



LITEPAPER

1. INTRODUCTION

1.1 Blockchain Technology and NFTs

Blockchain technology has been around for close to a decade now. While blockchain applications and platforms have reached a certain degree of maturity in their life cycle, we still have a long way to go before we see mainstream adoption. Even the global interest from governments and enterprises in the opportunities of leveraging distributed ledger technology was not sufficient to keep the adoption of blockchain into hibernation.

As we're fast approaching the democratization of the Internet, the capacity of Blockchain 2.0 to offer a pragmatic approach to solving real-world business and governance issues is being put to the test. Security and interoperability are key here.

For the first time in history, we have an opportunity to bring real value to the market of video gaming through the novel model of NFTs. According to the last Narus Advisers report, the size of the global skin gambling market alone is \$7.4 billion where 92.5% of all bets are placed using skins instead of cash.

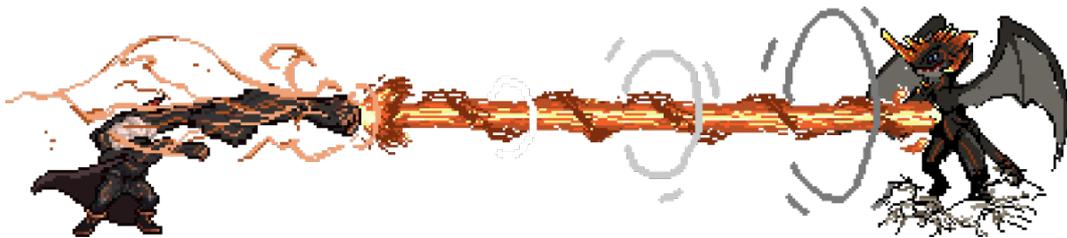
In its current state, the crypto market is highly fragmented and plagued with issues of cross-chain incompatibility and slow adoption. However, blockchain technology can create a trusted, verifiable system for in-game item trading. This multibillion-dollar market is forecasted to grow tremendously as in-game items of new games and new gamers enter the scene, and it provides a great opportunity for a decentralized platform where gamers can bet in-game items in a regulated way without the threat of scams or underage gambling.



Blockchain is the missing piece of the video gaming puzzle, providing a bridge between the highly profitable NFT space and the **ACG (Animation, Comic & Game)** culture that is gaining momentum in Asia. The development of Japanese- influenced art and animation has been very fast. As the ACG culture moves away from the marginal youth to the mainstream consumer, blockchain technology has the capacity to absorb the advantages of Japanese animation for creating works beyond them via NFTs.

PolkaFantasy is a unique platform where people can compete in skill-based video games, collect, battle, and enhance their armies, as well as hone their skills across numerous game scenarios. It is a unique ecosystem consisting of an NFT Marketplace, NFT-mobile Wallet, and multi-chain functionality that supports NFT games with a focus on Japanese ACG culture and art.

Inspired by DeFi principles, PolkaFantasy is designed especially for NFT lovers with a community-centric focus. We put players at the center of our mission to remake their gaming experience to be more inclusive, magical and digitally innovative.



1.2 Why the World Needs PolkaFantasy

The market for Japanese ACG offers tremendous business opportunities for a multi-chain based decentralized NFT marketplace and wallet. The vast majority of gamers are familiar with cryptocurrencies and agree that it is a game changer for the industry.

Because of the negative image and the recent scandals of many centralized site operators, the target audience will be open to a revolutionary platform that cannot be manipulated and also provides many other valuable services for the gaming community.

By combining in-game item purchase, exchange & storage, and an NFT marketplace & wallet in a single platform with its own currency, great synergistic effects can be offered to the users. This huge market is almost untouched. Coupled with the possibility for play-to-earn blockchain gaming concepts and free-to-play dynamics, our platform is exactly what the video gaming market is waiting for.

By leveraging NFTs in gaming, PolkaFantasy enables players to have full control of their in-game items that they win or purchase. This allows them to have a unique identity credited to their account, which contains their items.

