



# WHITEPAPER

Version 1.2



A smartphone screen displays a promotional banner for SnapEx. At the top, the SnapEx logo and a 'Login' button are visible. Below is a notification for 'SnapEx World Trading Competition 2020 ...'. The main banner features the SnapEx logo, the text 'SNAP POINTS' in large orange letters, and the subtext 'REDUCE TRANSACTION FEES OR SWAP FOR USDT'. At the bottom, there are three circular icons, each containing the letters 'SP', and a background image of a laptop displaying a trading chart.

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# Introduction

## **Mission**

Our mission is to accelerate the mass adoption of traditional and digital finance in financial derivative trading. Our applications offer versatile, advanced trading products and features to an active global community of users.

## **Abstract**

SnapEx is the leading cryptocurrency derivatives trading platform in Asia and is quickly expanding into new markets. The SnapEx platform offers contracts for differences, futures, leveraged tokens and OTC trading as well as novel trading products such as tokenized stocks and event prediction tokens. Our platform provides an intuitive, yet feature-rich user interface that is easy to use for the beginner, but delivers the full technical analysis tools desired by the advanced traders. In addition, we offer ample in-house liquidity allowing the orders to be executed in a timely manner. Our 24/7 personalized one-on-one customer support in multiple languages and across multiple countries caters to our wide international user-base and fosters an active global community

## **Who We Are**

We are an international team headquartered in Hong Kong with offices in Malaysia, Vietnam and Singapore. Our team has a diverse range of expertise and experience running crypto exchanges. Our knowledge in the industry and international nature provides us with a unique perspective as well as the ability to enter new markets and understand our client's needs across different countries.

# Current Industry Overview

## **Crypto derivatives trading market growth**

The crypto derivatives trading market is set to witness exponential growth this year and beyond. According to recent data, the average daily trading volume for crypto derivatives was over \$1.3 trillion in December 2020, representing 55% of the total cryptocurrency market. Trading in crypto derivatives has overtaken the spot market, which only accounts for 45% of all crypto trading. On a busy day, over \$100 billion in crypto derivatives are traded, comparable to the daily volume traded in the New York Stock Exchange. Furthermore, there is evidence that the activity inside these markets may affect the value of cryptocurrencies themselves.

## **Few derivatives large exchanges**

The derivatives market has been concentrated on a few main currencies and a few large exchanges – but this is changing. Currently, the top six exchanges compose the majority of all derivative trading volume. However, this dominance by large exchanges is increasingly challenged by new market entrants that specialise on new products such as options and derivatives on alternative crypto currencies. With the market continuing to grow and mature, we expect more new entrants and more product innovations in the near future.

## **Asia Leading Market**

Asia is the main trading hub for derivatives. Unlike in traditional finance, Asian exchanges account have more than 95% of the futures

volume in crypto. According to a new report by the Swiss-based Blockchain Valley Ventures, crypto derivatives are overwhelmingly traded on exchanges based in Asia.



# Why Crypto Derivatives?

The beginning of derivatives trading signals the maturity and mainstream acceptance of any asset. The derivatives are designed for the more sophisticated traders and investors. Below are the main reasons why crypto derivatives will continue to rise in 2021 and beyond.

## **Derivatives are used to hedge cryptocurrency volatility risk**

The main reason for traders to invest in derivatives trading is to mitigate the risks associated with volatile nature of cryptocurrencies. 2021 has been the year of mainstream acceptance of cryptocurrencies. However, since cryptos are inherently volatile, derivatives give merchants the option to hedge against such risks. For example, if you anticipate that BTC will become volatile, you can use inverse BTC/USD futures to lock in a specific value.

## **The increased regulation of the crypto sector has increased the appetite for crypto derivatives**

The increased regulation of the crypto ecosystem is seen as a sign of acceptance by governments and financial authorities of cryptocurrencies as a distinct asset class. This has led to public corporations, hedge funds, and high net-worth individuals entering the market in search of superior returns. 2020 saw the most regulation enacted around cryptocurrencies, which coincided with the highest number of corporate traders in crypto derivatives. Such traders seeking superior returns often prefer crypto derivatives since they allow leveraged trading, which significantly magnifies profits.

