

Bit.store

Whitepaper



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Introduction

Bit.Store is a global social cryptocurrency investment platform that enables ordinary people to enter the cryptocurrency market in a simple and transparent way. We aim to establish a social element to the platform that educates everyday investors so they can make smarter investment decisions. In establishing these aspects we will bring millions of users to the platform from all around the globe.

Bit.Store has already become very popular in Southeast Asia and Europe. In Indonesia, for example, it has already become one of the top social cryptocurrency investment platforms for retail investors.

Less specifically crypto-focused platforms like Cash App and Robinhood only allow for the basic purchasing of cryptocurrency, whereas Bit.Store develops a social dimension as well. It embraces the web3.0 era and allows small-scale users to create decentralized communities for the sharing of information alongside experienced and professional investors.

Introduction



While the Bit.Store platform allows investors to buy cryptocurrency with just a few clicks, it also allows them to view, track, and emulate the portfolios of experienced traders. This promotion of information-sharing among users lessens the learning curve for new investors while also rewarding the experienced traders.

Eventually Bit.Store will build a digital environment for the buying and selling of digital assets, as well as enable social interaction and information-sharing. This will be an innovative and truly comprehensive investment platform.

This white paper will explain: the overall market for digital assets; the conversion platforms; the various target markets; the user communities; and the usage scenarios. It will go on to explain the business model that Bit.Store has developed to build a user community based on a simple and convenient platform for average investors to buy and sell cryptocurrency.

Market Background 01.



01. Market Background

a. Current Situation

Investing in cryptocurrencies such as Bitcoin has become a trend for global investors. The current channels for everyday investors to purchase cryptocurrency are typically the services provided by dedicated exchanges or more traditionally fiat-focused digital payment providers like Paypal and Cash App.

Currently, the investment channels offered by cryptocurrency exchanges tend to have the following issues:

- Steep learning curve: purchasing or trading crypto is a complicated process that alienates newcomers;
- Inconvenient trading: the fiat to Bitcoin trading mode is dominated by spot trading and has an average withdrawal time of about 10 minutes;
- Security risks: Cryptocurrency losses. Hacks occur from time to time, and the security of user assets is difficult to guarantee;
- Lack of investor knowledge: Newcomers do not understand the basics of investing in cryptocurrency and knowledge is not commonly shared;
- Anti-money laundering: Due to the characteristics of cross-border transfers, cryptocurrency has provided an opportunity for money laundering, and has thus become a target for regulatory investigation.

Market Background 01.

The Bitcoin investment channels provided by traditionally fiat-focused digital platform have the following problems:

Limited geographic coverage: Paypal and Cash App, for example, are currently offering Bitcoin purchase services only in the United States;

High fees: Users will be charged high fees for buying Bitcoin through these apps. Typically from 2% to 5%, which is much higher than exchange and OTC channels.

- Both crypto exchanges and traditionally fiat-focused apps also share another problem: After attracting
- users, these products lack differentiation between each other, and there is a lack of choice and innovation for users.



b. Need for Global Social Investment Networks.

Investment companies have proven it is more efficient to operate with a trading team rather than to have individuals managing trades alone. Retail investors have a considerable disadvantage in this regard. Traders at investment firms share knowledge, ideas, and successful methods to realise opportunities. Retail investors usually trade alone and do not communicate in real-time with other investors. They can only access their own knowledge, skills, and experience and as a result they miss a lot of opportunities.

The arrival of social investment communities has changed this dramatically. Earlier this year, the infamous Gamestop investment by members of Reddit's Wall Street Bets forum highlighted the power that online communities can have in the field of trading and investment. Social investment networks connect investors from all around the world, allowing them to share information, strategies, and overall leverage their combined skills to make smarter and more effective decisions. Bit.Store builds upon this idea and empowers small-scale investors with the ability to discover investment opportunities by participating in a larger community.

c. Market Validation

There are already some companies that provide cryptocurrency trading with fiat payment at the core to small scale users that also have associated social investment communities. These platforms have already become leaders in their operating regions.

Specific Case Studies:

Cash App is a mobile payment service that allows the peer-to-peer transfer of fiat currency (USD). In 2018, the app started allowing users to buy Bitcoin in the simplest way, directly from their app. This skyrocketed the demand for their app and their profits. In Q2 2020, 72% of the company's revenue came from Bitcoin purchasing transactions - almost \$1.2 billion. Cash App currently has 30 million monthly active users charging a 2%-3% fee per fiat-to-Bitcoin transaction. As a consequence its parent company, Square, also saw a \$120 billion rise in its market capitalization.