PolkaFantasy's team is applying our deep experience in game making and creating markets to the NFT space to focus on furthering blockchain adoption. The marketplace we are creating will support the creation of NFTs backed by Japanese-themed digital art and in-game items. PolkaFantasy NFT technology helps to create a sustainable life cycle of digital art and in-game items. The platform will offer artists new ways to meaningfully engage their users in the digital realm.

1.3 Mission Statement

PolkaFantasy acts as a bridge between the virtual and DeFi worlds by enabling users to generate NFTs representing their limited-edition collection of in-game and digital art items. These NFTs can then be listed on PolkaFantasy, enabling anyone interested to browse through the marketplace and purchase the item of choice. We're unlocking a new wave of opportunities by merging the multi-billion video gaming with the US \$11 Billion DeFi market, creating imaginative, innovative and immersive cross-chain gaming experiences in the process.



2. MARKET OPPORTUNITY

2.1 Challenges

The in-game item sales industry is massive. In these virtual worlds, you have expensive items which can cost thousands of dollars, like virtual swords, skins, to name only a few. Players buy the items for use within the virtual world of the game. These items can improve a character or enhance the playing experience. The virtual goods exist only in the games, and the game creators are quite controlling of them.

Players generally aren't able to profit from a game. This is because selling off in-game items becomes a violation of the game license. Rather, video game creators likely have legal recourse to show a player profited from their property and might even be entitled to compensation.

As such, there is still a lack of true ownership when it comes to in-game objects. In Asia, the ACG industry has grown at breakneck speed in recent years as more and more tech and livestreaming giants noted its potential in generating profits. According to a report by market consultancy iiMedia Research, there had been nearly 350 million ACG product users in the Asian market by 2018, and on a Tencent ACG platform more than 80 percent of users were young people born after 1995.

Despite this phenomenal growth, the industry chain surrounding ACG culture is at the early stage of development, and the market will enter a higher gear after three to five years. In the meantime, the introduction of NFTs is profoundly changing the way consumers are interacting with digital art and in-game items. This opens new opportunities for merging the two into one marketplace that captures the most vigorous and high potential industries among the cultural industries.

2.2 Solutions

Gaming is an important use case for blockchain, and NFTs can make the games more immersive. Now, NFTs offer the opportunity for an open system ready for mass adoption with means of distribution. It could be accessible and standardizes creating NFTs across games, so the games and items can be interoperable across games and marketplaces. All current video gaming platforms are centralized and face multiple problems. By offering a **DApp (decentralized application)** coupled with a unique game mode that is perfectly suited for it, PolkaFantasy will avoid the challenges of current providers. These include the great limitations that all traditional team game modes bring with them.



PolkaFantasy's method resolves several of the main vulnerabilities that currently define the NFT market space. We rehash the unique properties of the blockchain that make it a better platform for digital goods, thus allowing for:

Direct-to-Fan Relationships via Trustlessness

PolkaFantasy's NFT marketplace enables peer-to-peer transactions via smart contracts without any trusted intermediaries. Once the product is authenticated, a traceable NFT that contains metadata of the product is created and it is permanently secured on blockchain. Artists can thus establish a direct relationship with their fans free of any platform risks. With the expanding ACG market, PolkaFantasy will become a hub for creators and fans to enjoy the authentic NFT experience found nowhere else.

Global Reach via Open Accessibility

We've found a great way for players to engage in a secure but thrilling multiverse game where their own skill level is relevant and the payout is handled automatically with the use of smart contracts. Everyone, regardless of where you're located or who you are, can interact with NFT contracts in the same way, unfettered by proprietary platforms and restrictions.



Permanence via Immutability

NFTs, once minted on the blockchain, cannot be altered. Authenticated and backed by a traceable NFT, they confer a strong sense of ownership and permanence. The ownership of each unique NFT can be securely transferred to a new buyer along with the trading history of the product can be viewed even after it has been sold.

