

# Coupon Chain Token

## W H I T E P A P E R

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**CONVERT MORE CUSTOMERS WITH BLOCKCHAIN  
DIGITAL COUPON**

Version 1.27

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# 1. Abstract

**Mezzofy** presents **Coupon Chain** and took a proactive role in the transformation of the coupon industry over the last 4 years. From being totally paper based, it is now very much a digital market. In spite of the efficiency brought by digital coupons, the underlying payment processes remain overly complex with middlemen adding unnecessary costs. While the digital coupons can bring a fresh user experience and widen consumer reach, billions of consumers are still confined to a passive role as in a B2C market. Mezzofy (Hong Kong) Limited ("**Mezzofy**") has become one of the market leaders in Hong Kong and Asia and the Mezzofy Group now wishes to take a leadership role in delivering the efficiencies that blockchain unlocks, combining innovation in point of sale technology, coupon authentication techniques, the near ubiquitous use of social media and last, but by no means least, a considerably more fluid payments and settlements system. In so doing, it has the full support of a long list of high profile international brands.

To execute these changes, the Mezzofy Group is now embarking on a Token Generation Event (TGE), seeking to raise US\$24 million. It is well positioned to deliver on these innovations. It has already issued more than 200,000,000 coupons and numbers such well-known brand names as Maxims Group, Starbucks and the Hong Kong Airport Authority among its existing client base. It plans to use the funds to significantly enhance the user experience in the B2C coupon market and to extend it into the still dormant B2B and C2C spheres.

Note: the companies in the Mezzofy Group are detailed in Section 8.



## 2. Mezzofy is Using Coupons to Revolutionise the Shopping Experience

### 2.1 Shop 'Till You Drop with Tokenised Coupons

Mezzofy is a coupon solution provider for merchants, developers and marketers. It brings everything that is needed to create, distribute and manage coupons onto one powerful platform in the cloud. It prides itself on its simplicity and its ability to deliver tangible benefits to all stakeholders:

- **Brand Owners** gain access to a much deeper network of consumers;
- **Merchants** benefit by being able to create unlimited coupon marketing campaigns, at lower cost, with no need for technical help;
- **Developers** benefit by being able to access to ready coupon tool that can be easily integrated with other solutions;
- **Marketers** benefit by being able to open up new channels for Merchants to embark on various coupon campaign; and
- **Consumers** get access to thousands of deals by receiving the coupons and no need to download any apps.

The native **Coupon Chain Token**, or **CCT**, is the key that unlocks the benefits of the system, facilitating faster payment for every party to the transaction, establishing strong brand loyalty between merchants and consumers and considerably enhancing the user experience for all.

To understand why all these benefits appear to be coming on stream almost simultaneously, one must first appreciate that coupon service providers like Mezzofy find themselves positioned right in the epicentre of a maelstrom of innovation:

- The broader retail sector has changed almost beyond recognition in the last 10 years. Shopping malls are facing the most intense competition from the e-commerce sector, much greater use is being made of satellite technology such as GPS and big data to identify potential customers and their preferences, drones are bringing a new dimension to post-sales delivery as well as considerable focus being attached to the point of sale experience;
- Improved verification and authentication techniques are greatly reducing the need for human intervention in the sales process – as well as reducing the incidence of fraud; and
- Social media is increasingly acting as the primary touchstone between distributor and consumer.

Distributed ledger technology or blockchain is playing a pivotal role in unleashing the benefits from each of these three sectors. However, its singular biggest impact has been in creating virtual currencies or tokens that permeate the interlocking systems like a network of veins and arteries and, in so doing, allow value to be effortlessly transferred from one actor to another. All told, this has enabled Mezzofy to introduce some of the most innovative services to the centuries-old coupon market, such as:

- Sending you a discount coupon from an international brand owner precisely at the point when you are considering buying a competing product; or
- Encouraging footfall at an airport towards those outlets with the most aggressive pricing policies; or
- Giving you a movie ticket after making your payment with CCT at a nearby restaurant; or
- Sending you a coupon for soft drinks after you scan the barcode of the snacks you have just picked up.

If that all sounds a bit high-brow, let's see how it works in practice.

## 2.2 Never Mind the Theory – Just Savour the Benefits!

The CCT's principal purpose is to reach out more efficiently to a considerably broader network of customers. It plans to do this by gradually converting the entire coupon and voucher market into a token-based system. The process couldn't be simpler. Every brand owner and retailer is being offered the facility to create CCT-based coupons using the Blockchain Coupon Platform and to issue them under their own brand name. This is of benefit in itself as the process is cheaper, simpler and faster. If they so wish, an individual brand owner can then decide to go off and keep the newly created tokens circulating within its own micro-economy only.

However, there's absolutely no need to impose this restriction. As other brand owners will also be creating digital coupons using the Blockchain Coupon Platform, they will share many common design features. This homogeneity in design goes a long way to making them fungible. All digital coupon can be authenticated, tracked-and-traced and accounted for using the same technology. By interposing a central clearing facility, the digital coupons can now be exchanged freely with each other, in an agreed proportion. This proportion is determined by their relative value when expressed in CCT. So one air-mile digital coupon might have the same value as 20 tokens for washing-up liquid. So the idea of a token assuming the same functionality as a currency is taking shape.

That, however, understates the case. The token, being digital, is then imbued with additional powers which are written into it via a smart contract. So, depending on the conditions that are set at the outset, the digital coupon can be a discount coupon or free of charge. It can apply to a specified range of products or last for a defined period of time. It can carry loyalty points or it can carry referral points. The possibilities are, well, extensive to say the least.

But, hold on, that's not the whole story. By combining the digital coupon with GPS satellite technology, you can locate its holder and make contact with them via social media at virtually any point in time. If the holder is in a mall and zaps a QR code (or its equivalent) in any department store, you can safely interpret this as a sign that they are contemplating a purchase for a particular line of product. The final flourish is provided by data analytics – a quick search of a database allows you to tailor a coupon to the prospective customer's tastes and preferences. One quick push of a button and the sale is yours!

And that's how a tokenised coupon works! A compelling business use case for a vast myriad of brand owners and retailers! The numbers go something like this:

- An estimated 200,000 merchants in Hong Kong;
- An estimated 50,000,000 merchants in Asia; and
- An estimated 130,000,000 merchants Globally.

To a certain extent, blockchain is a bit like driving a top-of-the-range car - you don't have to understand what's going on under the bonnet to savour the richness of the experience. And that's how Mezzofy approaches its corporate mission. Behind the scenes, in an almost imperceptible manner, they work out how blockchain and technology can combine to solve the intricate network of payments and refunds that are an integral part of the coupon industry. Their goal is to ensure that the top-of-the-range CCT:

- Brings paper-based coupons into the digital world;
- Brings millions of deals with just one coupon platform;
- Leapfrogs over marketing and goes directly to sales;
- Deepens and expands the customer reach; and
- Gives the biggest rewards to the most loyal customers.

## 3. Profile of Mezzofy

### 3.1 Recent History

Mezzofy (Hong Kong) Limited was established in 2014. It is a privately owned company with 100% of its shares owned by its five key senior executives. It's corporate mission is to make the Mezzofy Group the world's leading digital coupon solution provider. It currently employs approximately 20 staff, most of whom are IT professionals, operating in locations such as Hong Kong, Singapore, Malaysia and India. It also hires several marketing and sales agents to cover these bases as well as Indonesia, China, and the US. It has launched a number of great platforms for business use including:

- Mezzofy CASHIER for Point-of-Sales;
- Mezzofy INVENTORY for stocktaking;
- Mezzofy MERCHANT for creation of digital coupons; and
- Mezzofy REDEEM for redemption of digital coupons.

The latter can be viewed as the foundation upon which it is planned to build Blockchain Coupon Platform.

### 3.2 Current Clients

Mezzofy has an enviable client list, counting well-known brands such as Maxims Group, Starbucks (Hong Kong/Macau), and Hong Kong Airport Authority amongst its rapidly growing customer base.

Take Maxim's for example. It is the largest Food and Beverage company in Hong Kong and also has over 1,000 outlets in Hong Kong and also other many outlets in China. Practically everyone in Hong Kong has at least one Maxim coupon in their pocket. As it happens, Starbucks Hong Kong, which is also under Maxim's management, was one of the first brands to use Mezzofy's coupon system.

GS1 Hong Kong is another huge supporter of Mezzofy's coupon platform. GS1 Hong Kong, as the Hong Kong branch of the international barcode management organization, has appointed Mezzofy as its coupon platform provider for its own and all its members in Hong Kong. Basically, all the biggest and most popular supermarkets, department stores, drug stores, convenience shops, chain stores and retailers in Hong Kong are all members of GS1. GS1 Hong Kong is not only using the Mezzofy system itself, but will also promote its use to all its members. On successful completion of the blockchain pilot run in Hong Kong, it is expected that all branches of GS1 around the world will also use the Mezzofy system.



Hong Kong International Airport is another Mezzofy working partner. The Airport, which in the last three years has been listed as one of the busiest in the world<sup>1</sup>, is developing its coupon system for all its shops and commuters around the world. Mezzofy, in partnership with NTT, the famous communication enterprise from Japan, has been named by the Airport as its preferred coupon system provider for its huge and ambitious project. On successful completion of the project, Mezzofy will also take part in similar projects in other Asian airports such as in Japan and China.

## 3.3 Awards Won

### 3.3.1 Hong Kong's Most Valuable Services Awards (2018)

Mezzofy has recently been awarded the “Smart App of the Year” in the 2018 Most Valuable Services Awards in Hong Kong. Sponsored by The Mediazone Group, this is a very prestigious award with previous winners including such prominent names as The World's First Digital Coupon Marketing and Settlement Platform – Mezzofy

The Mediazone Group is Hong Kong's leading English language business media, established in the year 2000. The company is well known for its “Hong Kong's Most Valuable Companies” event and publication, as it brings important business insights, news, and intelligence to the city's vast business community.

### 3.3.2 Hong Kong's Most Outstanding Business Awards 2018

Mezzofy has also been awarded the “Most Innovative Digital Coupon Platform” in Hong Kong's Most Outstanding Business Awards 2018. Winners have to excel in 4 categories including Business Management & Administration, Financial Performance & Market Competitiveness, Product Innovativeness & Creativity, and Corporate Social Responsibility. The award is sponsored by CorpHub, who cater to senior management and the professional elite, encouraging market trend insight to enhance their lives.

### 3.3.3 Hong Kong Local Brand Association

Mezzofy will also be awarded “Local Brand Hong Kong Awards”. This is organized by Hong Kong Local Brand Association. Their focus is to help the local brand in Hong Kong to develop their brand images in order to promote Hong Kong Brand.

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<sup>1</sup> Listed as in the top 10 busiest in 2015, 2016 and 2017

## 3.4 Mezzofy and the Competitive Landscape

### 3.4.1 Mezzofy Already Has an Established Foothold in the Asian Coupon Market

In the past four years, Mezzofy has been invited to cooperate on a series of cutting-edge projects with a number of leading multi-national corporations and institutions. Underneath these project-based platforms, Mezzofy has also launched several platforms for all and Mezzofy Merchant App for coupon creation is one such example. It is now listed on Google Play and App Store. Mezzofy Coupon Platform are now used by merchants worldwide to issue their own coupons. Taking the biggest client in Hong Kong as an example, this catering enterprise alone has issued more than 200,000,000 digital coupons with Mezzofy Coupon Platform for about 100 brands under its custody. The platform now is having a coupon transaction every second and the capacity now can handle 90,000 transactions per minute at maximum. Indeed, as at April 2018, as many as 15,000 people have downloaded Mezzofy applications. Users come from 50 countries around the world, with the majority from US, Hong Kong, China and Asia. Apart from Mezzofy Merchant App, Mezzofy have also helped a number of global enterprises to integrate their internal coupon systems with those of Mezzofy.

### 3.4.2 Organic Growth of Mezzofy Coupon Platform in Bali as an Example

Mezzofy has established its position in the coupon market not just by their sheer efforts but also by their wisdom in drawing the efforts of others. The Bali coupon platform developed by Mezzofy for the Bali Tourism Board is a prime example. As requested by the Board, Mezzofy has developed a digital coupon platform for its own use. Basically this is a customized version of the Mezzofy Merchant App and Mezzofy has not made further efforts to promote the use of this platform. With this gift from Mezzofy, the Board and the Bali merchants have done the rest. They promote their business in this free platform and very soon over thousands of users are recorded by the platform. This is the organic growth well expected by Mezzofy and the same is expected for other and more advanced versions of Mezzofy Coupon Platform.

### 3.4.3 Mezzofy Goes Global

Mezzofy has a unique role and strong presence in the coupon market. While it may appear on first inspection to have a lot of competitors, it transpires that most of them are just coupon-listing platforms for consumers rather than coupon-creation platforms for merchants. Take Groupon as an example. They initially made an impact by providing a discount-shopping platform for consumers while simultaneously charging merchants for the privilege of listing their products. Caught in this double-whammy, merchants quickly realised the business model was not for them and Groupon's share price is consequently trading at about one-fifth of its 2012 highs.

Mezzofy takes another approach which is quite unique to it. It gives customers a free hand. It provides the platform and merchants provide the coupons. It does not censor the content of the coupons. It believes there is no such need because it is in merchants' own interest to create attractive coupons. In this regard, it is very similar to Facebook. Facebook provides the platform but never the content. In this way, everybody's content is to their own satisfaction.

Mezzofy recognises that it cannot revolutionise the coupon industry by acting in unison. Just as the internet derives its power from the vast multitude of contributors, Mezzofy's strength lies in its ability to attract other coupon solution providers to its platform. The Mezzofy Merchant App and the future Blockchain Coupon Platform actually borrow the power of all merchants to promote the use of digital coupons. Just like Facebook or Instagram, Mezzofy Merchant App is nothing but a platform for coupon-making. It has no content - just a medium for users around the world to generate their own digital coupons, increase sales and promote customer loyalty.