## **Crypto Derivatives bring liquidity into the market**

Trading in crypto derivatives means that you do not need to own the underlying coins so you can easily enter and exit a trade. There are finite cryptocurrencies in the market. For example, there is a little more than 17 million BTC in circulation as of this publication. This would mean that BTC is illiquid in the spot market, which means it is susceptible to price volatility. However, with derivatives, market makers can easily manage their exposure by providing liquidity and hedging their risks in the spot market, freeing up liquidity for the underlying crypto.

## **Derivatives will play an important role in the price discovery of cryptos**











For any asset, the price is often determined by supply and demand. In the past, since trading only took place in the spot market, price discovery in the crypto market was inefficient. In the spot market, traders and investors participate in trading in anticipation of cryptos appreciating in value. With derivatives, traders can take either a long or short position. This ability, along with increased liquidity, ensures a more efficient price discovery process. In turn, efficiency in price discovery helps legitimise cryptocurrencies as tradable assets.

# Why SnapEx ?

## SNAPEX Background

SnapEx was founded in 2018 and is headquartered in Hong Kong, with branch offices located in multiple Southeast Asian countries such as Vietnam and Malaysia. SnapEx is a cryptocurrency derivatives trading platform that offers innovative trading products and features. Unlike HODLing, contract trading on SnapEx allows users to profit in both bullish & bearish markets. Our proprietary platform focuses on market fairness, price transparency and features best-in-class functionalities that add flexibility to users' trading strategies. SnapEx adheres to global regulatory compliance and standards.

## OUR TOP 10 USER BASE

	<b>VIETNAM</b>	<b>38%</b>		<b>TURKEY</b>	<b>2%</b>
	<b>INDONESIA</b>	<b>22%</b>		<b>MALAYSIA</b>	<b>1.9%</b>
	<b>INDIA</b>	<b>6%</b>		<b>BANGLADESH</b>	<b>1.8%</b>
	<b>PHILIPPINES</b>	<b>5%</b>		<b>CANADA</b>	<b>1.6%</b>
	<b>KOREA</b>	<b>3%</b>		<b>PAKISTAN</b>	<b>1%</b>



# OUR **GROWTH** + 2019-2020

# 5x

**APP DOWNLOADS**



# 18x

**TRADING VOLUME**



# 9x

**DAILY ACTIVE USERS**



## Key Features

1. **CFD trading:** In CFD trading the difference between the settlement price and the contract price is settled in stablecoins, without the exchange of actual tokens.
2. **Dynamic trading:** As long as the user's order has a short/long price that is consistent with the short/long price of the current market, trades are fulfilled immediately. Users need not consider the trading risk caused by insufficient market depth.
3. **No intentional liquidity slippage:** Slippage refers to the user's order behaviour causing an impact on the market price, resulting in the actual cost of transactions being higher than the user's expected cost. On SnapEx, the user's order behaviour will not affect the market price.
4. **Stablecoin collateral and settlement:** Stablecoins can be deposited as collateral for all derivative products, and their PNL is settled in Stablecoins. Stablecoins allow traders to get legitimate USD-based price exposure and settlement. Using the same base currency as collateral for all of the contracts also makes it easier to shift positions around.
5. **Easy to navigate interface and technical analysis tools,** including the ability to view multiple charts on one screen.