Founded in 2007 and based in Israel, eToro is the world's first and largest social investment platform. Started as an online foreign exchange trading business, it soon developed into an online social investment network integrating various major financial assets like stocks, funds, foreign exchange, commodities, and cryptocurrencies in the following 14 years.

Market Background 01.

These platforms currently have more than 3 million user accounts from over 200 different countries, and thousands of new accounts are opened on a daily basis. Through social investment networks, the group's pooled knowledge can be used to make sharper investment decisions. The commissions generated from crypto transactions increased nearly by 23 times to \$264.2 million in the second quarter of 2021, compared with \$11.2 million in the same period the previous year. eToro is in the final stage of its SEC review and has plans to become a publicly traded company via a merger with a Special Purpose Acquisition Company (SPAC).

Overall Scale:

The cryptocurrency investment market is growing rapidly and Bitcoin's market value, in particular, is growing exponentially as adoption increases. It has reached a market cap of almost \$1.3 trillion in this quarter, a large increase on the \$500 billion at the end of 2020. Bitcoin's trading volume is just over \$4.3 billion daily and some analysts project that Bitcoin will surpass the U. S. stock market volume of \$446 billion daily by 2025.

The newly emerging subset of non-fungible tokens (NFTs) also now show huge potential for a further expansion of the digital asset market.



Solutions

02.



02. Solutions

With Bit.Store we have built a cryptocurrency online investment app for entry-level investors which offers user-friendly cryptocurrency trading and investment.

Users can perform fast, simple cryptocurrency transactions and they can have access to a data bank of multiple traders, investment strategies, profitability records, transaction records, and more.

Through this transparent tracking of transactions, the social investment concept is actualized, and it develops into a comfortable learning curve for newcomers. It creates a community for both entry-level and seasoned investors.

Bit.Store offers the following advantages:

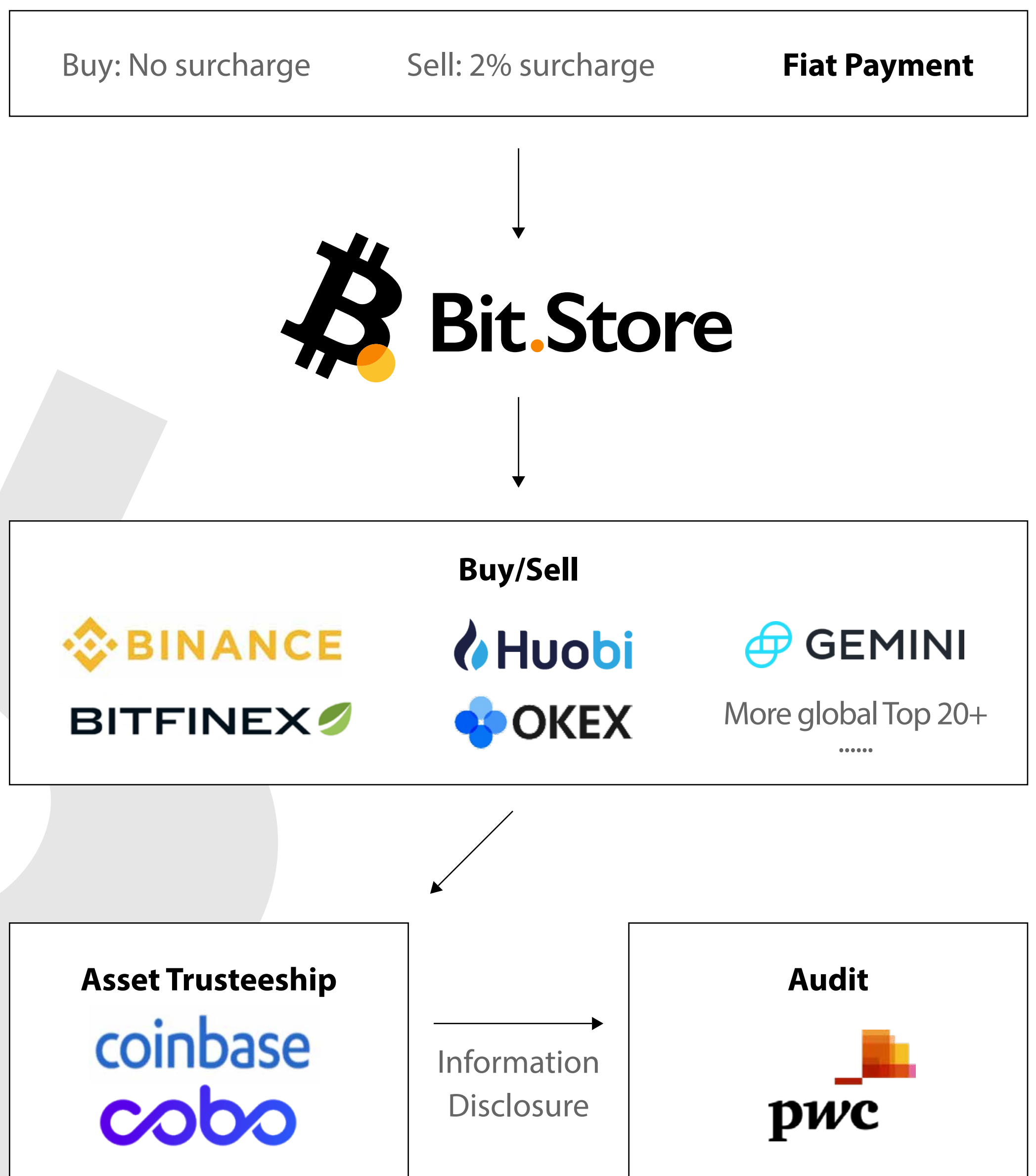
a. Cryptocurrency Investing Online

The app is designed with the following features in mind:

- **Convenient and ease-of-use.**
We have redesigned the transaction process. Unlike mainstream crypto exchanges, we have designed the transaction process to make it easy for investors. Our customers can select a crypto asset, view prices, and choose their fiat payment method to complete their transaction in just a few simple steps.
- **Transactions are convenient and fast.**
Users do not need to understand complex concepts such as private and public keys or chart analysis, and they can complete transactions directly with their local fiat currency. Moreover, users can complete their transactions in under a minute compared to existing mainstream crypto investment platforms.
- **Security and Compliance**
Bit.Store's Bitcoin assets will be deposited to Coinbase, one of the world's largest cryptocurrency exchanges and Cobo, Asia's largest crypto wallet. In the event of asset loss, the affected value would be compensated in full by the custodian. In addition, Bit.Store is regularly audited by the renowned global institution, PricewaterhouseCoopers (PwC), to ensure the securi-

Solutions 02.

ty of the user's assets. At the same time, our platform is in compliance with national laws and regulations and actively cooperates with regulators. Furthermore, our fiat payment channels are acquired from regulated financial institutions that provide first-in-class transaction monitoring and traceability to source of funds.