This ability to capture and envelop a growing population of users will create the underlying demand, as access to the platform can only be gained via that token. In this way, rather than perpetuating the inefficiencies normally associated with competition, Mezzofy has redefined and streamlined the coupon industry so that all stakeholders are encouraged to concentrate on that part of the value chain where they have the strongest competitive advantage. For most Coupon Solution Providers, this will involve staying close (or local) to clients, optimizing their service delivery. For Mezzofy, it will entail a more global scope, attracting the broader network of local providers on to their platforms, thereby ensuring the liquidity of the CCT.

### 3.4.4 Mezzofy Actively Encourages Competition as it Boosts Demand for CCTs

Mezzofy has been so much to the fore of technological change in the coupon industry that prospective competitors have often responded by becoming partners. These huge IT enterprises have won customers' trust by virtue of their brand names. Despite their size, or possibly because of their size, they have not been able to embrace change in the coupon industry with the same alacrity as Mezzofy. As a result, they have often sought assistance and partnership from Mezzofy. For example, Mezzofy currently has extensive projects with Maxim's and Hong Kong Airport. Both of these have been referred by our partners.

Smaller competitors face different problems. Mezzofy's open platform may be the only option they can afford. At present, these businesses are overly reliant on highly priced printing factories - and the other legs of the paper coupon process are also notoriously labour intensive and wasteful. The digital coupon market is so much cheaper, efficient and effective than its paper counterpart that the majority of smaller operators will eventually be forced to migrate to the Mezzofy Coupon Platform.

Following the introduction of the blockchain-based CCT token and the ensuing international marketing campaign, Mezzofy will be well positioned, not just to withstand the increased level of competitor activity, but to actually benefit from it. The newly found competitors will now face a dilemma – develop all their own technology from scratch or take the much simpler route of generating their own branded coupons by riding on the Blockchain Coupon Platform as a

Open Source Platform. The latter option will be so compelling on cost grounds that the net effect will be to promote the use of CCT as all platforms developed on the open source must be CCT-based.

## 3.5 Mezzofy's Vision

Mezzofy has assembled a strong leadership team to build Coupon Chain, a new blockchain-enabled software platform upon which the next generation of digital coupons will be created, distributed, and redeemed. Mezzofy itself will be the first Coupon Solution Provider to build applications on Coupon Chain. However, the intention is to make Coupon Chain open-source and to actively encourage other Coupon Solution Providers to use this framework to build their own applications. To access the platform, users must hold the Coupon Chain Token (CCT). The CCT makes the multiple applications on the Coupon Chain possible. The Coupon Chain can only be accessed using the CCT. Mezzofy expects the demand for the CCT from Brand Owners and Retailers to grow exponentially with network effects.

To date, Mezzofy's marketing efforts have been confined to Asia. The TGE is an ideal opportunity to launch an international campaign, focussing primarily on Asia, Europe and North America.

## 4. The Evolution of the Coupon Market over the Last 10 Years

The coupon and voucher markets have almost universal appeal – they transcend all geographical boundaries, industry sectors and consumer profiles. We need to understand the nature of the consumers' love affair with them so that the market reach can be expanded and deepened, and lest any changes that are introduced have unintended consequences. In the following sections we will examine what precisely is so inherent in their architecture that captures the consumer psyche and makes the concept work in practice.

### 4.1 The Paper Coupon Market

#### 4.1.1 Description of the Paper Coupon Market

The paper coupon market has been with us almost since shopping was first invented. Practically all retail outlets, big or small, have used coupons at least once in their lives. The primary motivation is either to attract more customers by offering them a discount or to enable them to pay in advance for gift vouchers that are subsequently passed on to third parties.

#### 4.1.2 Advantages of the Paper Coupon Market

- Everybody loves a deal. And shoppers love to feel they are saving – to the sports enthusiast, it's the equivalent of "beating the bookie";
- Coupons and vouchers, when passed to the right hands, are useful tools when it comes to introducing new product lines and broadening the customer base;
- Coupons and vouchers are excellent at promoting brand loyalty. For example, Bausch + Lomb is one of the world's largest suppliers of contact lenses. It uses a chain of regional distributors and outlets to gain access to its customer base. There is a consequent risk that the brand image can become diluted by the time the point of sale is reached. Coupons are an excellent way of re-establishing a direct connection with the customer;

#### 4.1.3 Disadvantages of the Paper Coupon Market

- They are very costly to print and distribute;
- The marketing strategy is more akin to aerial bombardment than targeted marketing;
- Security, theft and fraud are major concerns;
- The accounting process is extremely time consuming and laborious;
- Market feedback is exceptionally poor. A very high proportion of paper coupons are never returned. Paradoxically, a bigger problem is that no firm evidence can be identified to help explain why some actually are returned!

- From a consumer's point of view, they are simply hard to manage. For instance, even when they're in your wallet, they're hard to store, count and access and it's virtually impossible to keep a running balance for each coupon.

## 4.2 Digital Coupon Market

### 4.2.1 Focus on Digital Coupon Issuance, Sign-On and Redemption

Mobile and digital coupons are on the rise and getting more and more attention from consumers, especially from tech-savvy millennials. Coupons are a powerful and ubiquitous marketing tool, connecting people and their wallets to brands. They impact upon a customer's decision at various stages of the purchasing journey: during planning, in-store or following a purchase. They allow for both online and offline authentication and facilitate easier redemption. The major determinant of the total user experience is largely the ease of the sign-in and redemption processes.

While digital coupons are a major improvement on the paper version, they still haven't managed to shrug off some of the old disadvantages. For example:

- Digital coupons are still cumbersome and inefficient from both a merchant's and a consumer's point of view. Consumers, for instance, continue to access their coupons from a wide variety of sources, potentially requiring them to download additional apps;
- Digital coupons are largely incompatible with legacy accounting systems. This has very obvious implications from the merchants' point of view but it also leaves the consumer feeling "less on top of" their coupon holdings. There's no easy way to check their current balances making the point of sale experience much less fluid;
- The redemption process is far from smooth, often involving considerable delays, additional costs, potential fraud, bad debts and in extreme cases non-payment due to business closure. This militates strongly against merchant uptake;
- Digital coupons do nothing to alleviate the lack of connection that brand owners feel when the number of intermediaries between them and the consumer increases; and
- The absence of a direct, seamless link between the payment and coupon processes is still very apparent with digital coupons. The inevitable consequences are higher transaction costs, serious cash flow effects and a poor user experience.

### 4.2.2 The Advent of Single Use Accounts

A major advancement, not associated with blockchain, was the considerable improvement in track-and-trace capability afforded by employing single use accounts or transaction numbers. It may be worthwhile to draw an analogy with the credit card market where there was a considerable improvement in security associated with the introduction of virtual credit cards. The traditional centrally-billed corporate account had just one credit card number which was used over and over again for multiple payments, made by multiple employees, to multiple different suppliers. However, by assigning an individual number for each instance of use, a

unique, one-time virtual credit card is generated for each transaction, with all the numbers automatically billed back to the same account. In the same way, each coupon or voucher can be assigned a unique number, linking them back to a particular Brand Owner or Retailer, and managed within their pre-authorised campaign or budget, with possibly some extra parameters also built in. This makes for better security, considerably better data for each transaction, near instant reconciliation of accounts and full audit trail. Put another way, a data rich environment is created, opening up the possibility of targeted marketing.

### 4.2.3 Major Advances in GPS Technology

Leading-edge satellite, product and identity technology are integral parts of Mezzofy's product offering. This general area has been a particularly rich vein of innovation down through the years. Notable advances that have withstood the test of time are Barcode (first used in 1974), RFID (first patent issued around 1970), and QR Code (invented in 1994), with the latter particularly prevalent in China. Numbered amongst most recent innovations are iBeacon, Google's Eddystone, IOT Sensors, NFC, Li-Fi and Biometric and Facial Recognition. These all add a new dimension to track-and-trace accountability. Not only is the coupon linked to a product and brand owner, it is now potentially linked to a place and a person as well. These technologies, working in conjunction with big data, provide a framework for intensive, real-time, targeted marketing strategies.

### 4.2.4 Distribution via Social Media

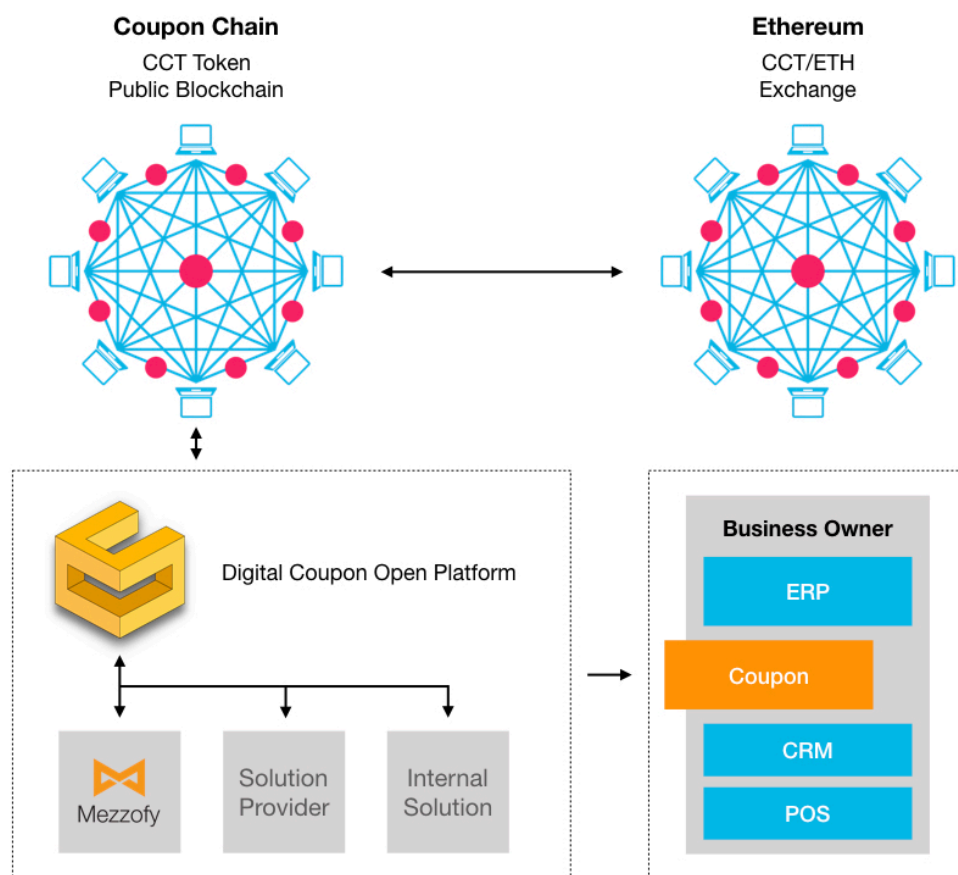
Most of current and so-called digital coupons in the market are not really mobile and are only disseminated to recipients through email. Most of them cannot be distributed via the most popular social media. Contrary to these low-end digital coupons, the one developed by Mezzofy is really mobile. Digital coupons issued with Mezzofy Coupon Platform can readily be issued and shared on social media such as Facebook, Instagram, WhatsApp and the like.

### 4.2.5 Authentication and Data Capture

As mentioned in the above paragraphs, most digital coupons nowadays are issued via email and they are in fact just JPG files. They are easily amended or faked by those with certain IT skills. Digital coupons issued by Mezzofy Coupon Platform is another story. They are not just JPG files but a unique code for each and every coupon issued. That means each coupon has an authentication feature in its own, and no fraud could easily be made. This authentication feature is not only useful for validation but also for data capture. As each coupon is unique, the issuer can capture data of each issued or redeemed coupon with the Mezzofy Coupon Platform, and generate reports on specific coupon campaign as he wishes.

## 4.3 The Blockchain Coupon Market

The process of tokenising coupons and vouchers eliminates most of the problems that bedevil the paper market and renders a lot of the residual problems in the digital market much more manageable. To this extent, blockchain can be viewed as “going the last mile” for the coupon market. We will use a two-stage process to explain why this might be so as it can be difficult at times to explain how blockchain unlocks value for certain applications. For this reason, even though the Blockchain Coupon Platform of Mezzofy is very much an integrated solution, we will first of all identify the incremental functionality that each of its three constituent parts brings before moving on to examine the synergistic effects in later sections.





### 4.3.1 The Mezzofy Blockchain Solution

The Mezzofy blockchain ecosystem of the Blockchain Coupon Platform is comprised of three major parts:

- The Coupon Chain Merchant dApps is suitable for merchants of small or large scale. They themselves simply download the app to immediately create and issue their own blockchain coupons. This solution is available for a nominal subscription fee. This could be viewed as the enhanced blockchain version of the existing Mezzofy Merchant App. There is tremendous convenience from the customer's perspective on the existing Mezzofy Merchant App - as only the merchants need to download App, the customer need not download any app, in order to access discounts from all merchants. The enhanced version will explore more advantages for both merchants and consumers.
- The Open Source Code of the Blockchain Coupon Platform is open to all and especially for bigger corporations who may wish to develop their own Blockchain Coupon dApps. The platform will facilitate an easy interface with the client's existing accounting systems. This would generally be within the compass of a bigger corporation's IT team.
- The Coupon Chain Token (CCT): The Coupon Chain Token or CCT, at its simplest, is an internal unit of exchange, managed on the Blockchain Coupon Platform, which seamlessly connects brand owners, retailers and consumers. Coupons are distributed via social media and are normally stored in apps on mobile devices such as phones. They are converted into tokens at the point of sale, with near instantaneous delivery and settlement. The accounting and data exchange takes place very much in the background. The user is practically oblivious to the technology, making for very rewarding user experience and client fulfilment.