## Future Features/Initiatives

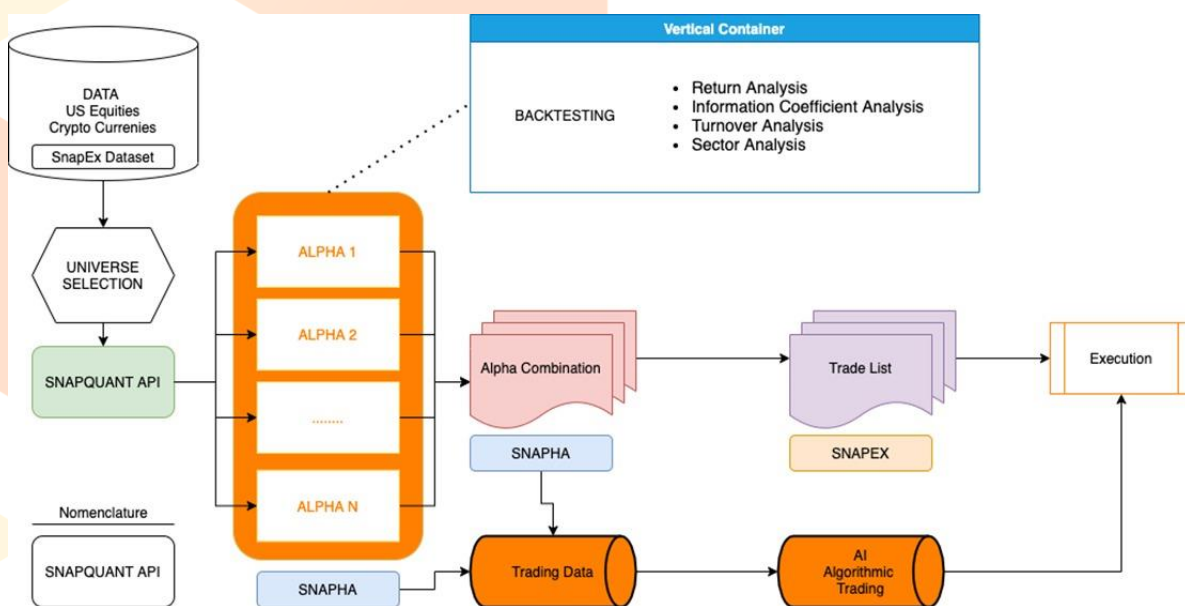
1. Hedging to reduce risks: When users accounts drop under the maintenance margin, a hedging order will be placed to reduce the risk of clawbacks.
2. Social trading: Our social trading function allows our users to mirror trade with the best traders in the world, greatly improving their odds of successful trades.
3. High demand and trendy trading products: leveraged tokens, tokenized stocks, prediction markets, etc.
4. Transparency and integrity: We aim to leverage blockchain technology to produce a cryptographically validated, provable, and immutable audit trail of all transactions processed on SnapEx platform.
5. Multichain support, ERC20, TRC20, OMNI, deposit and withdrawal
6. Trading conventional stocks

## Beyond CFDs, Towards NFTs

With the digital assets space moving towards decentralized finance and non-fungible tokens, we seek to continue innovating within the CFD space with dynamic product offerings and world-firsts. Over the course of late December and early January, we will be promoting and releasing our SNAP NFT, which will further solidify our market position as a crypto CFD leader and enable our ongoing expansion into the global markets.

## SnapQuant:

SnapQuant leverages AI and Machine learning to seek for the alpha in executing trades, enabling traders to input their trading algorithms in order to optimize platform gains vis-à-vis competing platforms and giving SnapEx its competitive edge in the market.