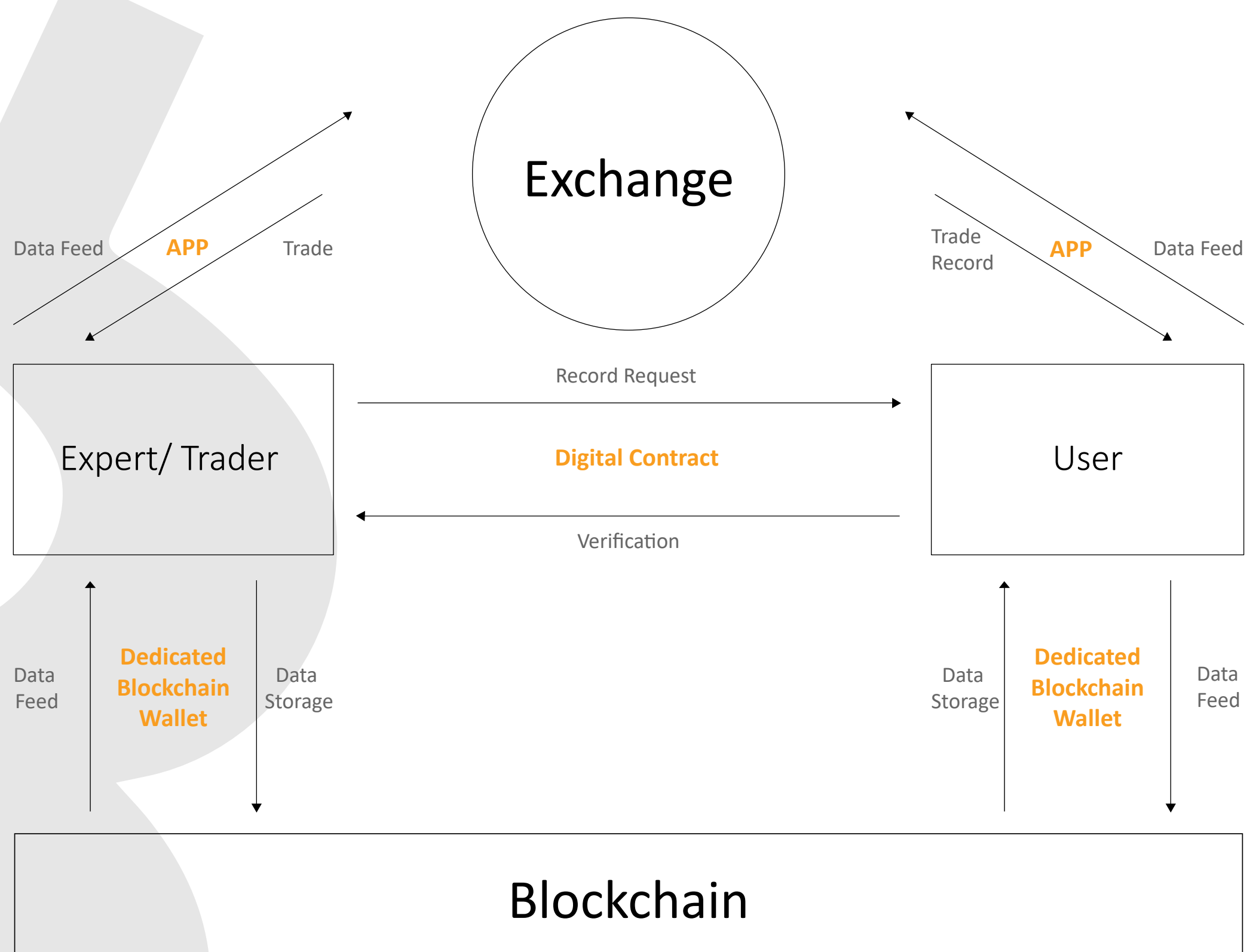


b. User Community

Cryptocurrency is gradually going mainstream and we aim to provide a platform where everyone can participate. Our users can conduct one-click Bitcoin transactions, and they can access a multitude of trading data. Anyone can interact with fast and cost effective transactions by simply following expert investors if they wish.

Bit.Store is able to provide users with a credible social trading platform based on the transparency of blockchain finance. On the Bit.Store app, transactions are shared by experts and are publicly available to everyone. The platform is open and transparent.

Through Bit.Store, anyone can transact like an expert, and it results in mutually beneficial results for both experts and ordinary users.



c. Business Model

i. Transaction Fees on Sell Orders

Users are not charged transaction fees on buy orders in order to encourage initial investment on the platform. On sell orders, users will be charged a percentage-based transaction fee on the total sell order.

ii. Commission on Trade Signals Fees

Senior investors are able to provide the trading signals for other users to copy their trades. Signals providers have the option to charge a fee for providing their signals (signal fees). Bit.Store will charge a small commission on signal fees collected.



Target market selection

03.



03. Target market selection

Bit.Store has targeted the Southeast Asian market first of all because:

Regulatory environmental friendly region: Most of the countries in the region, including Indonesia, Vietnam, and the Philippines, allow cryptocurrencies to be traded as commodities.

Wider potential user growth: The population of Southeast Asia is young, innovative, and growing. Dense population and a young demographic make it an ideal situation for crypto growth.

Demand for investment is stronger: Demand for Bitcoin and other cryptocurrencies has practical underpinning as local fiat currencies are especially vulnerable to inflation and exchange instability.

Mature mobile market channels: Mobile internet has shown a sharp rise in recent years in Vietnam, Indonesia, and the Philippines. The Southeast Asian mobile user market is mature enough to establish a market trend and sustain expansion.

Target market selection
03.

Survey Results:

According to a survey of Malaysians, Philipinos, and Vietnamese, 80% of respondents said they knew about cryptocurrency, 53% said they wanted to invest, and 17% said they had a good knowledge and understanding of cryptocurrency.

Table 3.7. Level of understanding of cryptocurrencies

| Category | Total | Malaysia | Philippines | Viet Nam |
|----------------|-------|----------|-------------|----------|
| Not aware | 20% | 16% | 26% | 18% |
| Not very well | 29% | 40% | 27% | 20% |
| To some extent | 34% | 33% | 29% | 39% |
| Very well | 17% | 11% | 17% | 23% |
| Base | 3006 | 1000 | 1003 | 1003 |

