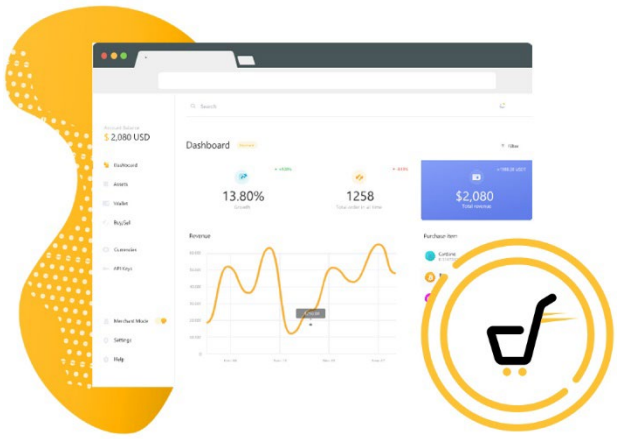
✓ Save money every time you spend with the Prepaid Card and get access to all card issuer offers

✓ Make domestic and international ATM withdrawals

✓ Benefit from no card or account fees and high limits (*benefits based on membership tier)*

6. WADZPAY FOR MERCHANTS

The WadzPay backend is designed to meet varied merchant requirements, such as developing a better understanding of their consumers profile, online visibility, inventory and account management. WadzPay can adapt to changing needs. Merchants will be able to attract and reach new markets segments and design market-specific offerings.



WadzPay is partnering with exchanges to provide merchants with the capacity to receive settlements in Fiat* in select markets.

6.1 WadzPay for Retail and e-Commerce

To capture the entire retail space, WadzPay has developed a mobile application, which will enable buyers to settle payments at their favourite stores. Any retail merchant belonging to one of our partner's merchant networks, or in the future the WadzPay network can receive payment in digital currencies.

The Merchant will receive their own QR Code and a Merchant login. The QR Code can be displayed at various payment points within the merchant outlet. Consumers will spot the QR code and will be able to make payments with their preferred digital currency. South-East Asia and India are the biggest QR usage markets, while in China 50% of the population scan QR codes at least once a week. Usage has further been accelerated due to Covid-19 Safe Entry installations in public spaces.

As a part of the product evolution, WadzPay will design a cognate merchant application that can be loaded on any mobile devices and turn them into a POS terminal or integrate into any existing POS terminal. This merchant-specific mobile application would provide added security, as well as play a critical role in the transfer of smart data for the AI-based services that WadzPay plans to offer our community.