CCTs are the only means of gaining access to the Blockchain Coupon Platform. There will therefore be constant demand from brand owners, retailers, developers, marketers and consumers. This demand exists at each stage of the transaction cycle, thus ensuring a constant circular flow of CCTs through the system.

The introduction of intermediaries between the merchant and the consumer complicates the payment process. As you are no longer dealing with a direct point of sale situation, at least one party to the transaction must, by definition, suffer an adverse cash flow effect – full payment can only be made after all accounting systems have been synchronised. There are other potential complications as well e.g. additional costs, risk of bad debt, business closure etc. Therefore, all other things being equal, given a choice between a cash sale and one involving a coupon, the intermediary will always favour a cash sale. The introduction of the Coupon Chain Token (CCT) levels the playing field again.

The CCT would therefore be particularly helpful in the marketing of strongly branded products from the likes of large multi-nationals such as Unilever etc. Mezzofy have clear expertise in this field, as shown above in their client base.

### 4.3.2 Expanding the Mezzofy Blockchain Ecosystem with other Technology

The transition from a paper-based market to a blockchain one is core to Mezzofy's vision for the future. To support this, Mezzofy is also seeking to thoroughly modernise its systems to incorporate the following:

- GS1
- Beacon Technology
- GTIN

GS1 is a non-profit organization which is called Global Standard 1. They maintain all the product barcodes in the world. Any brand owner needs to have a product barcode, they need to apply through GS1 and then GS1 will assign the product barcode to the brand owner accordingly. This is to standardize the barcode format and make sure the uniqueness of each product barcode. And we are the strategic partner of GS1 Hong Kong. As GS1 is dominating the product barcode already, we are working with them and try to do the same thing for coupon barcode.

Beacon is a bluetooth device which can send and receive digital signals at a distance of up to 70-100 meters. Our existing platform is now beacon enabled which means we can use the beacon to detect all nearby bluetooth users (provided the consumer turns on the bluetooth on his / her mobile) and send the digital coupon to them. This method is called "Proximity Marketing". Our Blockchain Coupon Platform will provide the same function.

GTIN barcode is actually the product barcode provided by GS1. The full name is Global Trade Identification Number. The GTIN barcode scanning is one of the techniques to retain the consumer by requiring the consumer to scan the GTIN in order to get the coupon.

POS is the core system for retail business. The existing Mezzofy Coupon Platform, as well as the future Blockchain Coupon Platform, can support and provide POS of various retail merchants. Basically there are three choices for the merchants. First they may use Mezzofy Coupon Platform and Mezzofy POS together for convenience. Second they may use their existing POS independently with the Mezzofy Coupon Platform. Third they may integrate their existing POS with Mezzofy Coupon Platform with ease. The Mezzofy Coupon Platform provides APIs that can be used with different POS and that is one of its great advantages. No matter which choice the merchants take they can use Mezzofy Coupons and CCT as a result.

## 5. Profile of the Coupon Market as it Stands Today

### 5.1 Total Market Size:

As it stands, the coupon market is big – by any frame of reference. According to Retailmenot.inc, practically everyone uses coupons at some stage of their life - 96% of us to be exact. And according to Statista.com, approximately 307 billion coupons were distributed in the US in 2016 alone. The cost related to printing and distribution of printed coupons can be completely eliminated by issuing digital coupons.

Statista.com estimates the coupon market in the US to be valued at US\$470bn annually, with average transaction costs currently working out at around 2.75%. These costs could be reduced to less than 1% by tokenising them on the blockchain CCT. If all US coupon users migrated to CCT they would achieve savings in excess of US\$8 billion per annum. Even if only 50% migrated, the saving would be over US\$4 billion.

The future outlook for the coupon industry is equally impressive. Nowadays, it is largely a B2C market, a segment that is expected to see extraordinary growth in itself due to sizeable cost reductions, higher conversion rates and enhanced user experience. However, the advent of the blockchain CCT is likely to act as a catalyst for the B2B and C2C markets to open up, giving the overall market a new dynamic.

Of course the ultimate goal is to promote the Blockchain Coupon Platform to the whole world. But it has to move step by step and it is better to start from Hong Kong first as Mezzofy's customer base is stronger there and then expand to South-East Asia as Mezzofy already has some presence in certain countries like Singapore, Indonesia. Then it will be spread to Asia including China, Japan and Korea and eventually get promoted to Europe and the USA.

### 5.2 Projected Growth of the Coupon Market over the Next 5 Years

According to an article titled “Digital Coupon Marketing – Statistics and Trends” posted in Infographic by Khalid Saleh (<https://www.invespcro.com/blog/digital-coupon-marketing/>), we note that:

- Worldwide Market:
  - 31 Billion eCoupons were redeemed worldwide in 2019, up from 16B in 2014.
- Mobile Coupon Users:

- It is projected that there will be 1.05 Billion mobile coupon users worldwide by 2019, up from 560M in 2014.
- 36.5% of US companies (with 100+ employees) used coupons in 2014, 40.5% in 2015, 44.5% in 2016 and 48.0% in 2017.
- Customer Reaction: According to Digital Coupons are very favourably received by consumers with:
  - 68% believing they build brand awareness;
  - 60% admitting they love to receive digital coupons;
  - 68% stating coupons generate loyalty; and
  - 50% declaring they are more likely to visit a store if they receive a digital coupon.
- Spending Patterns:
  - 77% of consumers spend \$10 to \$50 more than anticipated when redeeming mobile coupons;
  - This compares to 17% who spend more than \$50; and
  - 39% of shoppers who receive personalized coupons, promotions, or recommendations while shopping in-store spend more

## 5.3 Interdependencies with Other Sectors of the Economy

Mezzofy is first and foremost an end-to-end solution provider for the coupon and voucher industry. As such, it stands at the point of confluence where four of the sectors that face the most disruption from blockchain technology intersect:

- Retail Sales and e-Commerce;
- Authentication and Verification;
- Social Media / Distribution; and
- Payments and Settlements.

Taking these overlapping sectors one at a time, we will outline the scope of the problem that blockchain and the CCT seek to address.

### 5.3.1 Retail Sales and e-Commerce

Internet based retailers such as Alibaba and Amazon have acted as catalysts for tremendous change in the retail sales and e-commerce sectors. Their arrival has heralded the demise of a number of well-known household names in practically every country. But this transformation within the Retail Sales sector goes far beyond the change of names at the top table. The transition from bricks-and-mortar to point-and-click is radicalising both the shopping interface and the shopping experience, with traditional pain points for one faction often becoming a source of competitive advantage for the other. For example, even the biggest shopping malls are battling against declining footfall while those brand owners and retailers with the greatest reliance on internet sales are lamenting their lack of effective contact with the consumer.

Interestingly, both sides are appealing to the coupon and voucher market to address this imbalance:

- Mall owners and their clients (retailers) are cooperating to design coupon packages to effect changes in footfall patterns; while
- At the same time, the e-commerce market has identified coupons as one of their preferred tools in generating customer loyalty and repeat business.

As a result, both parties are acutely aware that coupons and vouchers are important touchstones when it comes to influencing consumer behaviour. At a time when un-targeted media campaigns (such as TV advertising) are rapidly losing their efficacy, it is imperative that this point of contact with the customer is a seamless and pleasant experience. We know that legacy paper (and some software-based systems) are popular with customers who have not moved into the digital age. However they are:

- Cumbersome for the customer and clunky for the brand owner and retailer;
- Costly and inefficient;
- Unable to process dynamic discount and promotional offers;
- Provide very poor data feedback on a campaign's effectiveness.

On these grounds alone, there is a huge problem for blockchain to solve.

### 5.3.2 Authentication and Verification

Verifying authenticity is a major problem for the coupon and voucher industry. It assumes almost pandemic proportions in the paper market, with fraud acting as a major deterrent to the widespread uptake of coupons as a marketing tool by retailers. It is ameliorated somewhat by using digital coupons in the sense that track-and-trace capability is improved. But problems still persist. These are mainly associated with fraud prevention, inefficiencies in redemption, and account reconciliation. The high level of transparency, trust and verification inherent in blockchain technology significantly reduces these risks.

### 5.3.3 Social Media / Distribution

In the past, retailers who used coupons and vouchers invariably cited the distribution issue as the biggest practical obstacle. The print costs alone were hefty – but these paled in comparison to the personnel costs. Worse still, the coupons were often dropped in the bin rather than on doorsteps. Social media, allied with big data analysis, has changed all of that. Despite our best efforts, when it comes to cleaning up our data trail, we all leave quite deep footprints in the butter. As a result, it is now infinitely easier to put the right coupon in front of the right customer at the right time. Millennials' fondness for social media has indeed been a huge boost for the coupon industry.

### 5.3.4 Payments and Settlements

As outlined above, a lot of the authentication and distribution problems that beset the coupon market can be significantly reduced by changing from a paper to a digital model. Yet, despite the strong theoretical rationale, the industry has been remarkably slow to make the adjustment

- it is estimated that it is still split 50:50. Equally, the coupon market hasn't seen the widespread surge in adoption rates that many expected to accompany digitalisation. There is a very valid reason for this, lurking below the surface.

A successful coupon campaign is comprised of many different transactions and flows, whereby different amounts of cash and coupons are exchanged between a range of intermediaries. Before the whole process is complete, every stakeholder has to be "made good". This can take time, resulting in adverse cash flows. The issue is that cash flow is the very lifeblood of the retail industry. Those who have worked in it understand that any impediment to the usual cash flow, such as delays in payments, a change in credit terms, bad debts, etc. can be something of a deathblow. If Blockchain is used for settlement, it solves this problem. By tokenising coupons and vouchers, blockchain facilitates immediate payment and settlement, thereby "going the extra mile" in the context of the coupon industry.

## 6. The Business Use Case, the Business Rationale and Process Flow Diagrams

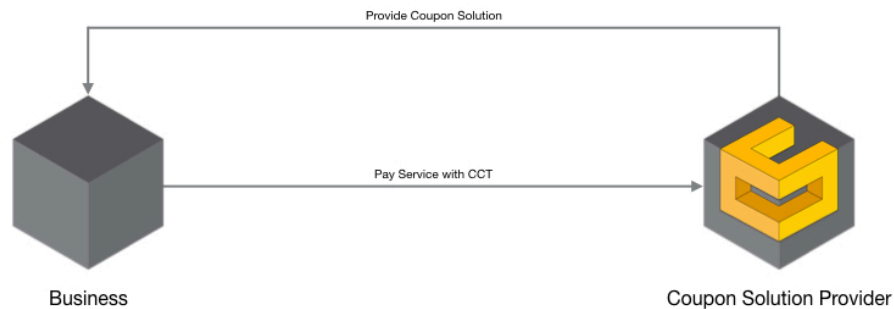
### 6.1 Standard or Pro-Forma Business Flow Diagram

We intend to issue the Coupon Chain Token (CCT), which will have added value features for the following, all of which are explained in more detail below:

- Service Fees
- Distribution and Commissions
- Payment and Transaction Costs
- Rewards
- Collateral
- Joint Marketing Campaigns

### 6.1.1 Facilitating as Service Fees

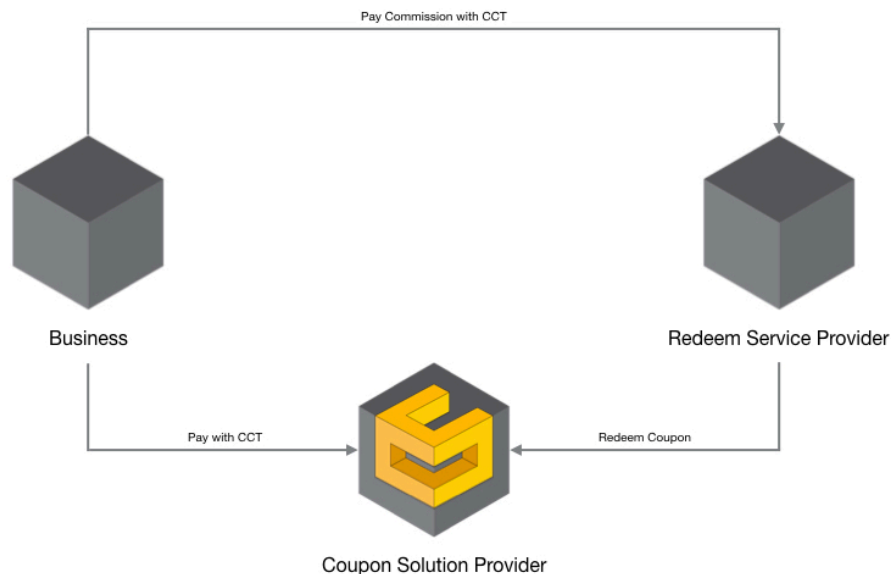
The Blockchain Coupon Platform will open up new revenue streams for Solution Providers who build their Coupon Solution with Coupon Blockchain Open Source. For value added services the Businesses can more easily purchase the value added service with CCT from the Solution Provider. If Businesses use CCT for purchasing, it will also encourage them to adopt electronic payments as an option for settlement as compared to traditional payment methods. CCT can be used to subscribe for services offered by Coupon Solution Providers who use the Coupon Blockchain.