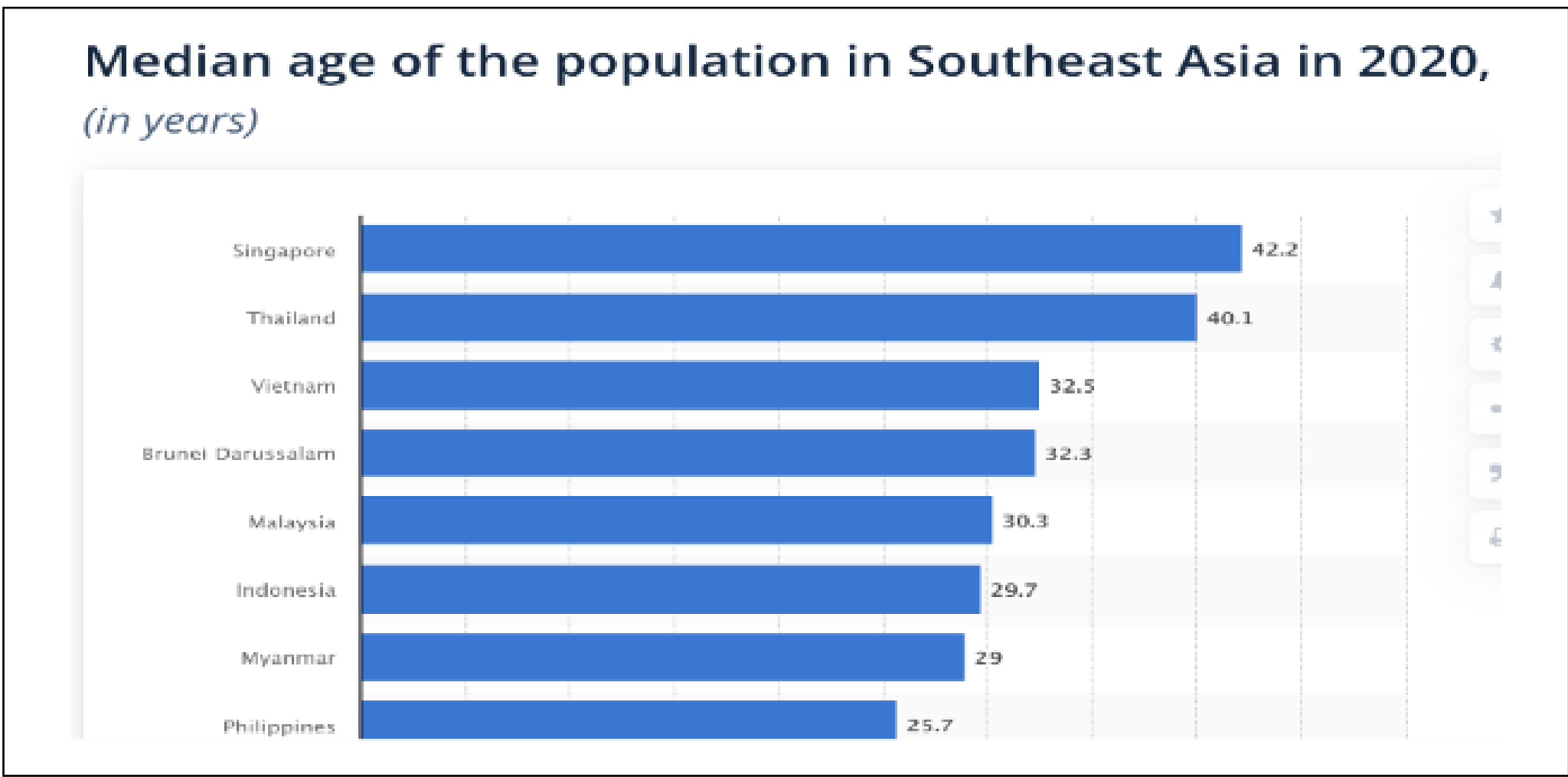
Sample: Main sample, no booster.
Question: How well do you think you understand digital or cryptocurrencies like Bitcoin or Ethereum?