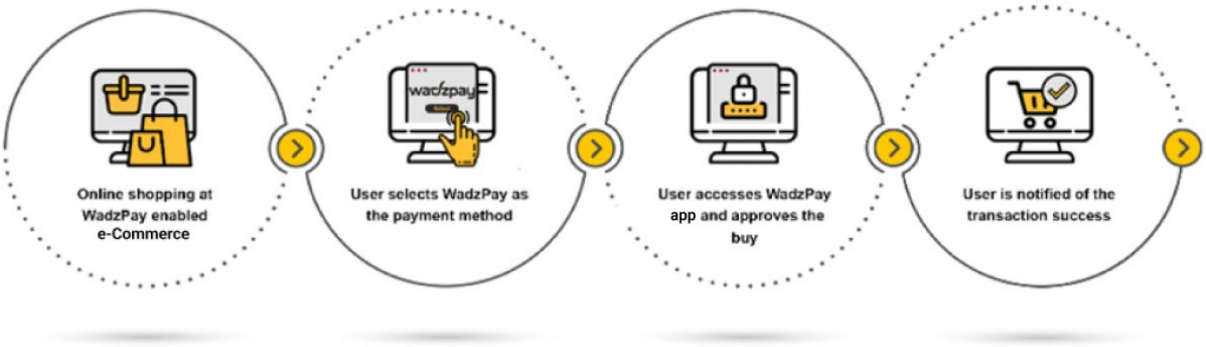


Figure 5: E-commerce process

6.2 The WadzPay Acceptance Mark (Optional)

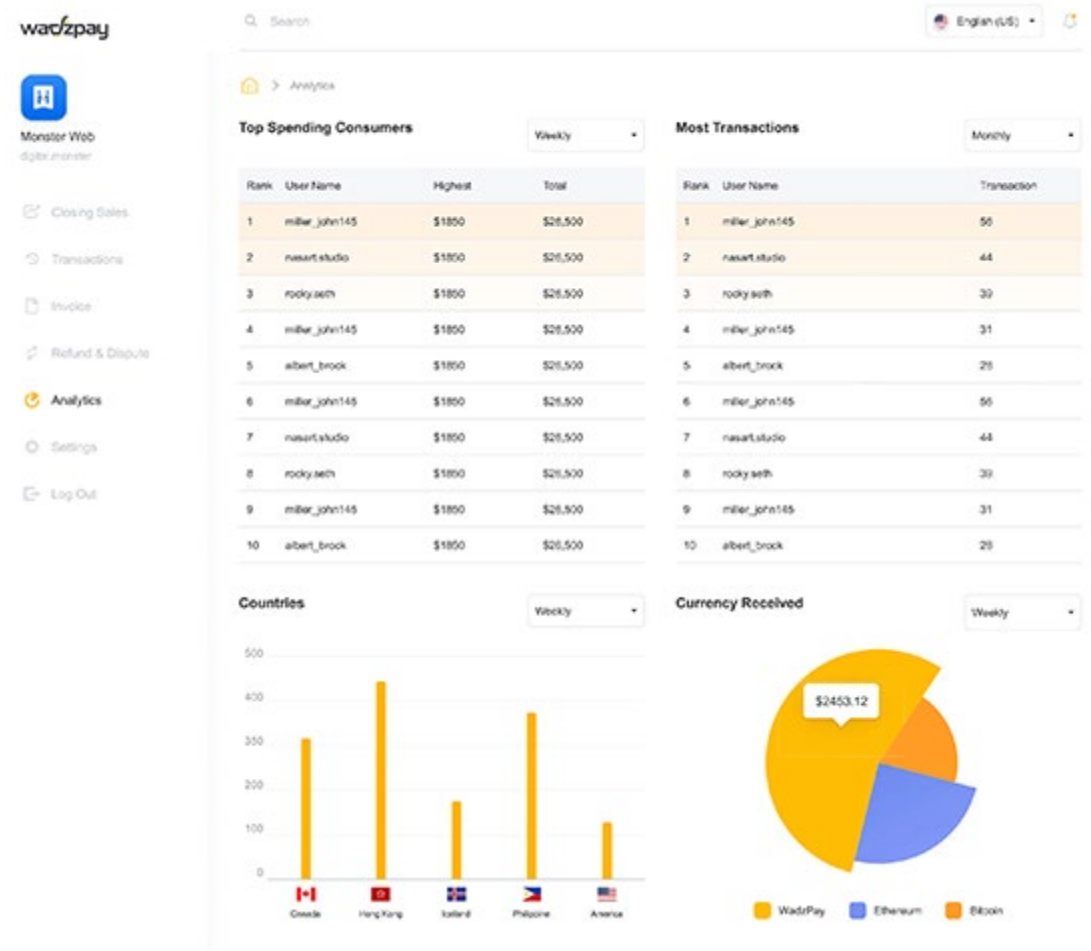
The distinctive WadzPay acceptance mark with our unique shopping cart icon is quickly becoming synonymous with payments made by digital currencies all around the globe. This mark is available for use to all WadzPay trusted Merchants.

Retail **Application** **E-Commerce**

6.3 WadzPay Merchant Account Manager (MAM) and WadzPay Analytics

MAM allows easy integration of traditional and emerging payment methods into a single API. This allows businesses to dynamically route each payment to the most effective provider (optimising cost), easily add new payment providers or services (such as the latest BNPL solutions, or alternative payment methods.) This simplifies the backend reporting and reconciliation that comes with using multiple providers.

MAM along with its bolt-on product WadzPay Analytics provides insights into transaction data, purchase histories and more. In time, it will bring our AI implemented solutions to life, assisting merchants in attracting more consumers, understanding demand to improve supply chain management, and to increase profit margins.



WadzPay will use state of the art technology to mine the data collected through its platform to generate meaningful offerings to its community.

- ✓ Targeted marketing: AI brings a sense of direction and purpose to support merchant focused marketing efforts by using the purchasing-data captured in the WadzPay platform. Merchants will be able to understand consumer-specific buying patterns, predict purchase behaviours and design customized marketing plans to boost sales while improving their satisfaction

- ✓ Market trend predictions: The WadzPay platform will capture and aggregate transactional information from merchants to provide recommendations through various metrics on how consumer interest is changing over time and across product categories. This process will provide merchants with accurate off-hand market predictions enabling them to make smart decisions regarding their business growth and development. Anonymous data collected from consumer transactions will allow for analysis into consumer purchase behaviour changes and reflect product demand. As a result, store managers will be able to adjust the supply chain for their store in real-time, reducing inefficiencies and increase their revenues, while reducing the cost to the end consumer.

- ✓ Inventory & Cash Flow management: WadzPay AI analyses inventory consumption and market predictions to provide merchants with recommendations to help maintain an adequate inventory to meet demand and manage costs. It will automatically prompt merchants when stocks are running low or are expected to run low. The goal is to improve overall profitability for the merchant.