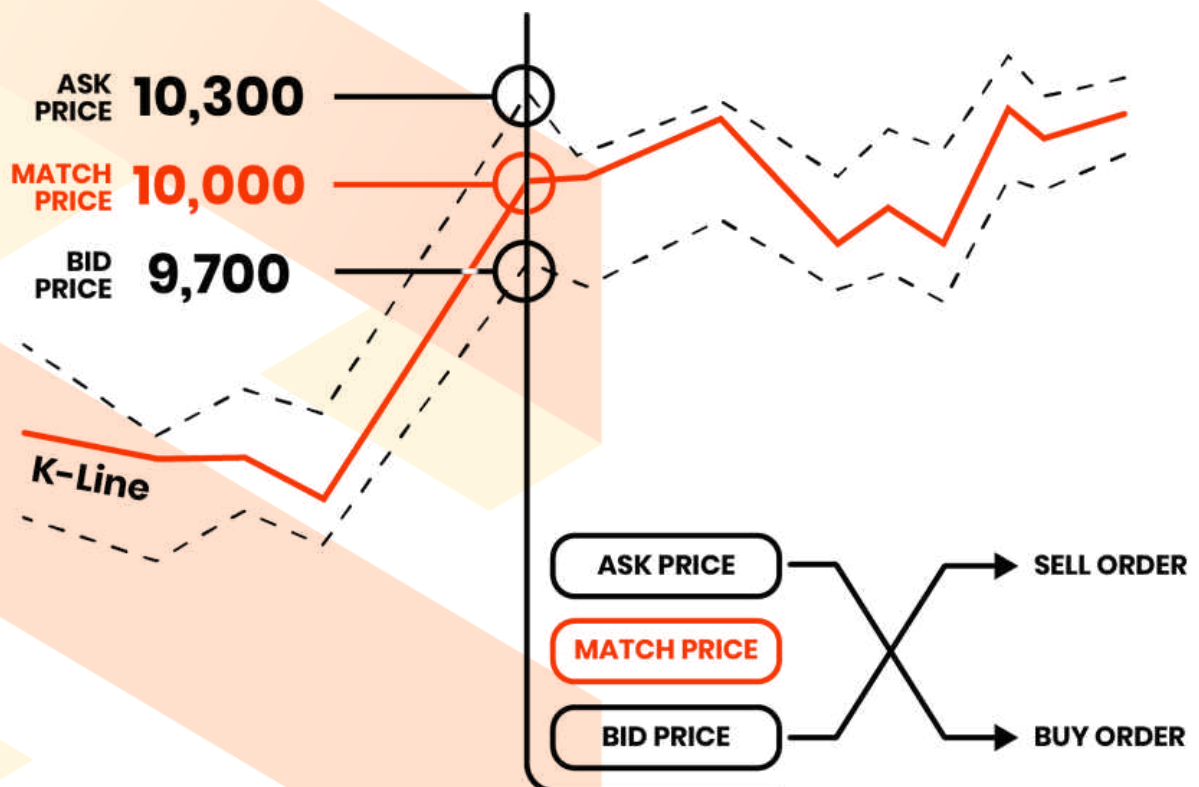


## Competitive Advantages

- Manipulation resistant: SnapEx adopts a K-Line weighted average, based on the spot real-time prices of multiple tier 1 leading cryptocurrency exchanges, thereby guaranteeing real-time and open transparency of the cryptocurrency prices.

SnapEx combines real-time data from the **3 LARGEST CRYPTO EXCHANGES** to obtain a fair and weighted average K-line

 **BINANCE**  **Huobi**  **OKEX**



- Dynamic trading: SnapEx's trading method is dynamic trading, meaning that as long as the user's order has a short/long price that is consistent with the short/long price of the current market, trades are fulfilled immediately. Users need not consider the trading risk caused by insufficient market depth. Currently, most crypto exchanges such as BitMEX and OKEx still use match trading as the trading method. In match trading, even if the user's order price matches the face value of the market, if there is insufficient counterparty and market depth, the user's order will not be fulfilled or can only be partially fulfilled. For users who make short-term trades, the desire to make an immediate profit in the short-term rising/falling trend through placing an order, match trading can cause orders to either not be fulfilled or be partially fulfilled due to insufficient market depth, causing them to miss the opportunity, an issue which doesn't happen in dynamic trading.

- Low slippage: Slippage refers to the user's order behaviour causing an impact on the market price, resulting in the actual cost of transactions being higher than the user's expected cost. On SnapEx, the user's order behaviour will not affect the market price. As long as the user's order has a short/long price that is consistent with the short/long price of the current market, trades are fulfilled immediately, and therefore there will be no intentional slippage.

- No platform spreads: There are currently three major crypto CFD platforms on the market with reference to the UK FCA regulatory framework, namely eToro, Plus500, and SnapEx. One of the biggest advantages of SnapEx compared to eToro and Plus500 is that it has no platform spreads. The SnapEx price is taken from the spot market trading situation. It does not add any spread and it will not profit from a user's buying and selling behavior. eToro and Plus500 add spreads to their platform to make profits from the user's trading behavior. The eToro and Plus500 spread calculations are taken from the arithmetic average of the spread of all cryptocurrencies at a certain point in time.

- High leverage: SnapEx also provides users with a higher and more flexible leverage selection range, which supports 1x-100x, self-selected. In the field of crypto contracts, providing users with high leverage is a mainstream practice. For Bitcoin contract trading, BitMEX and OKEx provide users with up to 100x leverage trading. Meanwhile, Binance provides users with up to 125x leverage trading options. The highest for eToro is only 2x and the highest for Plus500 is only 20x. For crypto traders, this leverage is obviously low, and it cannot satisfy the contract trading demands of most crypto traders.
- Low commission: The current SnapEx platform fee rate is 0.15%. At the same time, users can also use our platform tokens SNAP to enjoy commission discounts. There are a number of fees rebate events for token holders and users. The details will be disclosed, once the events are live.