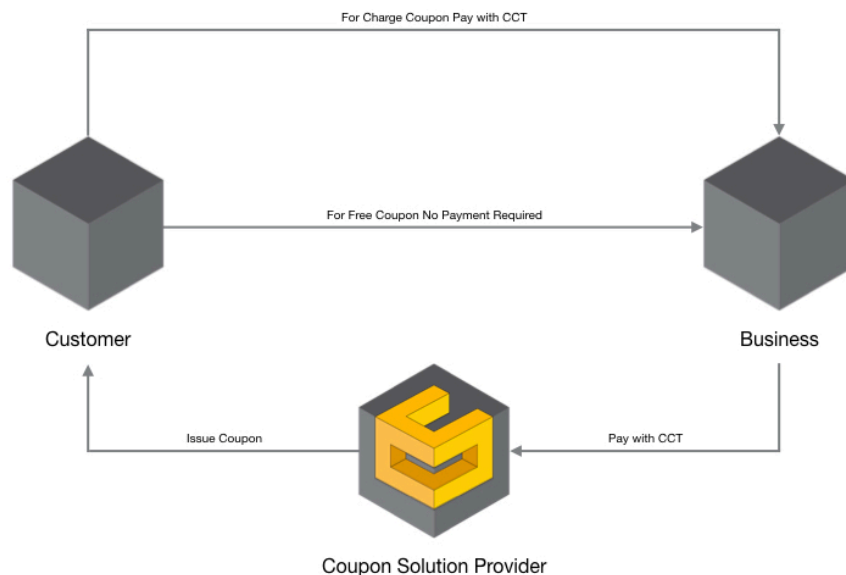
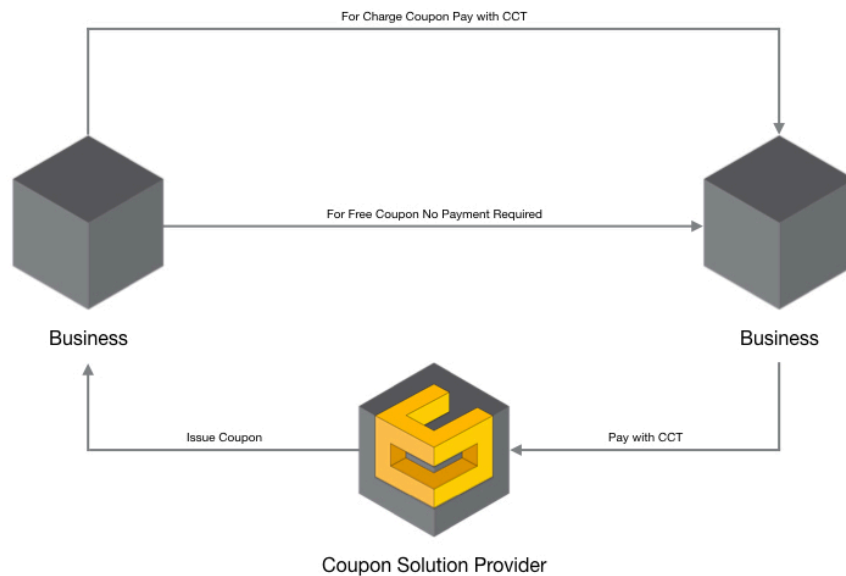
## 6.1.2 Facilitating as Commission

Brand owners or producers can also issue their own digital coupons all by themselves with the help of CCT. For brand owners or producers who issue their own retail points, the lack of a redemption site is always a problem for direct promotion of their own products with coupons or discounts. With the help of CCT, they may rely on retailers everywhere and reward them with CCT for redemptions in real time. They can use the Blockchain Coupon Platform and issue thousands, if not millions, of digital coupons to their consumers around the world or specific regions through the internet. Consumers, after receiving the coupons, can redeem them at any designated retailer with payment by CCT. With the Blockchain Coupon Platform, all payments by CCT will go to the brand owners or producers direct and all rewards could go to the account of the concerned redemption partners in real time in the form of CCT.



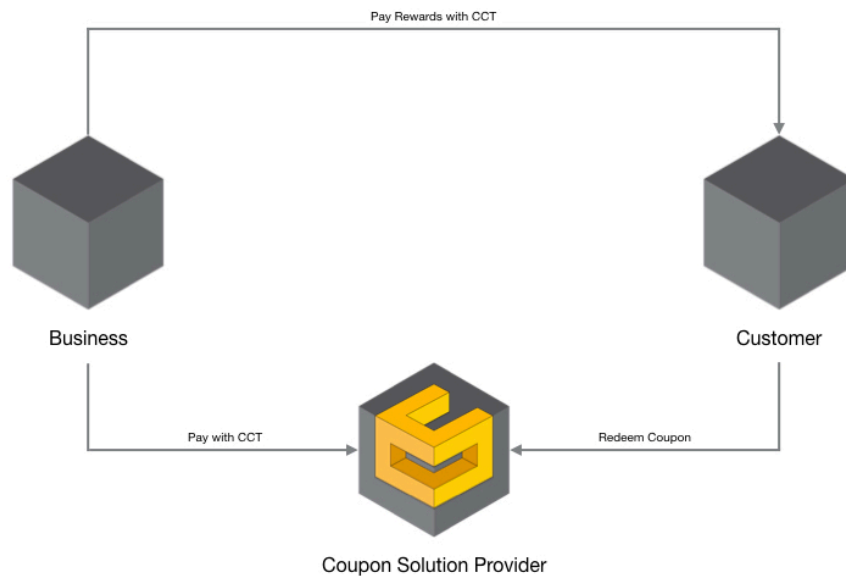
### 6.1.3 Facilitating Payment and Reducing Transaction Fees

The Blockchain Coupon Platform can facilitate as a payment mode for business owner to accept CCT from another business to purchase the Digital Coupons which could represent a product or service or both. As a payment option, this could reduce the cost of business transactions by up to 0.3% if purchases are made with CCT rather than through the credit card merchant facility, assuming fees charged by the credit card companies to merchants are approximately 2-3%.



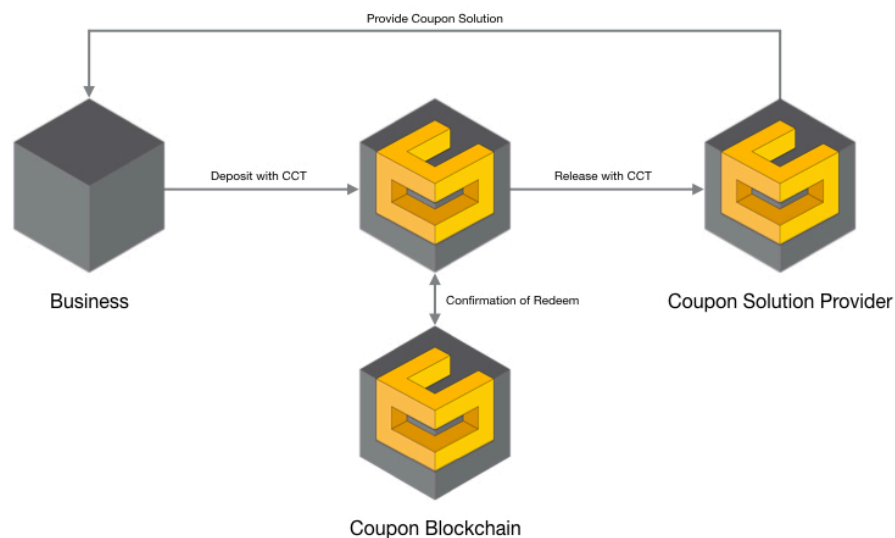
## 6.1.4 Facilitating as Rewards

Loyal or membership programmes are widely used in businesses to retain existing customers and attract new ones. To encourage customer loyalty, merchants have to offer all kinds of rewards, and the most popular one is cash or the equivalent. While all these are very attractive to customers, it is likely that only large companies would manage such a system. The management costs to maintain such a loyalty or membership programme can be high and the procedures involved can be complicated. With the introduction of CCT and its Blockchain Coupon Platform, things could become much easier allowing large companies could cut costs and allowing smaller companies to afford their own loyalty programme. The Coupon Chain team will endeavour to research and develop a worldwide user-friendly and low-cost loyalty or membership programme with CCT as the reward. All merchants will be able to launch their own membership programme at a very low cost if they accept CCT as one of the means of payment. All data that triggers the reward will be saved and processed in real time by the platform, and the reward in CCT will be issued to customers' wallets without any additional work by merchants.



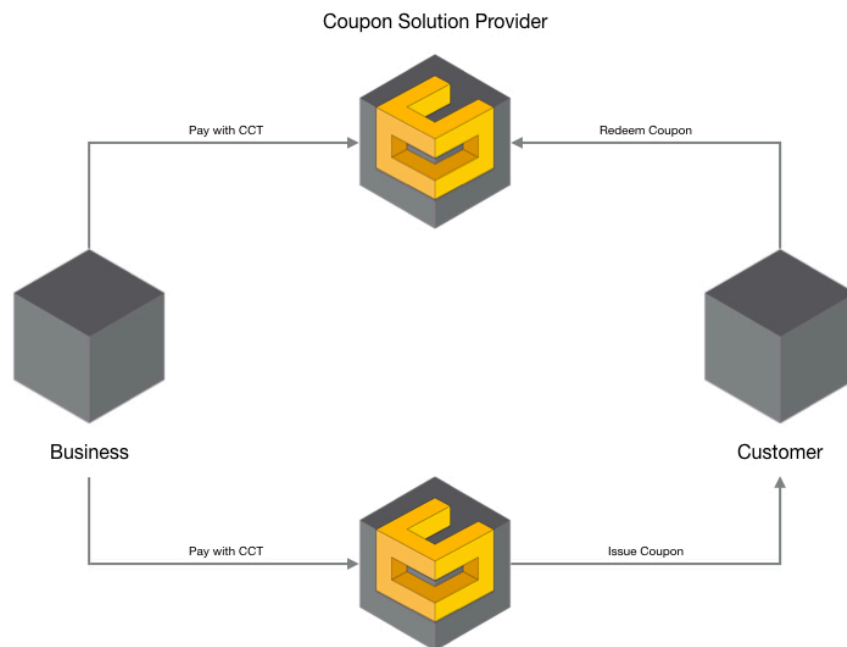
## 6.1.5 Facilitating as Collateral

CCT can serve as a reservation deposit, cash voucher or prepayment for a service package like cash vouchers. Prepaid package services are by far one of the most popular business tactics to retain customers and collect advance payment. The concept is simple. Customers enjoy a discount by prepaying for a pack of cash vouchers or a package of services over a period of time. Even though a lump sum payment is made, customers are unlikely or unable to enjoy all the services at one time. That is an attractive tactic for all businesses and that's why it has never diminished in popularity. However, it has had bad press from consumers when some disreputable merchants fail to deliver the products or services to their customers for various reasons, such as the merchant going bankrupt. In the worst case, dishonest merchants just close their shops and get away with the deposits. To retain the confidence of consumers, some respectable merchants could accept payment but agree to block or pledge or retain all or part of their advance payment in the Blockchain Coupon Platform until the service/product is redeemed. With legacy digital coupons, consumers would often have no way to check whether this is true. With the CCT and its Blockchain Coupon Platform, the pledge could earn the trust of their customers by really using a separate CCT for the unused deposit. Upon the introduction of CCT, we will research and develop many the most desirable functions into our Blockchain Coupon Platform, and a separate CCT wallet for unused deposits would be one of them. Apart from cash vouchers and prepaid package services, hotel or restaurant reservations may also require deposits. The deposit could be a large amount if a big party, banquet or event is involved. While a big deposit could protect the concerned hotel or restaurants, the customers may not feel the same. To protect both parties, a separate and safeguarded CCT wallet could be the solution.



## 6.1.6 Facilitating as Campaign

While it is common for retailers to launch all kinds of marketing campaigns to promote their shops or outlets, it is not as easy for producers to do the same to promote their products. The reason is that they have no retail outlets by themselves and they have no direct channel to give direct discounts to their consumers. Instead, they might need to cooperate with their retailers to promote their products, but such a joint campaign often involves a revenue/ cost sharing issue that cannot be easily solved. While they may agree on the sharing ratio, the actual settlement will be another issue because one party may need to bear the cost first until the cost is finally settled. With the introduction of CCT and its Blockchain Coupon Platform, revenue or cost sharing in joint marketing campaigns can be done in real time. The Coupon Chain team will endeavour to research, develop and launch jointly-issued coupons to meet the huge demand for joint marketing campaigns by product providers and their retailer partners. With the use of CCT as the means of payment or means of exchange between both parties, they can go ahead with any joint marketing campaigns and share the benefit direct from the consumers in real time.

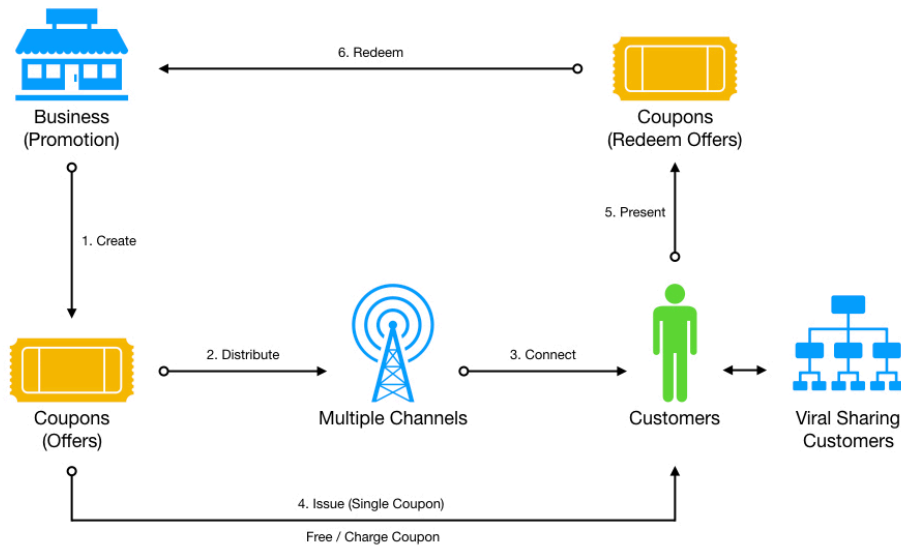


## 6.2 Subsidiary Business Use Cases Diagram

### 6.2.1 Promotion

Merchants can issue coupons to promote their business. Coupons can be issued directly to customers, or through various channels and social media. Customers may also share their coupons with their friends as they wish. When they present the coupons for redemption, the merchants will get the business they are promoting.