Table 3.5. Future intention for cryptocurrencies

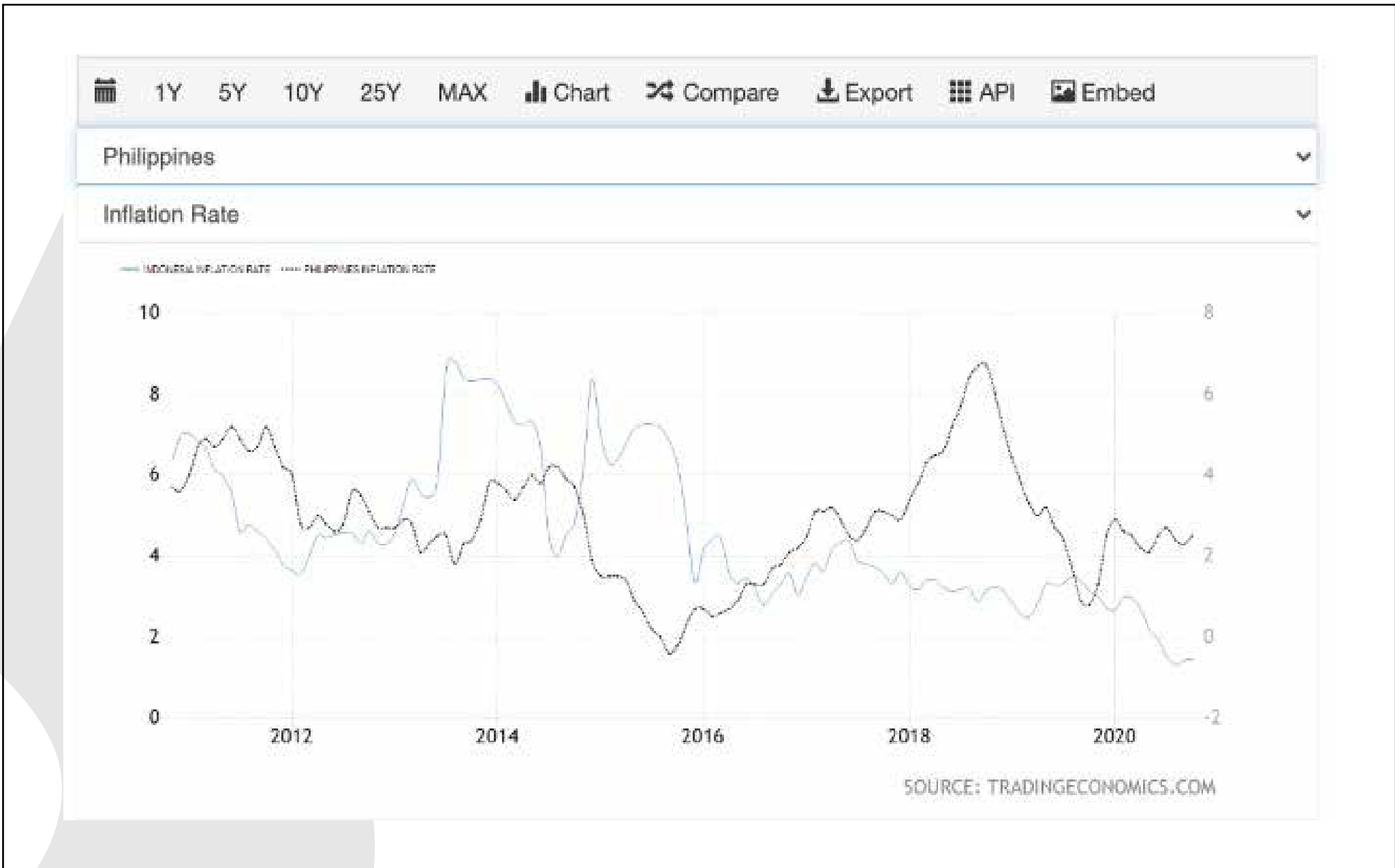
| Future Intention | Total | Malaysia | Philippines | Viet Nam |
|------------------------|-------|----------|-------------|----------|
| Would like to hold | 53% | 46% | 53% | 59% |
| Would not like to hold | 47% | 54% | 47% | 41% |
| Base | 3006 | 1000 | 1003 | 1003 |

Sample: Main sample, no booster.
Question: Which of the following statements applies to you? "1 would like to hold digital or cryptocurrencies in the future".

Target market selection
03.



In terms of median age, Vietnam, Malaysia, Indonesia, and the Philippines are 32.5; 30.3; 29.7 and 25,7 respectively meaning that more than 50% are under the age of 30.