7. THE WADZPAY TOKEN: A TRUE UTILITY TOKEN

WadzPay Token (WTK) is a utility token which allows its holders to make transactions or pay fees for access to the WadzPay payment platform.

The token is designed to drive adoption of the payment platform while rewarding its users for their loyalty and good behaviour.

Token Model

Ticker	WTK
Token Type	Utility Token
Total Supply	250,000,000
Burned Supply	250,000
Circulating Supply (as at 28 Dec 2021)	~190,000,000
Public Round Price	USDT $0.10
Token Protocol ton Listing	ERC-20
Protocols	ERC-20, XRC20, BSC, SOL
Team & Advisor Token Vesting	1 year lock-up, followed by milestone-based releases
Smart-Contract	0x4cff49d0a19ed6ff845a9122fa912abcfb1f68a6

7.1 WTK Benefits

The token is designed to drive adoption of the payment platform while rewarding its users for their loyalty and good behaviour. WTK allows for faster, cheaper, and more efficient settlement within the network. To consumers, WadzPay will charge 0 transaction fee (excluding network fee) for any transaction made with WTK on the WadzPay payment platform, for the first year.

7.2 Holding WTK will also benefit users through:

- ✓ Airdrop rewards
- ✓ Dispute resolutions
- ✓ Priority access to new features
- ✓ Staking including volume-based reward tiers

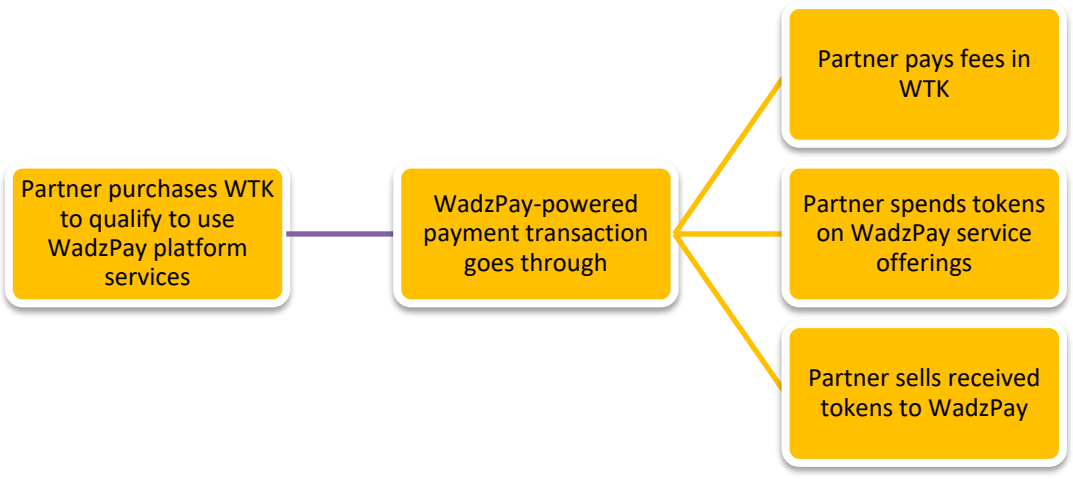
7.3 Protocol

WTK launched on the ERC-20 protocol in 2020. This protocol has been selected as it is the most adopted in digital currencies and fulfils the needs of WadzPay partners. With the Ethereum 2.0 upgrade, there is potential for industry-leading TPS and reduced fees.

However, WadzPay's vision is to ensure true interoperability while reinforcing our commitment to consumer choice, and this applies to our token too. As such, WTK is available on XinFin's XRC20 and Binance Smart Chain through a bridging mechanism. It will also be available on others, based on consumer feedback and industry use cases in 2022: including Solana.

7.4 Tokenomy

The WTK utility token will power the WadzPay ecosystem.



Use Case Example: Partner X wishes to use our platform for remittances for their customer base. To enable this product feature, they will stake a certain amount of WTK. Their customer initiates a cross-border transfer to a family member. The partner pays for the transaction clearance in WTK.

The Token economy is designed to be investor friendly with these 5 main features:

Deflationary supply

Exclusive WadzPay Platform related services (e.g. targeted marketing, inventory management) can only be subscribed to using WTK. Each of these transactions will be subjected to a 5% token burn. WadzPay will burn WTK until 50% of the total supply is burnt.

Sink by staking for membership

Reduced velocity of circulating supply through a 'sink' via staking for membership: Active holders will achieve a premium status. They can earn compensation through WTK-based rewards earned from WTK that they stake and have access to exclusive WadzPay Platform related services.