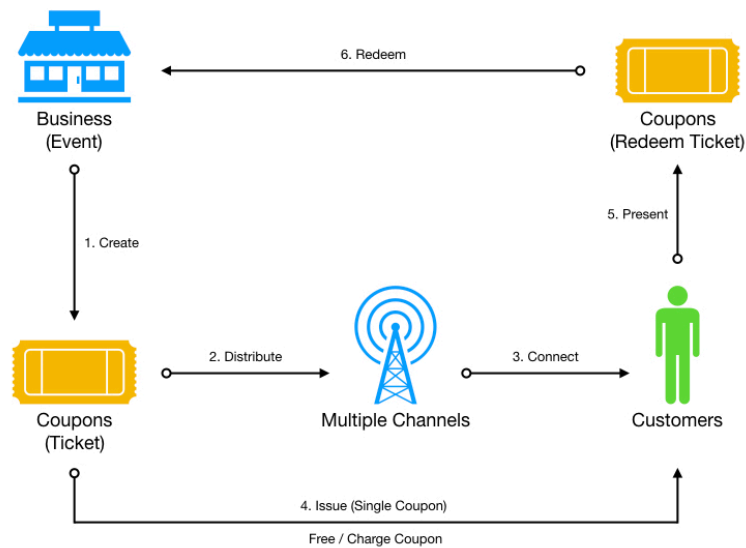
#### Promotion



## 6.2.2 Ticketing

Merchants can create coupons as tickets for any events. Tickets can be issued or sold to customers directly, or through various channels and social media. Tickets will be presented for redemption at the event.

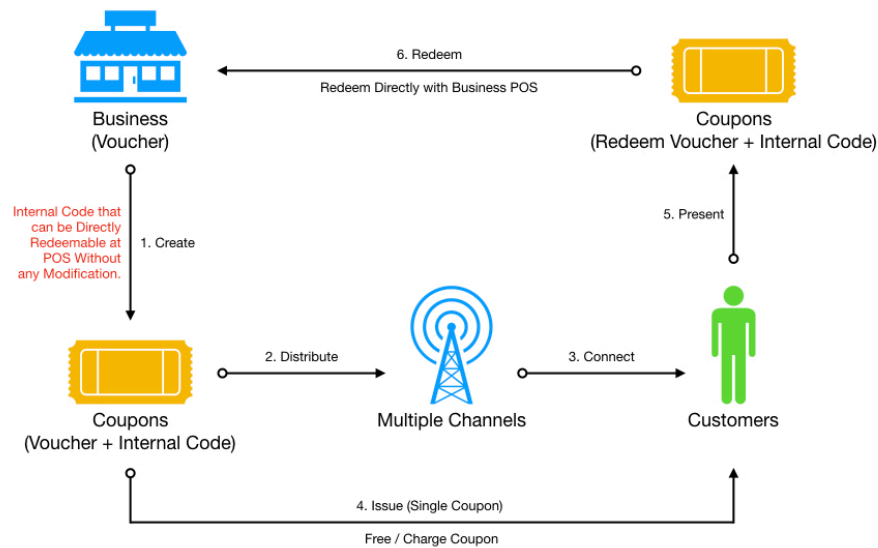
### Ticketing



## 6.2.3 Voucher

Merchants can issue vouchers to promote their business. A voucher as used here means a coupon with an internal code which can be redeemed direct at POS of the issuer without any modification. Vouchers can be issued directly to the customers, or through various channels and social media. When they present the vouchers for redemption, the merchants will get the business they are promoting. Redemption is done direct at the POS.

### Voucher

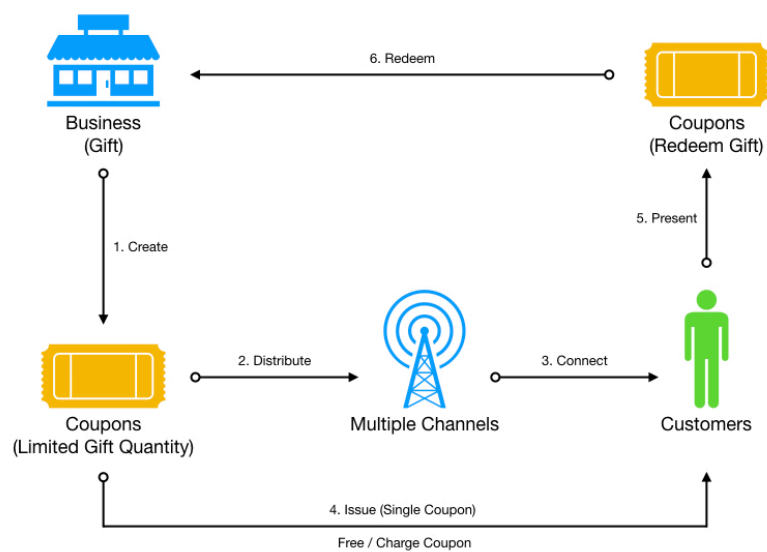




## 6.2.4 Gift

Merchants can create coupons as gifts to certain special or loyal customers. Coupons can be issued to the designated customers directly, or through various channels and social media, usually to a limited number of customers. When they present their coupons for gifts, merchants may meet their objectives in retaining old customers or attracting new ones.

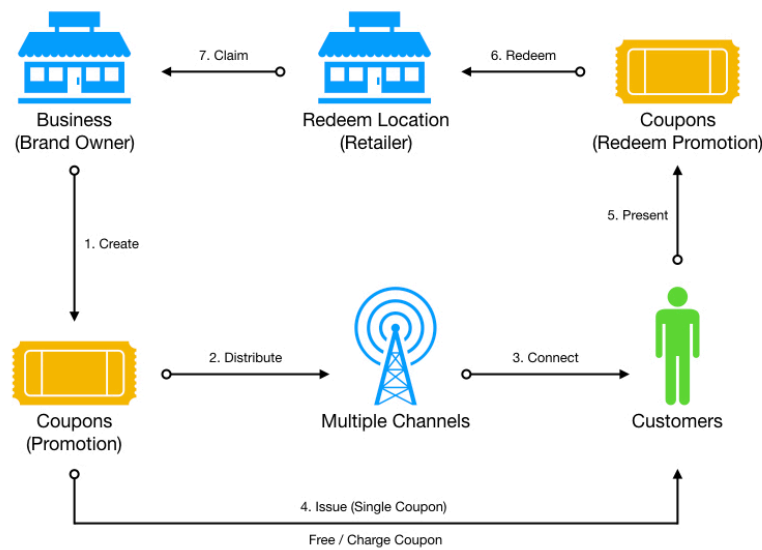
### Gift



## 6.2.5 Brand Owner

Brand owners can issue coupons to promote their business. Coupons can be issued to the customers directly, or through various channels and social media. Customers may present their coupons to designated retailers for redemption. Retailers can claim rewards from brand owners for each redeemed coupon and both of them can get more business.

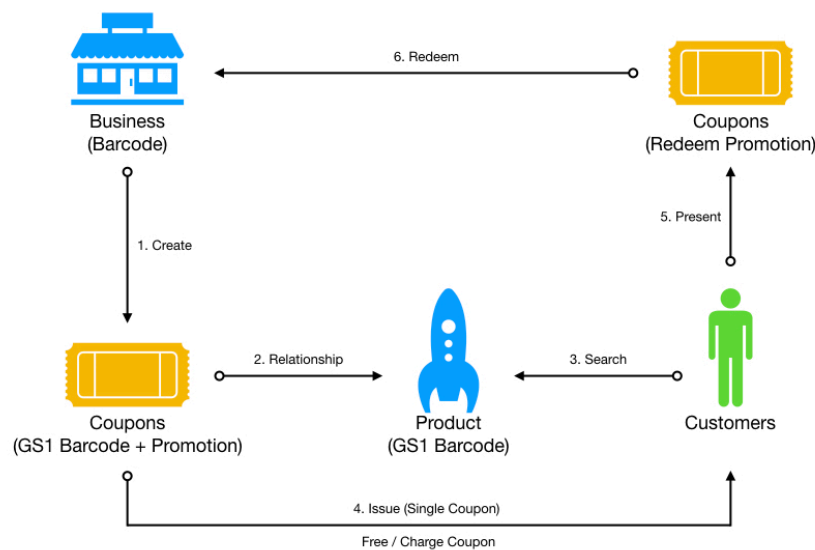
### Brand Owner



## 6.2.6 Barcode

Merchants can promote their business by using a barcode as a medium to distribute coupons to customers who can read the barcode. Coupons can be issued or sold directly to the customers when they scan the GS1 barcode of the designated products. When they present the coupons for redemption, the merchants will get the business they are promoting.

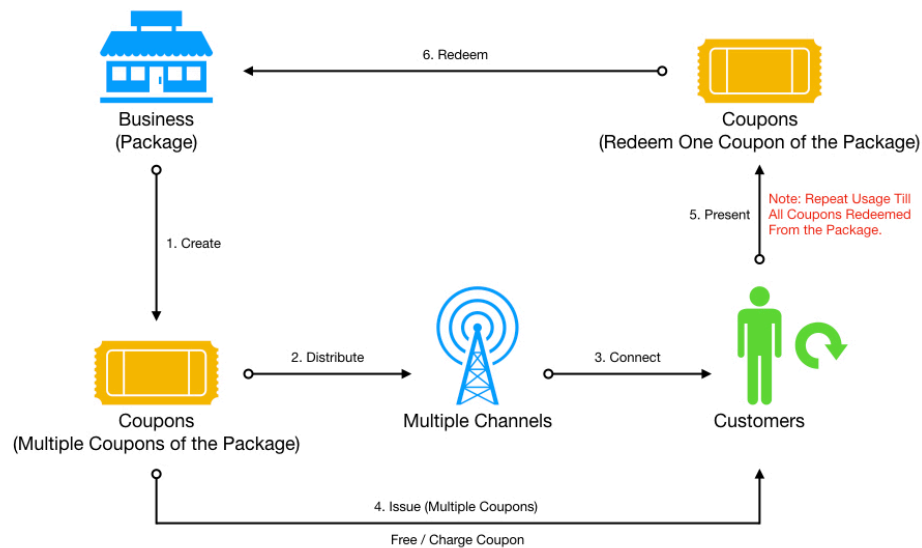
### Barcode



## 6.2.7 Service Package

Merchants can issue service packages to promote their business. A service package here is defined as a package of multiple coupons. Packages can be issued or sold to customers directly, or through various channels and social media. Each time when the customers require the service, they may present one coupon for redemption. They can repeat the usage until all coupons are redeemed from the package.

### Service Package



## 7. The Blockchain

Mezzofy are committed to implementing all pan-industry innovations that seek to ensure the coupon and voucher markets work more efficiently and effectively for all stakeholders. This development will entail:

- Encouraging the industry to expedite the shift from a paper to a blockchain model;
- Introducing blockchain technology into the Mezzofy ecosystem to enable it to launch its native token, the CCT;
- Encouraging more widespread adoption of blockchain solutions generally and more widespread use of the CCT specifically;
- Encourage other coupon solution providers to use the Mezzofy Blockchain Coupon Platform for their own benefit.

### 7.1 Advantages of Digital Coupons over Printed Coupons

Mezzofy is committed to speeding up the transition from a paper-based market to a digital one. There are many advantages to be gained. We have already highlighted the cost implications:

#### 7.1.1 Real-time Data

Only minimal information can be gleaned from printed coupons. The issuer will have no idea, for instance, about who may have received or used the coupons. Even when the coupons are returned, there is no way of capturing data on the users. Digital coupons, on the other hand, leave a very informative data imprint. They furnish the issuer with all kinds of real-time data, including who used the coupon, when it was used, on what and where. All this data is captured and analysed in real-time, with no extra labour required on research.

#### 7.1.2 React to Market Faster

Issuers receive very little data on the whereabouts or status of printed coupons. They therefore may not be able to gauge the impact of a marketing campaign until it is practically over. In contrast, issuers of digital coupons have real-time access to information about a marketing campaign, enabling a faster reaction to changing market conditions and allowing them to finesse their product offers as the campaign draws to a close.

#### 7.1.3 More Personalized based on Data Analysis

Receivers, or even users, of printed coupons remain largely anonymous to the issuer. If they use cash at redemption, the merchant at most might come to recognise the faces of repeated users. If they use credit cards, the merchant may also come to know their names; however, banks retain most of the transaction data. So the merchant is effectively obliged to offer the

same deal to everyone. With digital coupons, merchants become privy to a host of information, as already outlined, relating to each transaction. Moreover, if they download or share coupons on any social media, merchants may be able to decipher information related to those accounts. Merchants may also capture data when coupons are referred to or from third parties. And when these coupons are redeemed, merchants will endeavour to obtain as much information as possible about consumer behaviour, spending patterns, and the channels whereby coupons are obtained. The client base can therefore be segmented by sex, age, income bracket and a host of other metrics. This data analysis is then used to tailor a more personalized coupon offer to the individual consumer.

### 7.1.4 Easy to Share (Viral Marketing)

One of the problems with a printed coupon is that the issuer cannot always ensure it ends up in the right hands. When the wrong person gets it, they may just dispose of it rather than taking the trouble of giving it to a more appropriate person. Even if the right person gets it, they may just keep it for their own use and pass up on the opportunity of sharing it with someone else. Digital coupons make this process easier. Even though not all recipients may need to use the digital coupons they receive, they can easily share them with their friends via the internet. After all, people like to communicate on the web and they like to share benefits with others - especially when the benefits are in fact offered by someone else. The issuer may also allow the recipients to share more than one coupon with their friends so as to activate the viral marketing. This functionality is not available with printed coupons.