### Comparison Table with Our Competitors

	SnapEx	BitMEX	Bybit	Bityard	Bingbon
<b>Base Currency</b>	USDT/ stablecoin	Various Coins	Various Coins	Stablecoin	Stablecoin
<b>Leverage</b>	1 - 100x	1-100x	1-100x	Up to 125x	Up to 125x
<b>Spread</b>	Trading Spread	Trading Spread	Trading Spread	Platform	Platform
<b>Slippage</b>	Low/Natural slippage	Based on depth of order	Based on depth of order	Natural/artific ial slippage	Natural/artifici al slippage
<b>Liquidation</b>					
<b>Trading Fees</b>	Open 0.01%, Close 0.00%	Maker minus 0.01%, Taker 0.05%	Maker minus 0.0025%, Taker 0.0075%	Open 0.05%, Close 0.05%	Open 0.075% (Currently 0.045%)
<b>Other Fee</b>	Overnight 0.04% every 24 hours	Funding fees every 8 hours	Funding fees every 8 hours	Overnight 0.05% every 24 hours	Funding fees every 8 hours

# Marketing and Growth Strategy

- The current SnapEx has more than 160,000 registered users, apart from going to the traditional marketing strategy, the growth strategy will also tap into onboarding different partners and projects. Along with the stock market, which enables SnapEx users to be able to sell stocks and cryptocurrencies CFD in the exchange.
- The existing Mixture of offline and online marketing strategies to drive volume is typically a combination of online and offline marketing. This includes releasing PR articles on traditional and established crypto news media outlets, having local influencers from social apps (Twitter, Bitcointalk, WeChat, YouTube), our outstanding community management, hosting meetups, having trading competitions, bounty programs, affiliate marketing and SEO and smart airdrops.
- SnapEx current strategy partners also provide assistance on AMA, interviews, ICO reviews, affiliate programs, Hosting meetups, Content Marketing (future blog spot, in house video production), Social Media Marketing (SMM), Search Marketing (SEO) and Email Marketing.
- SnapEx unique marketing strategy will be the copy trading KOL marketing strategy. This strategy will go beyond the standard marketing strategies of most derivatives exchanges. The details will be revealed when we launch the campaign.
- Along with the stock market development, we are also seeking for different marketing channels that fit into the traditional market.

We believe that we are in a unique position to enter into the traditional financial markets as a digital assets company.





## Growth Targets for 2021

TARGETS	2020 HISTORICAL DATA	2021 TARGET	CHANNELS/STRATEGIES
IMPROVE USER ACQUISITION	98,697	200,000	Improve brand presence, promote sign-up bonus, partner with KOLs
IMPROVE USER RETENTION	53.81%	60%	Run monthly localised campaigns/ competitions, improve/add product features
IMPROVE TRADERS' WIN RATES	7%	15%	Provide trading education, create more educational content, launch signal sites
IMPROVE DEMO TO REAL CONVERSIONS	53%	70%	Provide trading education, run email marketing campaigns, promote trading bonus campaigns
INCREASE NUMBER OF DEPOSITS	16%	30%	Run deposit bonus campaigns, promote localised trading competitions, partner with more OTCs
INCREASE NUMBER OF ACTIVE TRADERS	5.6%	10%	Run trading bonus campaigns, trading competitions

SnapEx will employ a combination of the above to aggressively expand our brand. We will constantly re-evaluate our marketing strategy to optimize our reach and stand-out from the competition.

# Tokenomics

SNAP is the platform token for the SnapEx ecosystem. SNAP has been deliberated with a careful, precise incentive schemes or mechanisms to manage the circulating supply and to increase network effects and demand.

SnapEx is a reputable exchange that has been operating since 2018. Unlike most of the token issuing companies who are issuing a token raise, our platform is already fully functional.