Rapid Innovation via Open Standards

NFTs are based on open standards (ERC/BEP-721, ERC/BEP-1155 etc.). Standards give rise to network effects, interoperability and composability, the same reasons why DeFi (and the internet for that matter) is such a disruptive force. We believe this will unlock a lot of exciting innovation in in-game items. The cross-chain functionality that PolkaFantasy supports means the NFT marketplace has the ability to enable two or more blockchains to exchange information with each other in order to form a network to process transactions. Cross-chain transaction networks allow multiple blockchains to pass over information to one another.

Introducing a cross-chain method for intercommunication between the blockchain networks solves the blockchain technology's issue of scalability. The concept allows the NFT marketplace to communicate without any need of intermediaries. In this way, it can perform transactions over a cross-chain network. PolkaFantasy supports a cross-chain transfer bridge to deliver NFT token transfers and contract cross-chain calls for different chains, such as **Ethereum, BSC, Polygon**, and more. Being able to buy and trade NFT collectables on multiple blockchains makes NFT trading more convenient and efficient, and further injects liquidity into the NFT market.

3. HOW IT WORKS

Essentially, PolkaFantasy is designed for the needs of the NFT enthusiasts and modern gamers. The marketplace associates each in-game item or digital art piece with its virtual NFT on blockchain. Merging the NFT concept with the essence of in-all items means we are able to assign a traceable, digital identity to each item, so that people get the value they were promised. The blockchain-based NFT marketplace allows users and owners of items to create such an asset that contains information about the item's history, origin, parameters, ownership, and other character traits.

PolkaFantasy is thus solving the trust problem of in-game item exchange across chains and NFT staking, eliminating centralized sites because in a decentralized system, no one can influence the system and every aspect is solved with smart contracts that automatically take the necessary actions, making everything transparent. There is no need to trust anyone because of the nature of the system.

Users can exchange their in-game items or skins for \$XP tokens on our website via an API. More and more games are allowing users to deposit their in-app items to third party websites and we expect this industry to grow exponentially in the near future. Each in-app item has a certain value that is based on how rare the respective skin is. The value is transparently displayed on our website. The huge advantage of a decentralized NFT in-app item platform is that provably-fair games are offered.



3.1 NFT Game

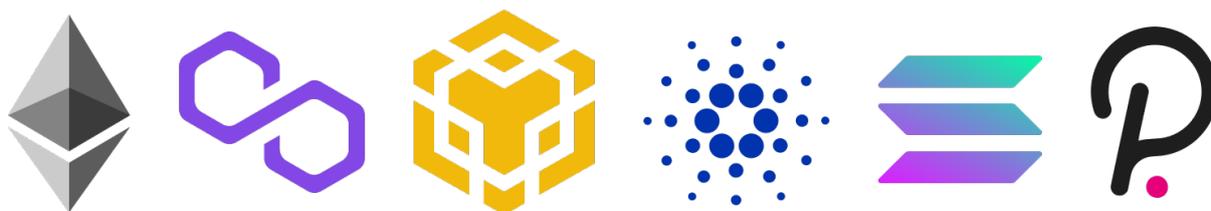
One of the strengths and selling points of PolkaFantasy will be its compelling narrative and immersive gaming experience. We will launch PolkaFantasy as a JRPG-style game in PVP turn-based card battle style.

Within the gaming ecosystem, users can buy NFT characters to play or upgrade their NFT weapons by spending \$XP tokens. Built by a team with a strong traditional game development background, including many Japanese Triple A studios, PolkaFantasy will plunge players in a fantasy world with satisfying combat and an engaging narrative.

The decentralized and open model of the gaming ecosystem means that users can sell or trade their NFTs in a peer-to-peer manner on the PolkaFantasy Marketplace. A built-in play-to-earn mechanism will also promote incentivization and the growth of our global community.

3.2 NFT Marketplace

PolkaFantasy acts as a bridge between the gaming and digital crypto world by enabling artists and players to generate NFTs representing their in-app items, skins and Japanese-themed art. These NFTs can then be listed on our marketplace, enabling anyone interested to browse through the marketplace and purchase the item of choice. PolkaFantasy also supports NFT auctions on the platform.