### 7.1.5 Target Marketing

Target marketing can be very costly and difficult with printed coupons. Of course the issuer could mail the coupon to the target, but it would be difficult for merchants to get residential addresses for all their customers. With digital coupons, target marketing is a lot easier. If email, phone, or social media account details have already been gathered from the data captured in previous digital coupon campaigns, merchants can issue tailored coupons to the exact targets they wish. They may also issue digital coupons to specific groups on social media or to users of specific web pages or forum. They may also use pop-up coupons for target viewers of specific Youtube videos or they may target people searching for a specific thing on Google. Digital coupons can also be used to maintain a membership programme and specific coupons can be issued to target members accordingly.

### 7.1.76 More Flexible

For printed coupons, everything must be planned in detail before they can be distributed. Additional labour must be hired to hand out the coupons. It is difficult to adjust the labour or the printed volume depending on the popularity of the coupons. For digital coupons, everything can be done right away and adjustment can always be made depending on the market response. Merchants can easily and instantly increase or decrease the coupon quantity as well as adjusting the terms of the offer. They can also issue as many coupons as they wish, and for as long as they want, depending on the feedback they are getting.

### 7.1.7 More Measurable

Measuring the success of a campaign is difficult with printed coupons. A manual tally could be kept of the total distributed and redeemed. But, in practice, it is impossible to be sure how many coupons are actually handed out – many are furtively binned by the distributors. A count of redeemed coupons is more reliable especially if they are partially digital and linked to the POS. For printed coupons without any barcodes, measurement would just be very time-consuming and costly, if not impossible. For digital coupons, all performance is measurable as all data is captured in real-time. Merchants could easily view any reports on their campaigns to see which is more effective and adjust their marketing plan accordingly.

## 7.2 Encouraging More Widespread Adoption of Blockchain Solutions Generally

Coupons based on blockchain technology have many benefits over those that are not. These are described below.

### 7.2.1 Identify the Ownership of Coupons

For non-blockchained coupons, ownership of the coupon cannot be easily identified by the receivers. People other than the issuers may not have the same authority or means to establish the true ownership. As a result, non-blockchained coupons may experience a declining level of trust. For blockchained coupons, however, ownership can easily and unmistakably be established due to the nature of blockchain technology.

### 7.2.2 Avoid Fraud

For non-blockchained coupons, fraud may be difficult for ordinary people but not impossible for IT experts or hackers. Furthermore, the security levels of non-blockchained coupons can vary greatly, depending on the security technology used. For blockchained coupons, however, fraud is much more difficult. Each blockchained coupon is unique in its own right.

### 7.2.3 More Transparent

Blockchain technology, by nature, is transparent and open to all. In limiting the extent to which information can be hidden, the public's trust is deepened and the credibility of such coupons is enhanced. With non-blockchained coupons, issuers may find it easier to keep information hidden from the public or general recipients – with negative consequences for public trust and credibility.

### 7.2.4 More Secure because of decentralization

Blockchain technology is more secure because all data is comprised of multiple decentralized actions / transactions which are verified by consensus and stored in many different unrelated

terminals throughout the world. Even with the highest security level, any centralized system has a fatal weak point. The weak point essentially revolves around the access rights to that centralized system. If anyone hacks into the system, or if any person with authorized access corrupts the system, even the strongest security measures may not be sufficient. The same vulnerability does not exist with decentralized networks.

### 7.2.5 Even more precise marketing based on big data analysis

All digital coupons can capture some level of data for analysis by their issuers. But for blockchain coupons, the scale of data capture differs by a matter of degree. As blockchain technology is designed for open platforms, this means that all data relating to all coupon campaigns by all issuers forms the core of “big data” for global coupon marketing. With this big data, marketing becomes even more precise, encouraging all merchants around the world to join the platform so as to share the benefits

### 7.2.6 Lower System Failure risk because of decentralization

System failure could be a vulnerability for digital coupons. Systems can fail, and servers can fail, and hard disks can fail, and software can fail. In our experience, most failures or delays affecting digital coupons have little to do with the coupon platform itself and more to do with the systems employed by participating merchants. For any centralized system, systems failure implies a loss of all functionality. For decentralized systems using blockchain technology, failure of any single system means just replacement by some other system. No coupon functionality will be affected by the failure of any single systems in blockchain technology.



## 7.3 Encouraging More Widespread Use of the CCT Specifically

Coupons that utilise the CCT have many advantages over those that are not CCT-based.

### 7.3.1 Facilitates payment and settlement between merchants

When two or more merchants jointly organize a marketing campaign, it is not easy for them to share the revenue or cost. For example, a brand owner may need the help of retailers for distributing and / or redeeming coupons. In such cases, the CCT could be used for payment and / or real-time revenue sharing between the partners, if and when any coupons are redeemed.

### 7.3.2 Facilitates the B2C, B2B coupon market

With the use of CCT, merchants can directly offer their coupons to consumers or other businesses online. This actually creates the B2B and B2C coupon market. The coupon owner can sell their digital coupon for CCT on the coupon platform. The transaction cost is very low as no online payment barrier is involved. The exchange between CCT and any digital coupons can take place practically without barriers.

### 7.3.3 Facilitates the C2C coupon market

With the use of CCT, ordinary consumers can sell their digital coupons / tickets online on various exchanges. The principle behind this is exactly the same as for B2C or B2C trading. When there is no barrier for the smallest merchant, there will be no barrier for anybody who wishes to trade digital coupons using CCT online.

### 7.3.4 Easy to reward the consumer

Merchants can easily reward their customers by giving them some CCT after consumption of their product. If they wish the reward to be used in their shops again, they may just give the customers a digital coupon of certain CCT value. That's tantamount to real money, which customers will find hard to resist.

### 7.3.5 Can act as collateral for some cases

CCT can also act as collateral or as a deposit in some cases. For example, a gym may sell package coupons to its customers, who prepay. The gym could set aside a certain amount of CCT as collateral, to be debited when the customers use their credit. Equally, a customer seeking to book a restaurant in advance for a very large and expensive event, could pay a specified quantity of CCT in a separate wallet jointly owned by the restaurant and the customer to safeguard the interest of both parties.

### 7.3.6 Can buy coupon with lower transaction cost

Ordinarily, anyone can sell or buy their coupons online. However, they pay transaction costs if they do not use CCT. In actual fact, online payment is still something that only big enterprises can afford. Merchants can opt for credit cards, PayPal or whatever means they so wish to ensure that customers have access to convenient payment mechanisms, but they pay a tidy amount to these middlemen for the privilege. With CCT, a cryptocurrency based on blockchain technology and decentralized payment systems, the charge to the middleman is completely circumvented. There are costs but the parties can buy or sell coupons with much lower transaction costs.

### 7.3.7 Can buy product directly for some cases (Coupon can be issued instantly and redeemed at the same time)

If one perceives a coupon as an invoice or as a receipt, coupons are essentially redeemed at the same time as they are issued. That means consumers can buy anything they like with CCT, not just online but also offline on-the-spot. The following is an example of the latter transaction. When a customer buys a cup of coffee from Starbucks, they get a receipt from the cashier and hand it to the barista for their drinks. The receipt is in fact a coupon. If and when Starbucks accepts CCT as payment, the cashier will just issue a digital coupon to the customer instead of a paper one. The customer can then show the digital coupon to the barista for redemption and get their drink. In fact, Starbucks is already using digital coupons developed by Mezzofy, in some regions.

## 8. Legal Disclaimer

### **IMPORTANT: YOU MUST READ THE FOLLOWING DISCLAIMER IN FULL BEFORE CONTINUING**

The sale of the Coupon Chain Token (“**Coupon Chain Tokens**” or “**CCT**”), as detailed in this whitepaper (the “**Whitepaper**”) is only intended for, made to or directed at, only persons outside the United States of America and the People’s Republic of China, provided such persons are not citizens, persons domiciled in, or residents of countries the laws of which prohibit or conflict with the Token Sale (as defined below) or participation in the Token Sale, and may be acted upon only by persons outside the United States of America and the People’s Republic of China provided such persons are not citizens, persons domiciled in, or residents of countries the laws of which prohibit or conflict with the Token Sale or participation in the Token Sale. Moreover, CCT is not a security and this Whitepaper is not a prospectus, invitation or offer document of any sort and is not intended to constitute an offer of securities of any form, units in a business trust, units in a collective investment scheme or any other form of investment, or a solicitation for any form of investment in any jurisdiction. No regulatory authority has examined or approved of any of the information set out in this Whitepaper. This Whitepaper has not been registered with any regulatory authority in any jurisdiction.

By accessing and/or accepting possession of any information in this Whitepaper or such part thereof (as the case may be), you represent and warrant to each of the following entities:

- A. Coupon Chain Foundation Limited. (“**Foundation**”);
- B. Coupon Chain Technology Limited. (“**Coupon Chain Technology**”); and
- C. Mezzofy Holding Limited. (“**Mezzofy Holding**”);

(collectively, the “**Token Group**”, the “**Mezzofy Group**” and each, a “**Token Group Entity**”), that:

- I. you are not a citizen, resident, person domiciled in, or green card holder of the United States of America;
- II. you are not a citizen, person domiciled in, or resident of a country the laws of which prohibit or conflict with the Token Sale (as referred hereto in the Whitepaper) or your participation in the Token Sale;
- III. you agree to be bound by the limitations and restrictions described herein; and
- IV. you acknowledge that this Whitepaper has been prepared for delivery to you so as to assist you in making a decision as to whether to purchase the Coupon Chain Tokens.

## **IMPORTANT NOTICE**

This Whitepaper in current form is being circulated by the Token Group for general information on the Coupon Chain Ecosystem (as referred hereto in the Whitepaper) as presently conceived, for the benefit of potential purchasers of Coupon Chain Tokens and is subject to review and revision by the Token Group, the advisers, and/or legal advisers of the Token Group. Please do not replicate or distribute any part of this Whitepaper without this note in accompaniment. No part of this Whitepaper is intended to create legal relations between a recipient of this Whitepaper or to be legally binding or enforceable by such recipient against any Token Group Entity. An updated version of this Whitepaper may be published on a date to be determined and announced by the Token Group in due course.

**PLEASE READ THIS SECTION AND THE FOLLOWING SECTIONS ENTITLED “DISCLAIMER OF LIABILITY”, “NO REPRESENTATIONS AND WARRANTIES”, “REPRESENTATIONS AND WARRANTIES BY YOU”, “CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS”, “THIRD PARTY INFORMATION AND NO CONSENT OF OTHER PERSONS”, “TERMS USED”, “NO ADVICE”, “NO FURTHER INFORMATION OR UPDATE”, “RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION”, “NO OFFER OF INVESTMENT OR REGISTRATION” AND “RISKS AND UNCERTAINTIES” CAREFULLY.**

**IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S).**

The Coupon Chain Tokens are proprietary ERC20 Token Standard cryptographic tokens developed and issued by the Token Group to function [as the native utility token used in the Coupon Chain Ecosystem. “**ERC-20 Token Standard**” means the set of criteria, (including criteria in relation to functions and events) developed by the Ethereum community, which has to be met in a smart contract on a blockchain in order to enable inter-operability across multiple interfaces and distributed applications.

The Coupon Chain Tokens are not, nor are they intended to be, securities of any form, units in a business trust, units in a collective investment scheme or any other form of investment in any jurisdiction. This Whitepaper does not constitute a prospectus, advertisement or offer document of any sort and is not intended to constitute an offer of securities of any form, units in a business trust, units in a collective investment scheme or any other form of investment, or a solicitation for any form of investment in any jurisdiction.

This Whitepaper does not constitute or form part of any opinion or any advice to acquire, sell, or any solicitation of any offer by any Token Group Entity to acquire any Coupon Chain Tokens nor shall it or any part of it nor the fact of its presentation form the basis of, or be relied upon in connection with, any contract or investment decision.

No person is bound to enter into any contract or binding legal commitment in relation to the acquisition of Coupon Chain Tokens and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper.

Any agreement as between a Token Group Entity and you as a participant in the sale of the Coupon Chain Tokens by a Token Group Entity (the “**Token Sale**”), and in relation to any purchase of Coupon Chain Tokens is to be governed by only a separate document setting out the terms and conditions (the “**Token Sale Terms**”) of such agreement. In the event of any inconsistencies between the Token Sale Terms and this Whitepaper, the former shall prevail.

**THE TOKEN SALE IS INTENDED FOR, MADE TO OR DIRECTED AT ONLY PERSONS OUTSIDE THE UNITED STATES OF AMERICA AND THE PEOPLE’S REPUBLIC OF CHINA AND MAY BE ACTED UPON ONLY BY PERSONS OUTSIDE THE UNITED STATES OF AMERICA AND THE PEOPLE’S REPUBLIC OF CHINA, PROVIDED SUCH PERSONS ARE NOT CITIZENS, PERSONS DOMICILED IN, OR RESIDENTS OF COUNTRIES THE LAWS OF WHICH PROHIBIT OR CONFLICT WITH THE TOKEN SALE OR PARTICIPATION IN THE TOKEN SALE. ACCORDINGLY, YOU ARE NOT ELIGIBLE AND YOU ARE NOT TO PURCHASE ANY COUPON CHAIN TOKENS IN THE TOKEN SALE IF YOU ARE LOCATED IN THE UNITED STATES OF AMERICA OR THE PEOPLE’S REPUBLIC OF CHINA AT THE TIME OF YOUR INTENDED PURCHASE / PURCHASE OF COUPON CHAIN TOKENS IN THE TOKEN SALE. YOU ARE ALSO NOT ELIGIBLE AND YOU ARE NOT TO PURCHASE ANY COUPON CHAIN TOKENS IN THE TOKEN SALE IF YOU ARE A CITIZEN OF, RESIDENT OF, DOMICILED IN, OR GREEN CARD HOLDER OF THE UNITED STATES OF AMERICA OR IF YOU ARE A CITIZEN OF, DOMICILED IN, OR RESIDENT OF A COUNTRY THE LAWS OF WHICH PROHIBIT OR CONFLICT WITH THE TOKEN SALE OR PARTICIPATION IN THE TOKEN SALE.**

No regulatory authority has examined or approved of any of the information set out in this Whitepaper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of this Whitepaper does not imply that the applicable laws, regulatory requirements or rules have been complied with.