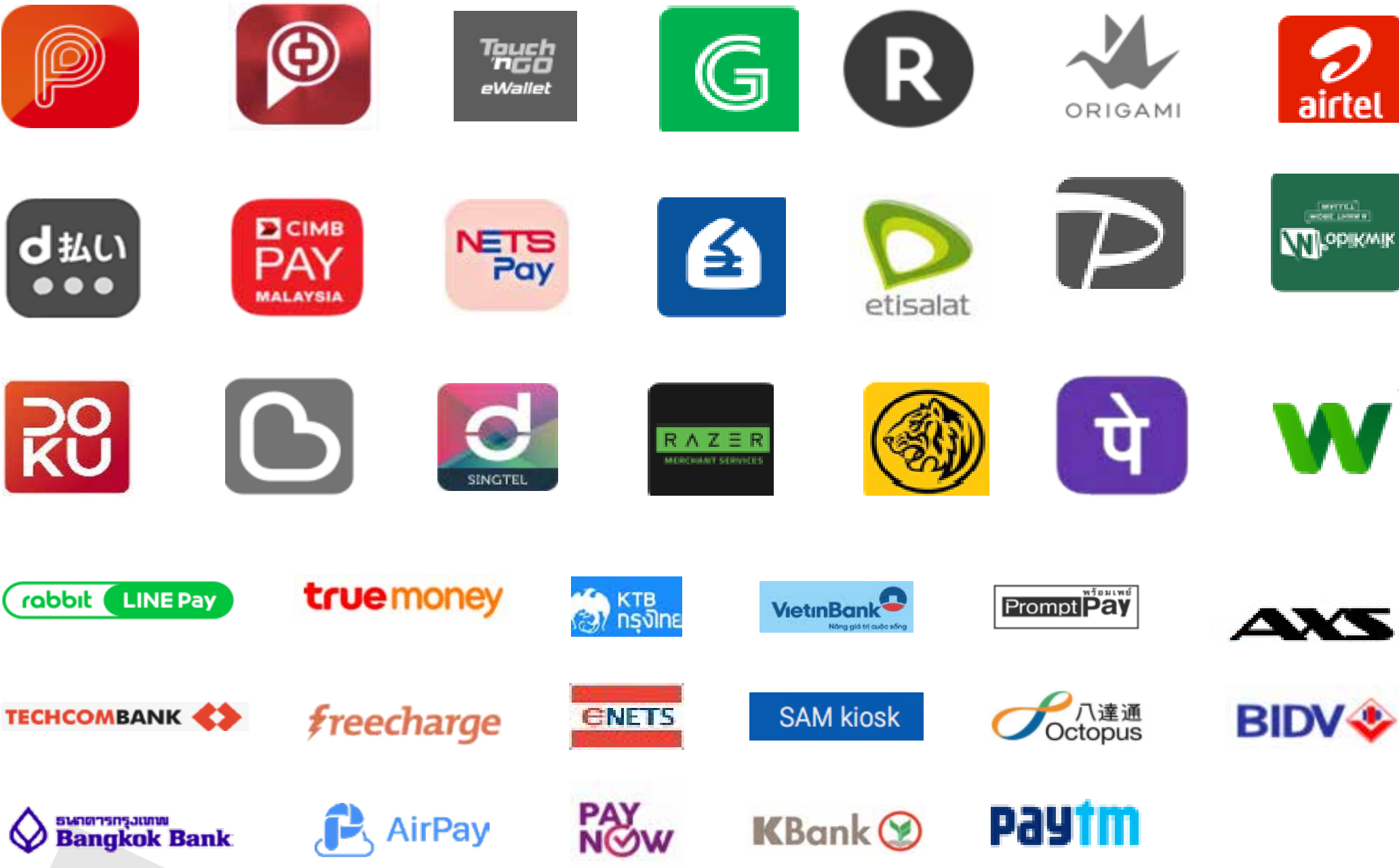
Inflation rates have fluctuated and have been highly volatile during 2012-2020 in Indonesia and Vietnam. Since then inflation continued to rise to 3% and higher - leading to increased investment demand into other store-of-value assets, such as Bitcoin, to hedge against inflation.

Development 04.



04. Development

a. Fiat Currency Payment Network and Partnerships



Development 04.

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- Currently we have a strong established fiat currency payment network in more than 20 countries and regions via cooperation with nearly 40 payment companies.
 - We achieved strategic partnerships with the top three global crypto exchanges to provide cryptocurrency transaction services.
 - In working with an International Bank and International Payment Agency, Bit.Store will ensure to provide Bitcoin investment services to all its customers.
 - Bit.Store has obtained a Hong Kong MSO license; a US MSB license and a Canadian MSB license. Application for an Indonesian trade license is expected to be approved in Q1 of 2022. Bit.Store also possesses a European EMI license as well as a South American trade license and other country and regional business authorization.

b. User Community

Bit.Store currently has nearly 200,000 users worldwide and our daily active users have reached nearly 50,000 per day. Thanks to our community operation experience and based on the current user expansion, we anticipate Bit.Store will exceed 1 million users worldwide within a year.

In addition to the growing user numbers, Bit.Store values community engagement. We have built discussion groups and communication channels through social media platforms like Telegram and Twitter.

Faced with a diversity of users, the Bit.Store Community Platform implements various operating and marketing strategies to:

- Encourage reputable and competent KOLs to share their experience.
- Introduce professional media agencies to publish credible articles.
- Reward and incentivise everyday users participating in activities, trialling products, posting reviews, and comments.

Include two types of users

● 1. Beginner Investors

Beginner investors are able to obtain valuable trading strategies. Users can choose the signals they want to track and deposit assets in a way that emulates those signal traders' strategies. This will help users manage their accounts. At the same time, users with unmanaged accounts can, of course, fully control their own assets.

If a particular signal traders' strategy performs poorly, the users following him/her can withdraw their assets at any time and invest in other traders' strategies. It is also possible to track and emulate the strategies of multiple traders simultaneously, and in this way spread risk.