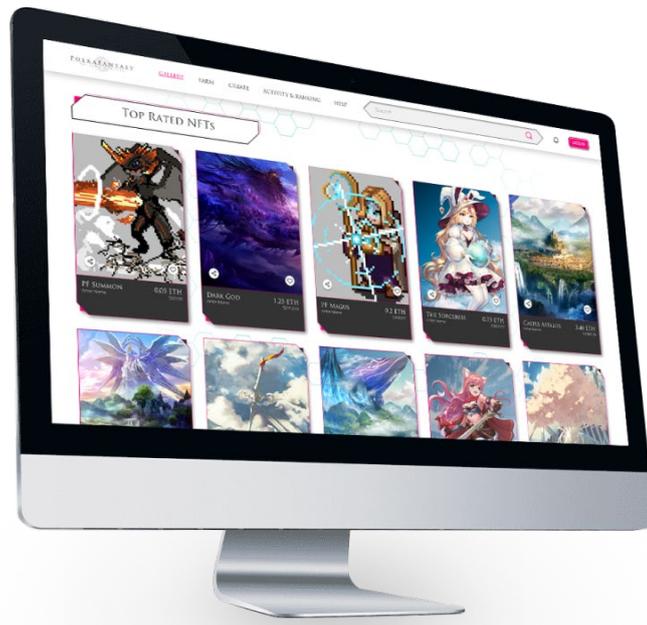
PolkaFantasy will gradually implement **Ethereum, Polygon, Binance Smart Chain, Cardano, Solana, and Polkadot**. We have chosen these blockchains for their scalability, functionality and security capabilities. The Ethereum blockchain can take the proposed load of trillions of hashes.

For example, the use of Polygon is geared towards helping to advance blockchain gaming and NFTs. Polygon addresses Ethereum's major limitations—including its throughput, poor user experience (high speed and delayed transactions), and lack of community governance—using a novel sidechain solution.

Polygon is designed to be an entire platform designed for launching interoperable blockchains. We believe in the continuous development of these

blockchains with further network changes addressing many of the present issues with the original bitcoin blockchain.

We have no doubt that blockchain technologies are developing rapidly, and intend to adjust PolkaFantasy's development accordingly. But, above all, we have chosen this combination of blockchains because it facilitates a future where different blockchains no longer operate as closed-off siloes and proprietary communities, but instead as networks that fit into a broader interconnected landscape.



For example, the use of Polygon is geared towards helping to advance blockchain gaming and NFTs. Polygon addresses Ethereum's major limitations—including its throughput, poor user experience (high speed and delayed transactions), and lack of community governance—using a novel sidechain solution.

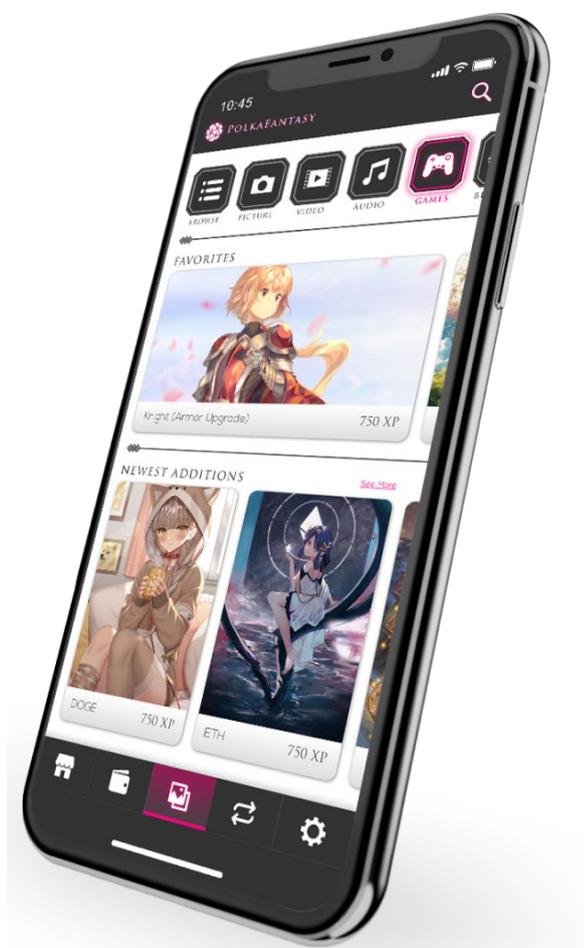
Polygon is designed to be an entire platform designed for launching interoperable blockchains. We believe in the continuous development of these blockchains with further network changes addressing many of the present issues with the original bitcoin blockchain.