There are risks and uncertainties associated with the Token Group and its business and operations, the Coupon Chain Tokens, the Token Sale, and the Coupon Chain Ecosystem. Please refer to the section entitled “Risks and Forward Looking Statements” below.

This Whitepaper, any part thereof and any copy thereof must not be taken or transmitted to any country where distribution or dissemination of this Whitepaper is prohibited or restricted.

No part of this Whitepaper is to be reproduced, distributed or disseminated without including this section and the following sections entitled “Disclaimer of Liability”, “No Representations and Warranties”, “Representations and Warranties By You”, “Cautionary Note On Forward-Looking Statements”, “Third Party Information and No Consent of Other Persons”, “Terms Used”, “No Advice”, “No Further Information or Update”, “Restrictions On Distribution and Dissemination”, “No Offer of Investment Or Registration” and “Risks and Uncertainties”.

## **DISCLAIMER OF LIABILITY**

To the maximum extent permitted by the applicable laws, regulations and rules, none of the Token Group Entities shall be liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this Whitepaper or any part thereof by you.

## **NO REPRESENTATIONS AND WARRANTIES**

None of the Token Group Entities makes or purport to make, and each Token Group Entity hereby disclaims, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy and completeness of any of the information set out in this Whitepaper.

## **REPRESENTATIONS AND WARRANTIES BY YOU**

By accessing and/or accepting possession of any information in this Whitepaper or such part thereof (as the case may be), you represent and warrant to each of the Token Group Entities as follows:

- A. you agree and acknowledge that the Coupon Chain Tokens do not constitute securities of any form, units in a business trust, units in a collective investment scheme or any other form of investment in any jurisdiction;
- B. you are not a citizen, person domiciled in, or resident of a country the laws of which prohibit or conflict with the Token Sale or your participation in the Token Sale;
- C. you agree and acknowledge that this Whitepaper does not constitute a prospectus, advertisement or offer document of any sort and is not intended to constitute an offer of securities of any form, units in a business trust, units in a collective investment scheme or any other form of investment in any jurisdiction, or a solicitation for any form of investment, and you are not bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper;
- D. you acknowledge and understand that no Coupon Chain Token should be construed, interpreted, classified or treated as enabling, or according any opportunity to, token holders to participate in or receive profits, income, capital gains or other payments or returns arising from or in connection with the Coupon Chain Tokens or the proceeds of the Token Sale, or to receive sums paid out of such profits, income, capital gains or other payments or returns;
- E. you acknowledge and understand that no Coupon Chain Token should be construed, interpreted, classified or treated as representing any debt or debt instrument owed by the Company;

- F. you agree and acknowledge that no regulatory authority has examined or approved of the information set out in this Whitepaper, no action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction and the publication, distribution or dissemination of this Whitepaper to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;
- G. you agree and acknowledge that this Whitepaper, the undertaking and/or the completion of the Token Sale, or future trading of Coupon Chain Tokens on any cryptocurrency exchange, shall not be construed, interpreted or deemed by you as an indication of the merits of any Token Group Entity, the Coupon Chain Tokens, the Token Sale, and the Coupon Chain Ecosystem;
- H. the distribution or dissemination of this Whitepaper, any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions in relation to possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to any Token Group Entity;
- I. you agree and acknowledge that in the case where you wish to acquire any Coupon Chain Tokens, Coupon Chain Tokens are not to be construed, interpreted, classified or treated as:
  - I. any kind of currency other than cryptocurrency;
  - II. any kind of debt or debt instrument;
  - III. debentures, stocks or shares issued by any person or entity;
  - IV. rights, options or derivatives in respect of such debentures, stocks or shares;
  - V. rights under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss;
  - VI. units in a collective investment scheme;
  - VII. units in a business trust;
  - VIII. derivatives of units in a business trust; or
  - IX. any form of investment;
- J. you are fully aware of and understand that you are not eligible to acquire any Coupon Chain Tokens if you are a:
  - I. citizen, resident, person domiciled in, or green card holder of the United States of America;
  - II. citizen, resident, person domiciled in, or resident of a country the laws of which prohibit or conflict with the Token Sale or your participation in the Token Sale; or
  - III. person who is located in the United States of America or the People's Republic of China at the time of your intended purchase or purchase of Coupon Chain Tokens in the Token Sale;
- K. you are legally permitted to participate in the Token Sale and all actions contemplated or associated with such participation, including the holding and use of Coupon Chain Tokens;

- L. the amounts that you use to acquire the Coupon Chain Tokens were not and are not directly or indirectly derived from any activities that contravene the laws and regulations of any jurisdiction, including anti-money laundering laws and regulations;
- M. if you are a natural person, you are of sufficient age and capacity under the applicable laws of the jurisdiction in which you reside and the jurisdiction of which you are a citizen to participate in the Token Sale;
- N. you are not obtaining or using Coupon Chain Tokens for any illegal purpose;
- O. you have a basic degree of understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology, and smart contract technology;
- P. you are fully aware and understand that in the case where you wish to purchase any Coupon Chain Tokens, there are risks associated with each Token Group Entity and its respective businesses and operations, Coupon Chain Tokens, the Token Sale, and the Coupon Chain Ecosystem;
- Q. you bear the sole responsibility to determine what tax implications a purchase of Coupon Chain Tokens may have for you and agree not to hold any Token Group Entity or any other person involved in the Token Sale liable for any tax liability associated with or arising therefrom;
- R. you agree and acknowledge that none of the Token Group Entities is liable for any direct, indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this Whitepaper or any part thereof by you;
- S. you waive the right to participate in a class action lawsuit or a class wide arbitration against the any Token Group Entity and/or any person involved in the Token Sale and/or with the creation and distribution of Coupon Chain Tokens; and
- T. all of the above representations and warranties are true, complete, accurate and non-misleading from the time of your access to and/or acceptance of possession this Whitepaper or such part thereof (as the case may be).

## **CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS**

All statements contained in this Whitepaper, statements made in press releases or in any place accessible by the public and oral statements that may be made by the Token Group Entities or its respective directors, executive officers or employees acting on behalf of any Token Group Entity (as the case may be), that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “aim”, “target”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “if”, “intend”,



“may”, “plan”, “possible”, “probable”, “project”, “should”, “would”, “will” or other similar terms. However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding the Token Group’s business strategies, plans and prospects and the future prospects of the industry which the Token Group is in are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Token Group’s prospects, future plans, other expected industry trends and other matters discussed in this Whitepaper regarding the Token Group are matters that are not historical facts, but only predictions.

## **RISKS AND FORWARD-LOOKING STATEMENTS**

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual future performance or achievements of the Token Group and the CCT Token Ecosystem to be materially different from any future performance or achievements expected, expressed or implied by such forward-looking statements. These factors include, amongst others:

- A. changes in political, social, economic and stock or cryptocurrency market conditions, and the regulatory environment in the countries in which the Token Group conducts its business and operations;
- B. the risk that the Token Group may be unable to execute or implement business strategy and future plans for the CCT Token and the Coupon Chain Ecosystem;
- C. changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;
- D. changes in the anticipated growth strategies and expected internal growth of the Token Group and the Coupon Chain Ecosystem;
- E. changes in the availability and fees payable to any Token Group Entity in connection with its businesses and operations or in the Coupon Chain Ecosystem network;
- F. changes in the availability and salaries of employees who are required by the respective Token Group Entity to operate their respective businesses and operations;
- G. changes in preferences of users of the Coupon Chain Ecosystem including without limitation shoppers, retailers and brand owners;
- H. changes in market conditions in which the Token Group, the CCT Token and the Coupon Chain Ecosystem operates;
- I. changes in competitive conditions under which the Token Group, the CCT Token and the Coupon Chain Ecosystem operates, and the ability of the Token Group, the CCT Token and the Coupon Chain Ecosystem to compete under such conditions;
- J. changes in the future capital needs of the Token Group and the availability of financing and capital to fund the CCT Token and the Coupon Chain Ecosystem;

- K. war or acts of international or domestic terrorism;
- L. occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of the Token Group, the CCT Token and the Coupon Chain Ecosystem;
- M. other factors beyond the control of the Token Group; and
- N. any risk and uncertainties associated with the Token Group and its business and operations, the Coupon Chain Tokens, the Token Sale, and the Coupon Chain Ecosystem.

GOT TO HERE All forward-looking statements made by or attributable to the Token Group or persons acting on behalf of the Token Group are expressly qualified in their entirety by such factors. Given that risks and uncertainties that may cause the actual future performance or achievements of the Token Group, the CCT Token and the Coupon Chain Ecosystem to be materially different from that expected, expressed or implied by the forward-looking statements in this Whitepaper, undue reliance must not be placed on these statements. These forward-looking statements are applicable only as of the date of this Whitepaper.

None of the Token Group Entities or any other person represents, warrants, and/or undertakes that the actual future performance or achievements of the Token Group, the CCT Token or the Coupon Chain Ecosystem will be as discussed in those forward- looking statements. The actual results, performance or achievements of the Token Group may differ materially from those anticipated in these forward-looking statements.

Nothing contained in this Whitepaper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Token Group, the CCT Token or the Coupon Chain Ecosystem.

Further, each Token Group Entity disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

### **THIRD PARTY INFORMATION AND NO CONSENT OF OTHER PERSONS**

This Whitepaper includes information obtained from various third party sources (“**Third Party Information**”). None of the publishers of Third Party Information has consented to the inclusion of Third Party Information in this Whitepaper and is therefore not liable for Third Party Information. While the Token Group has taken reasonable action to ensure that Third Party Information have been included in their proper form and context, none of the Token Group Entities or its respective directors, executive officers, and employees acting on its behalf, has independently verified the accuracy, reliability, completeness of the contents, or ascertained any applicable underlying assumption, of the relevant Third Party Information. Consequently, none of the Token Group Entities or its directors, executive officers and employees acting on their behalf makes any representation or warranty as to the accuracy, reliability or

completeness of such information and shall not be obliged to provide any updates on the same.

## **TERMS USED**

To facilitate a better understanding of the Coupon Chain Tokens being the subject of the sale conducted by the Token Group, and the businesses and operations of the Token Group, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in this Whitepaper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

## **NO ADVICE**

No information in this Whitepaper should be considered to be business, legal, financial or tax advice regarding any Token Group Entity, the Coupon Chain Tokens, the Token Sale, or the Coupon Chain Ecosystem. You should consult your own legal, financial, tax or other professional adviser regarding the Token Group and its business and operations, the Coupon Chain Tokens, the Token Sale, and the Coupon Chain Ecosystem.

## **NO FURTHER INFORMATION OR UPDATE**

No person has been or is authorised to give any information or representation not contained in this Whitepaper in connection with the Token Group and its business and operations, the Coupon Chain Tokens, the Token Sale, or the Coupon Chain Ecosystem, if given, such information or representation must not be relied upon as having been authorised by or on behalf of the Token Group. The Token Sale shall not, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change, or development reasonably likely to involve a material change in the affairs, conditions and prospects of the Token Group, the Coupon Chain Tokens or the Coupon Chain Ecosystem or in any statement of fact or information contained in this Whitepaper since the date hereof.

## **RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION**

The distribution or dissemination of this Whitepaper or any part thereof may be prohibited or restricted by the laws, regulatory requirements, and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of this Whitepaper or such part thereof (as the case may be) at your own expense and without liability to any Token Group Entity.

Persons to whom a copy of this Whitepaper has been distributed or disseminated, provided access to or who otherwise have the Whitepaper in their possession shall not circulate it to any

other persons, reproduce or otherwise distribute this Whitepaper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

## **NO OFFER OF INVESTMENT OR REGISTRATION**

This Whitepaper does not constitute a prospectus, advertisement or offer document of any sort and is not intended to constitute an offer of securities of any form, units in a business trust, units in a collective investment scheme or any other form of investment, or a solicitation for any form of investment in any jurisdiction. No person is bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper.

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## **RISKS AND UNCERTAINTIES**

Prospective purchasers of Coupon Chain Tokens should carefully consider and evaluate all risks and uncertainties associated with the Token Group and its business and operations, the Coupon Chain Tokens, the Token Sale, and the Coupon Chain Ecosystem, all information set out in this Whitepaper and the Token Sale Terms prior to any purchase of the Coupon Chain Tokens. If any of such risks and uncertainties develops into actual events, the business, financial condition, results of operations and prospects of the Token Group and development of the Coupon Chain Tokens could be materially and adversely affected. See "Risks and Forward Looking Statements" below.]

## 9. The Team

### 9.1 Project Team

Meet the team behind the Coupon Chain project.



**Dicky Ying**  
Co-Founder / CEO

Is responsible for the overall development of the company and has over 20 years management experience in various industries.



**Eric Pang**  
Co-Founder / CPO

Design and manage in product develop with 20 years of project and product design experience and business process optimisation.



**Kris R**  
Co-Founder / CTO

Lead the research and development team with over 20 years development experience in various software platform and programming languages.



**Maverick Tan**  
Co-Founder / COO

Manage and lead operations team. He has over 20 years operations experience in supporting and managing large user base.



**Kendig**  
Project Director

In charge of managing of the deliverables of the product considering the technical specifications, writing user guide documentation for the implemented functionalities and working closely with the team members.