## Token Features

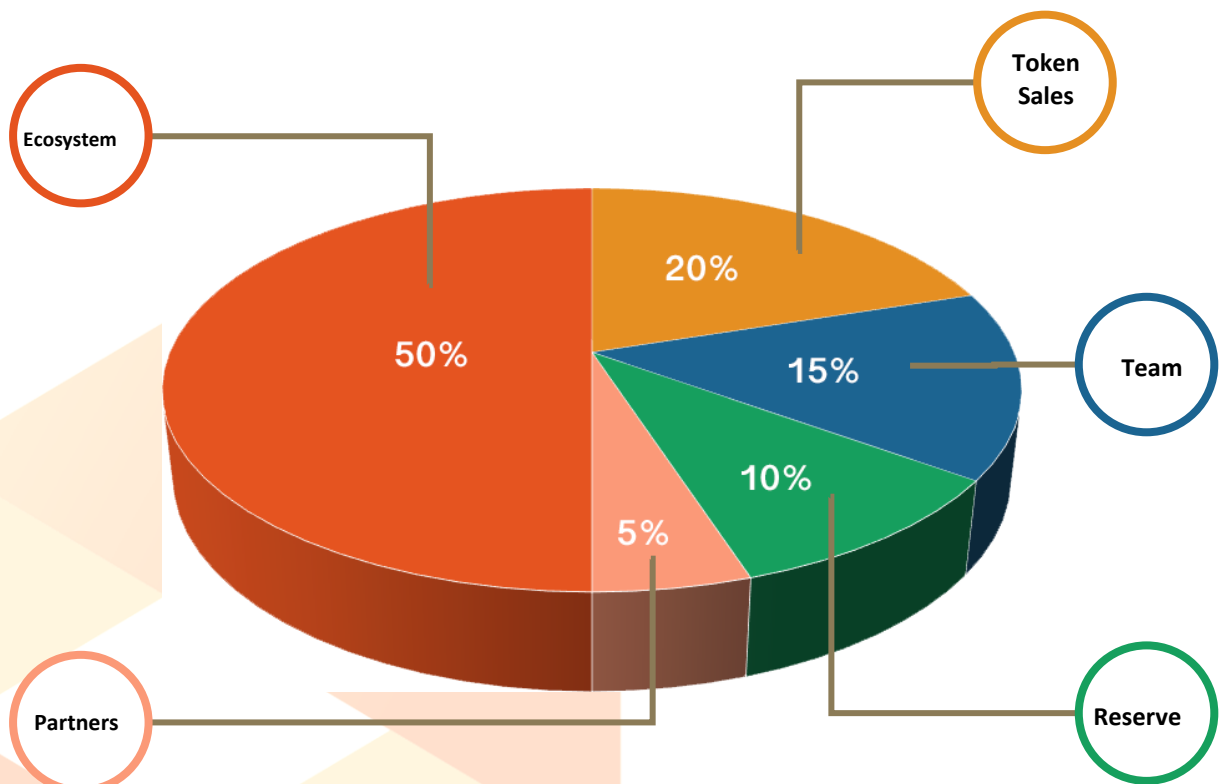
- Discount structure for Trading fee & management fee: up to 70% off.
- Token Buyback: SnapEx will use 20% of trading fees to repurchase SNAP in the marketplace. The purchased tokens will be reserved for future use.
- Collateral: SNAP can be used as collateral for margin and futures positions.
- Listing privileges: Projects who hold enough SNAP will have listing privileges for their tokens to be listed on our exchange.
- OTC Rebates: Customers who hold enough SNAP will receive rebates from their OTC trading on SnapEx.
- New Products privilege: Token holders will be able to participate to our Launchpad and have extra reward with staking

## Token Release Schedule

SNAP Tokenomics

SNAP token plans to raise 2-million soft-cap to 4.71-million hard-cap from both institutional investors and the broader community.