● 2. Signal Traders

Professional and senior investors are at the core of Bit.-Store's model. These are the users that create and manage their own trade portfolios and allow less experienced users to emulate them. They are referred to as signal traders or signal investors.

Signal traders can earn well through a managed strategy. The signal trader can establish a management fee on their trading portfolio, and investors using it will pay a corresponding management fee. On Bit.Store signal traders can also create groups, manage followers, promote themselves to new investors, and communicate with other top traders around the world.

Long-term planning 05.



05. Long-term planning

a. Basic Service

In the crypto investment business, we will continue to promote globalization and user growth based on security and compliance. To this end, we will continue to improve our payment network and launch large-scale user recruitment programmes, activities, and events.

i. Construction of the payment network

A security compliant payment network is the foundation of our business. We will continue to expand our list of countries and regions and we expect to complete sign-up and coverage in most major global regions and markets in Europe, North America, Southeast Asia, the Middle East, and South America by 2023. This will enable us to provide a global service.

ii. Growth in user network

Platform supporters will be acquired primarily through community marketing, completing the accumulation of platform supporters by guiding our 100,000 community on Telegram. After completing the supporters accumulation, our user growth will mainly come in three ways:

- **Precision advertising**

To successfully reach our target market, we will utilize the user statistics tools provided by Google, Facebook, and other platforms to accurately target new user acquisitions and continue to grow the Bit.Store ecosystem. By using these tools, we will be able to most effectively reach potential users with our messaging.

- **Local channel cooperation**

Our Bitcoin investment products connect to wallet apps, financial apps, e-commerce platforms, and other investment channels in the form of plug-ins, APIs, and SDKs. We will also collaborate with local companies to profit-share and gain user exposure in new territories.

- **Community benefits**

Referral programs will incentivise and release relevant rewards to users who use their knowledge and expertise in community settings to help other members. They will be a key component of user growth.

iii. Continued globalization

We will gradually provide services to global users in stages.

Stage 1: Southeast Asia

Stage 2: The Middle East and South America

Stage 3: North America, Europe, and Australia

b. Business Extension

We will extend our business on a Bitcoin investment to increase engagement and revenue:

i. Community Business

We will continue to enrich the content of the community to increase user knowledge of cryptocurrency, trading skills, industry trends, and other information. We will introduce KOLs and professional media to synchronously guide users to interact with each other and increase their opportunity to earn.

ii. Member Services

Depending on the net value of the account, users are automatically classified into different levels of member clubs and assigned dedicated asset allocation managers. Bit.Store provides rich educational resources, mainly including news and investment analysis, and financial market guidance. In the areas of news and investment analysis, we will guide investors to focus on certain asset categories. The Bit.Store School provides members with online / offline courses to systematically learn about asset classes such as cryptocurrency.

iii. Extension of Investment Categories

In addition to cryptocurrency, according to the licenses and compliance of different countries and regions, other asset classes such as stocks, currencies, commodities, indexes, ETFs and so on will gradually be added. Users can choose assets to build diversified portfolios according to their personal investment needs and risk preferences.

iv. Financing

Building on our foundation of convenience and simplicity in exchanging crypto for fiat, we will introduce more advanced and innovative financial services to users, such as crypto fixed investments, ETF investing, and collateralized loans. These new features will still appeal to newcomers.



Token Economics 06.



06. Token Economics

To better Approach the web3.0 era, and so that more community members and users can benefit from Bit.Store's growth, while participating in Bit.Store. Bit.Store will issue the STORE token as the native token. The total capped supply of STORE is 1,000,000,000 tokens.

STORE

- 1. Governance: In the early stage, STORE can be used for governance voting and other functions. After them, when community shift to DAO, STORE will manage the entire system as governance tokens.
- 2. Staking: STORE will be used for the Staking or farming of STORE ecology, to obtain a variety of ecological benefits
- 3. Fee discount: User at Bit.Store trades in digital assets, you can use STORE for a handling fee deduction.
- 4. Support experts: STORE are used to support experts in sharing professional information, knowledge, or trading strategies, many experts may impart knowledge or information through social network tools such as articles, live broadcasts, short videos, groups, and users can support long-term sharing of experts by sending tokens to experts

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- 5. Set up private fund: When experts want to set up their private fund, they can stake STORE as the compensation reserve.
 - 6. Advertisement: Experts can pay advertisement fee with STORE, these part of STORE will be distributed to users.
 - 7. Activities: Use STORE to participate in IEO or other activities.

Allocation ratio :

Private equity financing 10%

Public allocation 10%

Team incentives 15%

Consultant fee 3%

Community leader incentives 5%

Content creation incentive 2%

User extension incentive 5%

Ecological fund 15%

Liquidity Provider (LP) incentives and other market activity incentives 35%



Bit.Store