Reduced sell-book pressure

WadzPay will allow merchants to liquidate their digital currency to their local Fiat currency (depending on market). This leads to reduced exchange sell-book pressure of WTK through the WTK to Fiat off-ramp functionality. The WadzPay off-ramp ecosystem internalises and settles the sell order without it being reflected on exchange order books. We will also seek to sell OTC to larger investors as the priority method for tokens we buy back, and combined with the burns, the design effectively reduces the supply in the secondary market.

Increased buy-book pressure

'Staking-for-membership' and 'staking-for-services' requirements and several WTK exclusive features creates a consistent demand for WTK as the community grows. For access to WadzPay membership, rewards and services, users will have to buy WTK from exchanges.

Revenue-based burns

WadzPay will burn 5% of its revenue coming from WTK every quarter. Burning of tokens will be conducted until 50% of the total token supply is removed from the ecosystem.

- ✓ Initial Supply – 250 million WTK
- ✓ Final Goal – 125 million WTK

The burn rate may increase to a higher percentage at a later stage, or to celebrate business milestones.

7.5 Legal Considerations

The sale of the WadzPay Token represents a voluntary contribution towards the execution of this product vision by its current and future team as described in this whitepaper. WadzPay Token does not grant any direct equity stake or profit-sharing of It does not represent ownership rights or claims in the WadzPay payment platform, revenues or intellectual property, either present or future. Despite the best efforts and diligence of the WadzPay team to bring this project forward, all contributors should be aware that their contributions may not be refundable and thus accept the inherent risk of project failure at any stage of development. This implicit risk is associated with any and all uncertainty of backing cutting-edge technologically focused entrepreneurial projects and can be affected by either internal or external factors that are out of the control scope of the team. Contributions will be subject to any applicable compliance regulations (including know your customer (KYC), anti-money laundering (AML) and other procedures/regulations where applicable).

WadzPay Token can be used on the WadzPay platform, it will offer a utility value inside the ecosystem that we are building. However, the purchase of this token will not provide any redemption rights. Together, we believe that WadzPay Token does not qualify as a security, which is supported by the legal opinion of WMH Law Corporation (www.wmhlaw.com.sg). This token does not provide contributor equity share in the legal structure of any of the WadzPay entities. As a preventive measure of caution and due to U.S. Securities and Exchange Commission new regulations we currently do not accept contributions from U.S. citizens and U.S. permanent residents, hereafter referred to as “U.S. persons”. As a result, U.S. persons may not expect to have access to the purchase of WadzPay Tokens under the same terms and conditions as residents or citizens of other countries or jurisdictions. Similarly, the sale of WadzPay Token will also be prohibited for “The People’s Republic of China” citizens as well as citizens from “Sanctioned Governments”. In the event the sale for WadzPay Token opens to citizens of these restricted countries, different terms and conditions may apply.

Purchasing cryptographic tokens involves a high degree of risk and the potential for significant losses. **Do not use any money that you cannot afford to lose towards the purchase of WadzPay Token.**

8. THE FUTURE OF WADZPAY

In the last lightpaper, we intended to start local and go global. Our 2020 - 2021 focus was on developing South-East Asia and setting up our Regional Headquarters in Dubai to drive our Middle East business.

Since then we have secured business opportunities in other markets and now operate businesses beyond South-East Asia, other parts of Asia Pacific, Middle East and Africa, Europe and North America. WadzPay has an aggressive growth strategy and will keep expanding and adding markets to ensure a global footprint.

WadzPay has grown from a team of 4 in 2020 to a team of 50+ by the end of 2021.

9. CHARITY AND PHILANTHROPY

WadzPay wants to give back and improve community welfare and social good. Every year the world is plagued with natural disasters affecting millions around the globe. Non-profit organizations have the capacity to raise funds quickly to support the victims but distributing these funds quickly and in a meaningful way remains challenging. We aim to:

- ✓ Empower merchants to offer cash back promotions which can be used for donations
- ✓ Facilitate transfer of funds anytime, anywhere: crucial for time-sensitive responses
- ✓ No transaction fees on all donations

In 2021, WadzPay debuted its WadzPay Philanthropy program, distributing basic needs-related products in Indonesia. The program will scale up through 2022.

10. FINAL WORDS

The unbanked/underbanked continue to be underserved by traditional financial institutions. Meanwhile, the adoption of digital currencies is held back by a lack of instant payment systems that are efficient, user-friendly, and secure. WadzPay will solve problems in legacy and new systems, particularly those around interoperability to start a revolution in digital payments.

The future of payments is truly here: we are at the crossroads to the largest financial disruption since the invention of paper money. WadzPay is proud to be an integral part of that revolution.

Make every moment special with WadzPay.