## Token Distribution



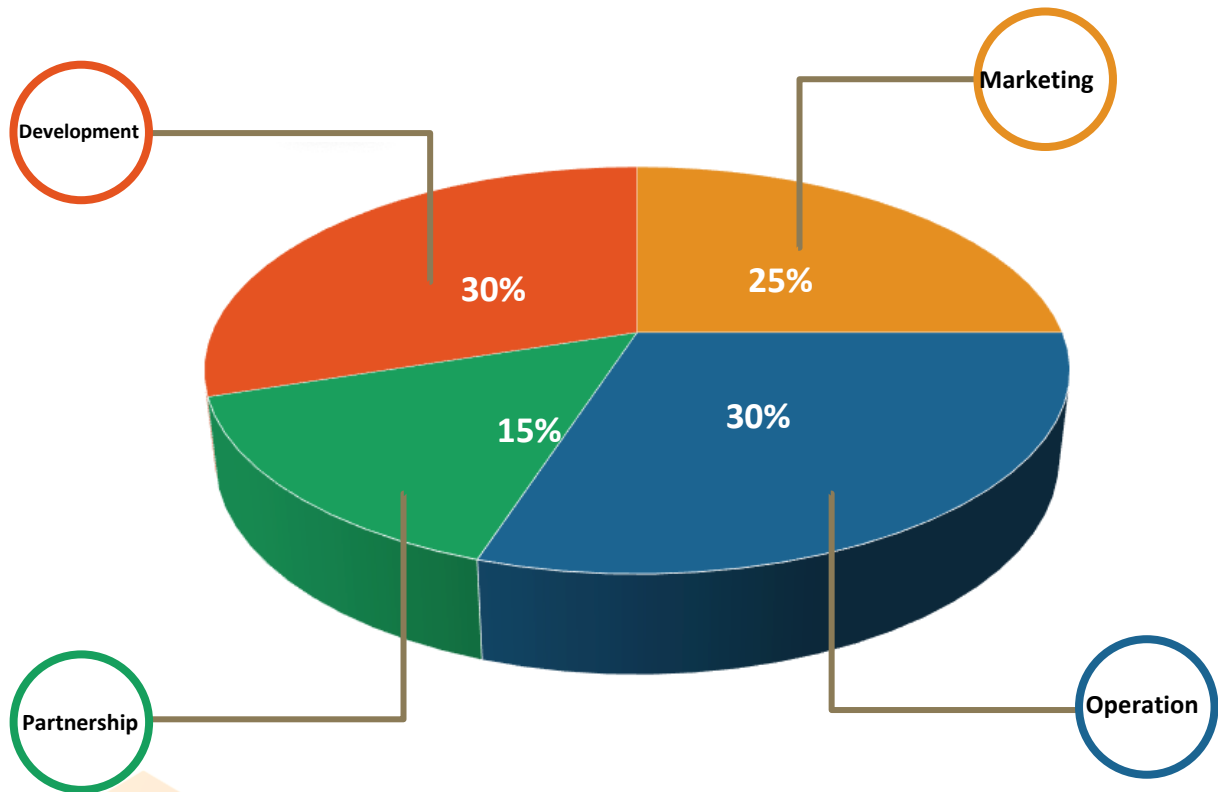
Total Tokens (SNAP): 2,000,000,000 Supply

- Investors - 20% of the total distribution will be distributed to private and public investors with different lockups.
- Team & Advisors - 15% of the total distribution will go to the team and advisors which will be on a 36-month lockup with the first release at 12 months, then each month thereafter.

- Partners - 5% of the total distribution will be reserved for different partnerships that will be required to use the SNAP token for ecosystem building purposes.
- Ecosystem Fund - 50% of the total distribution will be used for ecosystem creation, concentrated on Token AMM, staking, platform promotion and different marketing activities.
- Reserve - 10% of the total distribution will be reserved by SnapEx as an emergency fund for our business. This reserve will be utilized only in exceptional circumstances. SNAP reserves the right to use the funds.



## Use of Funds



- Marketing - 30% will be used for marketing expenditure, such as but not limited to offline and online events. Advertising and PR used to drive business from an investor and project view.
- Software Development - 20% will go into developing and continuing the maintenance of the SNAP ecosystem.
- Operations - 25% will be used to run day-to-day activities. This includes, but is not limited to salaries, office rent, utilities, hosting and software we will use.
- Asset Purchase - 15% will go into strategic purchases of real estate assets that will be held and maintained by SNAP, which will benefit

the token holders as we sell these assets and send the rewards into the staking pool

- Rewards - 10% for a reserve reward pool so that we may use them to offer \$SNAP utility token holders extra bonus rewards when we deem fit



This model closely ties investors' interests to SnapEx performance, thereby encouraging our team to execute and deliver on our goals. All investors shall make continuous efforts to help SnapEx to achieve its long-term value.

## Revenue Model

Our revenue model is based on the following main sources of revenue.

- **Exchange Fees**

This is a fee for trading activities on SnapEx. The exchange fee occurs when customers purchase and sell.

- **Transaction Fees**

This includes token withdrawals.

- **Spread**

The Spread will be relatively low for main crypto pairs. Instead, the revenue will be on the spread of small capital tokens and stock market.

- **Leveraged Token Fees**

We will be launching our leveraged token. Creation and redemption fees are 10bps.

- **Daily management fees are 3bps.**

As the project grows and evolves, we will constantly re-evaluate and look for new potential sources of revenue.

## Vesting:

The SNAP token unlock schedule shall follow a linear unlocking schedule over the course of 9-24 months.