**Joe**  
Head (Business Development)

Over 10 years of experience in management and business development. She led teams and projects and was responsible for change management. Her expertise facilitates Coupon Chain in the fields of strategy development and sales.



**Senthil**  
Lead (Quality Assurance)

In charge of developing and testing the product considering the technical specifications, writing technical documentation for the implemented functionalities and working closely with the team members.



**Vinothini**  
Quality Assurance

Responsible for testing the product considering the technical specifications, writing technical documentation for the implemented functionalities and working closely with the team members.



**Shan**  
Lead (Blockchain)

Responsibility in development of the Digital Coupon Platform applications, where he has deep and ex-tensive knowledge. His main task is to develop and integrate real time process software.



**Kamal**  
Developer (Blockchain)

An experienced developer in C++ and Java. He has the skills to build engaging, interactive user experience on the Blockchain and to bring concepts to life.



**Palani**  
Developer (Blockchain)

An experienced developer in C++ and Java. He has the skills to build engaging, interactive user experience on the Blockchain and to bring concepts to life.



**Prasathan**  
Developer (Web)

Responsible for designing, coding and modifying websites, from layout to function. He has the skills to build engaging, interactive user experiences on the web and to bring concepts to life, by combining innovating graphic designs.



**Vasanthan**  
Developer (Mobile)

An experienced developer in Xcode and Java. For the last five years, he has been working for Mezzofy as a mobile application developer and has helped build the iOS app.



**Aruna**  
Developer (Mobile)

An experienced developer in Android and Java. For the last five years, she has been working for Mezzofy as a mobile application developer and has helped build the Android app.

## 9.2 Board of Advisors

Meet the advisors behind the Coupon Chain project.



Tony Tong  
Senior Advisor



Dr Joseph Wong  
Technology Advisor



Reuben Godfrey  
Blockchain Advisor



Sidney Yuen  
Financial Advisor



Jamie  
Blockchain Advisor



Josef Ku  
Business Advisor

# 10. Coupon Chain Token Sale

Please kindly refer to the Coupon Chain website for the details and latest updates on the Token Sale details.

## 10.1 Payments Methods

ETH / FIAT will be accepted.

## 10.2 ICO Summary

Token Name	Coupon Chain Token
Token Symbol	CCT
Token Supply Type	Fixed
Total Token Supply	1,000,000,000 CCT
Token Decimal Place	18
Total Token Sale	300,000,000 CCT
Soft Cap	US\$4,000,000
Hard Cap	US\$24,000,000
Unsold Token Handling	Will allocate back to the Treasury

### Notes:

- **Burnt of Tokens:** If the hard cap is not reached, unsold token will not be burnt and will be allocated back to the Treasury for marketing usage.
- **Refund** (if any): If the soft cap is not reached, contributions will be refunded to Investors.
- **Vesting Period:** Founder will not sell its CCT reserve for the first 24 Months. And Contributor in the Lot 1, 2 and 3 will have 3 Months vesting period from the Lot 4 End Date. Lot 4 do not have vesting period.
- **Amount in Circulation after TGE:** 400 Million Tokens (40%).



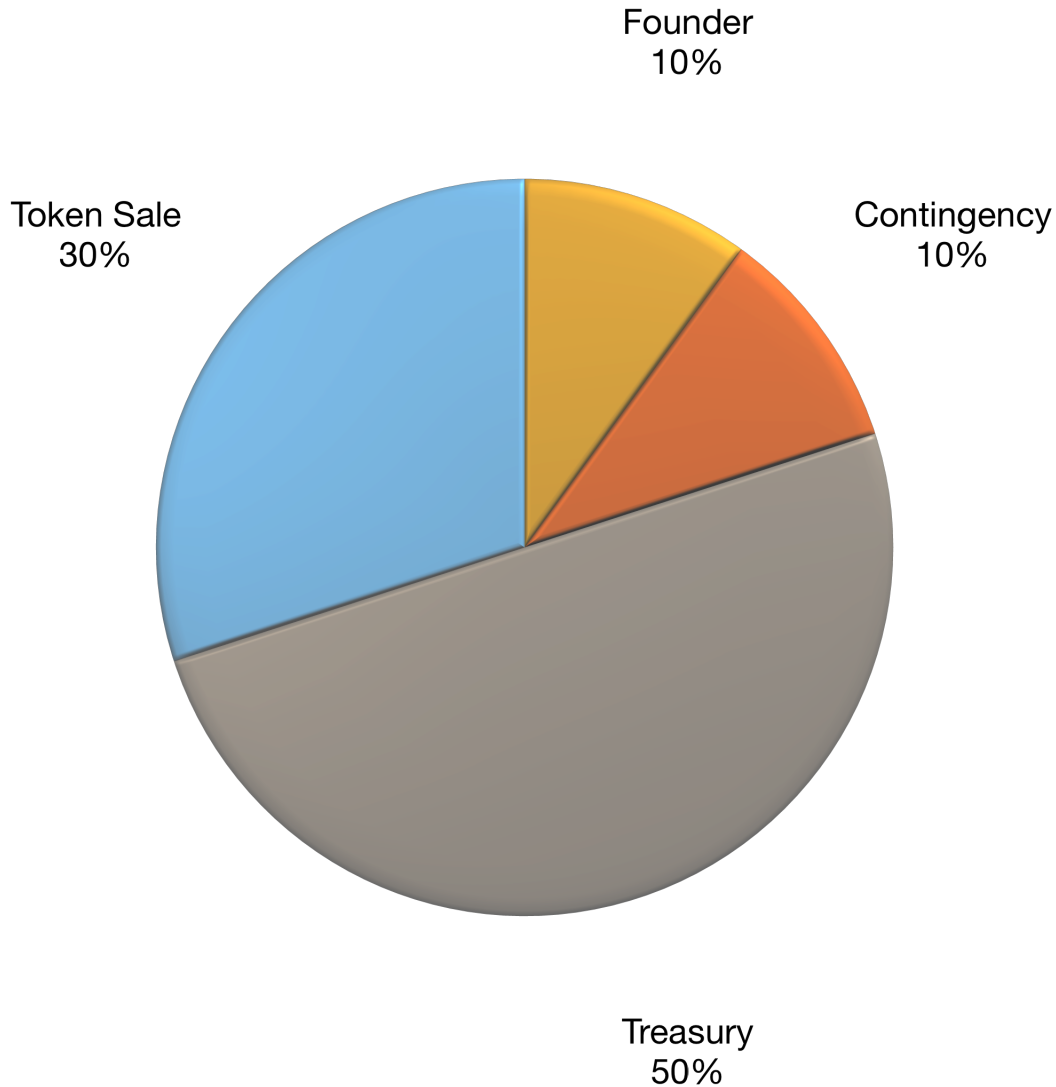
## 10.3 ICO Timeline and Discounts

ICO of Coupon Chain Token will be launched from 2018 to 2019. We will split into 4 Lots with Pool Bonus for each Lot. Each Lot will start from \$0.06, \$0.07, \$0.08 discounted and the last Lot at \$0.09 (refer to the table below for details). And to be eligible for the Pool Bonus, contributor needs to contribute at least 50,000 CCT in total per Lot. And minimum contribution is set at 5,000 CCT.

4 Lots	Tokens	Value	Discount	Sub Total	Pool Bonus Tokens
1	30,000,000	US\$0.06	33%	US\$1,800,000	3,000,000
2	60,000,000	US\$0.07	22%	US\$4,200,000	6,000,000
3	90,000,000	US\$0.08	11%	US\$7,200,000	9,000,000
4	120,000,000	US\$0.09	0%	US\$10,800,000	12,000,000
<b>Total</b>	<b>300,000,000</b>			<b>US\$24,000,000</b>	<b>30,000,000</b>

## 10.4 Token Distribution Schedule

We currently anticipate that the allocation of the Tokens will be used as follows:



**Token Sale (Private Sale, Pre-Sale and Public Sale):** Up to 30% of the tokens will be set aside for token sale.

**Treasury:** Up to 50% of the tokens will be set aside for coupon chain nodes, bonus, rewards, airdrop and sponsor usage. 10% using for TGE Bonus, 10% for Treasury, 10% for Merchant Engagement, 10% for Promotion Engagement and 10% for Partners Engagement.

**Contingency:** Up to 10% of the tokens will be set aside for any unexpected usage.

# 11. Use of Funds

We need a considerable amount of funds to implement our plan as follows:

To reach all merchants: The Blockchain Coupon Platform aims to be a platform for all merchants in the world. We shall reach this target step by step, starting from our well-developed markets and areas, but we do not intend to stop until the whole world is using our platform and CCT. To meet this target we need the funds from Token Sale.

To reach all consumers: The Blockchain Coupon Platform also aims to be a platform for all consumers in the world. While under the organic ecosystem we trust that all merchants would help reaching their customers out of their own interest, we shall also make efforts to speed up the growth and some amount of money is required for this process.

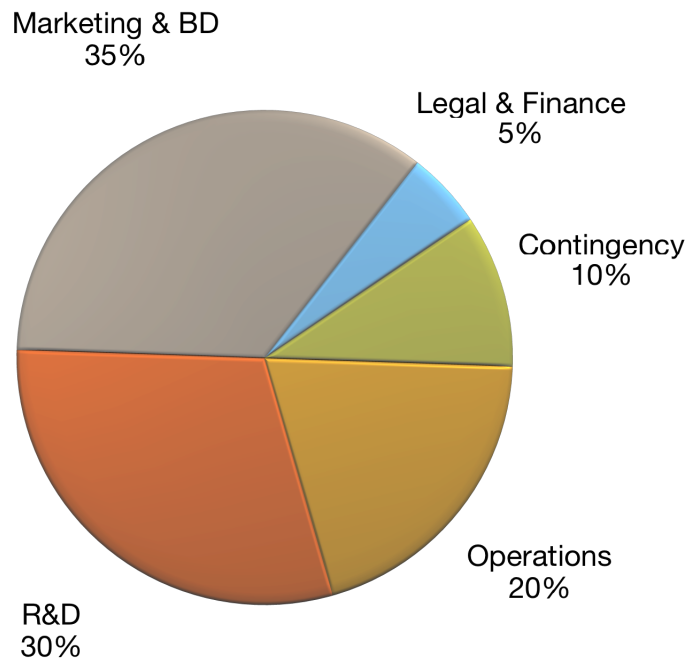
To build a blockchain platform: Upon the conclusion of the Token Sale, Mezzofy will utilise the proceeds to build the Blockchain Coupon Platform. This is the platform for issue of blockchain coupons and use of CCT. Nothing will be a higher priority and sufficient resources are required to ensure its completion in time.

To handle the complexity of the Blockchain Coupon Platform: The Blockchain Coupon Platform is complicated in nature and technology in order to deliver its target functions and meet the needs of various parties. Resources are required to make sure that the platform can be run smoothly and efficiently.

To enable B2B and C2C markets: The coupon market nowadays is mainly a B2C market. To expand its size with the use of CCT, Mezzofy will promote the B2B and C2C markets when the Blockchain Coupon Platform is ready. Such promotion on a worldwide scale requires funding.

The funds received from the TGE will be held by Coupon Chain Foundation and paid to Coupon Chain Technology as needed pursuant to the inter-company contracts for the work described below and for operating the CCT Ecosystem. These contracts will be signed in Q3 2018.

We currently anticipate that the net proceeds collected in the Token Sale will be used as follows:



**Marketing and Business Development:** Up to 35% of the funds will be used for marketing the Coupon Chain Token model in different places. This will include online and offline marketing activities, signing partnership relations with various business partners and signing agreements with potential partners from the retail industry.

**Research and Development:** Up to 30% of the funds will be used for continued engagement in blockchain application and research to build an integral ecosystem among the local communities.

**Operations:** Up to 20% of the funds will be used for facilitating alliances and collaboration with strategic partners and launch projects.

**Contingency:** Up to 10% of the funds will be set aside for any unexpected project overruns.

**Legal and Finance:** Professional law / accounting firm will be appointed to advise on legal, regulatory and compliance matters. The Token Group will develop a strong in-house legal team to navigate the legal landscape during project development and implementation. Professional law / accounting firm will be appointed to advise on tax and audit matters. A robust in-house finance team will be created to manage the treasury and accounting functions in line with the global best practices.

The expected breakdown may be altered based on the outcome of the token sale and project progress.

## 12. Road Map

The Coupon Chain project was launched in 2019. The Token Group has already achieved several project milestones. For the details of the progress, please check out at our website ([www.coupon-chain.org](http://www.coupon-chain.org)).

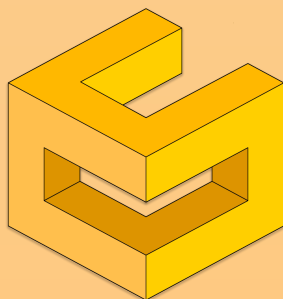
# 13. Conclusion

We have presented the Blockchain Coupon Platform model, which will create a global B2C, B2B and C2C digital coupon platform for managing the ownership of digital coupon on Blockchain Technology. This paper explains the huge opportunities as well as the risks.

The Blockchain Coupon Platform was built with the specific purpose of creating a digital coupon platform with Blockchain Technology that supports de-centralised application and trust-less coupon ownership driving market acceptance and usage of digital coupons as well as providing an open source solution for anyone to use for creating, issuing and process redemption of digital coupons.

The Blockchain Coupon Platform has not only created an open coupon platform but has also set the stage to extend the platform to use cases beyond traditional use for coupon. By unlocking the coupon potential to be used in daily business as a digital marketing tool, we can drive the market to get offline customers online. Join us today in our mission to reinvent digital coupon with CCT.

**COUPON CHAIN  
TOKEN (CCT)**



[www.coupon-chain.org](http://www.coupon-chain.org)