Daily Additional Vesting Examples:

### TOKEN UNLOCK SCHEDULE

MONTHLY TRADING VOLUME REACH (\$)	PRESALE	PRIVATE SALES	KYC & SNAP POINT	DUTCH AUCTION	TEAM (AFTER 1 YEAR CLIFF)
0-100,000,000	3.91%	3.70%	3.48%	3.26%	4.17%
100,000,000 - 499,999,999	4.74%	4.47%	4.21%	3.95%	5.00%
500,000,000 - 999,999,999	6.00%	5.67%	5.33%	5.00%	6.25%
1,000,000,000 - 2,999,999,999	8.18%	7.73%	7.27%	6.82%	8.33%
3,000,000,000	11.25%	10.63%	10.00%	9.38%	11.11%

When the trading volume is lower than \$100 M/month, investors can only get the minimum viable token amount. When the trading volume exceeds the amounts specified in the Tokenomics section, investors will collect more tokens based on the table above. The shortest time for investors to collect all tokens is 9 months.



## Core Team



Cathal Donnellan  
SnapEx CEO



Frederik Cheung  
SnapEx COO



Julian Ong  
SnapEx CMO



Peter Chong  
SnapEx CTO





**Isaac Lee**

SnapEx Country Manager



**Joanna Hoang** 

SnapEx Country Marketing Lead



**Daniel Mehta**

SnapEx Digital Marketing Lead



**Azry Hilmin** 

SnapEx Art Director



**Alcon Marshall**

Marketing Communications

Specialist



**Keira Nguyen** 

SnapEx CS Lead

# \$ SnapEx ROADMAP

## November 2021

### Pursue CFD Platform License

SnapEx will begin applying for a variety of licenses across a number of territories and jurisdictions.

## November 2021

### SNAP Private sale for SnapEx Customers (First come first serve)

SnapEx will hold a private token sale of pre-existing SnapEx customers.

## December 2021

### SNAP Public Sale – Lottery Ticket

Public sale to take place, with the SNAP token to be listed on Uniswap

## January 2022

### SNAP NFT Drop

The SNAP NFT – Bull Series to be released via SNAP Platform

## January 2022

### SNAP Swag Pack Release

A full range of SNAP merchandise will be released and available at discount prices to SNAP token holders and NFT holders.

## March 2022

### SnapQuant & SnapSocial

Quant trading and copy trading to be unveiled and ready, with newer features unavailable on other platforms.

## February 2022

### World Trading Grand Prix

SnapEx will be organizing a worldwide Trading Competition with a big prize pool.

## Q2 2022

### Stock Listings

SnapEx currently has the license to feature 1,49 stocks in the United States and Hong Kong. Further markets to be integrated.

## Q3 2022

### New Product Development

New products to be integrated into the SnapEx ecosystem, including CBBCs, warrants, indexes, and prediction tokens.

## Q4 2022

### Options CFD

In Q4 of 2022, SnapEx plans to integrate and release its options CFD

## Conclusion

SnapEx is an established and rapidly expanding cryptocurrency derivatives trading platform. We stand out from the competition by offering advanced trading features and products, as well as client-focused superior customer service. We are excited about the opportunities and growth potential this innovative and novel crypto industry presents. We believe we have the resources, expertise, and unique approach to achieve a high level of success in this rapidly-growing space. We are looking for strategic partners and investors to join us on our endeavour to become one of the top global trading platforms.

# Disclaimer

## Legal Implications of Token Launches

SNAP tokens are functional utility tokens within SnapEx, which is a fully-functional CFD product based derivative platform. SNAP tokens are not securities. SNAP tokens are non-refundable. SNAP tokens are not for speculative investment. No promises of future performance or value are or will be made with respect to SNAP, including no promise of inherent value, no promise of continuing payments, and no guarantee that SNAP will hold any particular value. SNAP tokens are not participation in the Company and SNAP tokens hold no rights in said company. SNAP tokens are sold as a functional good and all proceeds received by Company may be spent freely by Company absent any conditions.

## Licenses and Approvals

Licenses and Approvals Licenses and approvals are not assured in all jurisdictions. SnapEx intends to operate in full compliance with applicable laws and regulations. The views and opinions expressed in this whitepaper are those of SnapEx and do not reflect the official policy or position of any government, quasi-government, authority or public body (including but not limited to any regulatory body of any jurisdiction) in any jurisdiction. This whitepaper has not been reviewed by any regulatory authority.

## Third Party Data

This whitepaper contains data and references obtained from third party sources. While the management believes that the data is accurate and reliable, they have not been subject to independent audit, verification, or

analysis by any professional legal, accounting, engineering, or financial advisor. There is no assurance as to the accuracy, reliability or completeness of the data.

### **Translations**

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