We have no doubt that blockchain technologies are developing rapidly, and intend to adjust PolkaFantasy's development accordingly. But, above all, we have chosen this combination of blockchains because it facilitates a future where different blockchains no longer operate as closed-off siloes and proprietary communities, but instead as networks that fit into a broader interconnected landscape.

3.3 DeFi NFT-compatible Wallet

An NFT is a digital representation of an asset that is in high demand, and it is valuable because it stores information about that asset, including who owns it. Because you store NFTs on a blockchain, the information they carry cannot be altered or destroyed. This makes them suitable to represent anything of value, including artworks, title deeds, web domains, collectables, audio files and even people's identities. Ownership of the NFT thus signifies ownership of the asset it represents, but not necessarily the copyright.

PolkaFantasy goes one step further than existing NFT marketplaces by harnessing the capabilities of permission-less financing options powered by DeFi and NFT-based unique merchandise identification solutions to unlock new opportunities for value generation. Our model promotes the synergy between NFT and DeFi alongside various transactions that will be enabled on-chain.

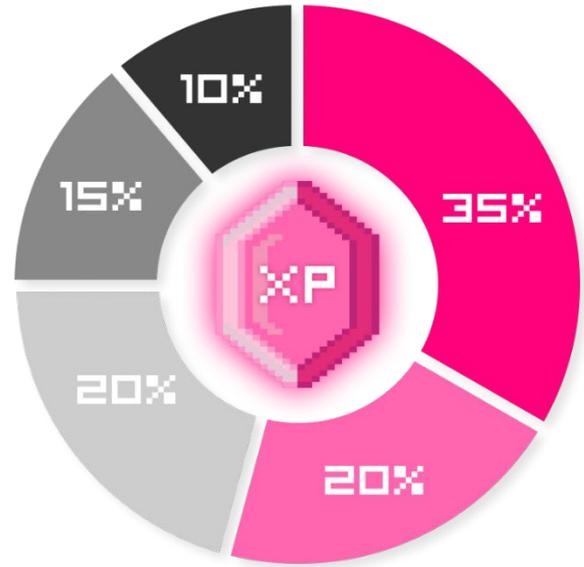


Liquidation Auctions

Brands and owners of asset-backed NFTs can choose to host liquidation auctions, providing a good option for early gaming enthusiasts and NFT interested buyers because the NFTs are offered at the lowest possible prices.

3.4 Token Distribution Model

- ◆ **Ecosystem** 35%
- ◆ **Token Sales** 20%
- ◆ **Marketing** 20%
 - Purchasing Rewards
 - Partner Token Swaps
 - Promotional Rewards
- ◆ **Team** 15%
 - Core Team
 - Advisors
 - Development
- ◆ **Treasury** 10%



4. TOKEN SALE

PRIVATE/PUBLIC SALE

20%

of total supply

PRIVATE SALE PRICE

\$0.043 /XP

(15% on TGE, Linear Distribution starts on Day 31, for next 8 months)

PUBLIC SALE PRICE

\$0.05 /XP

(25% on TGE, Linear Distribution starts on Day 31 for next 2 months)

INITIAL MARKET CAP

\$305K

(US \$305,000)

TOTAL TOKEN SUPPLY

200M

(200,000,000 XP)

ROUNDS	PERCENTAGE	TOKEN AMOUNT	PRICE	TOTAL	UNLOCK
PRIVATE ROUNDS	85%	34,000,000	\$0.043	\$1,462,000	15% day 1
LAUNCHPADS	10%	4,000,000	\$0.05	\$200,000	25% day 1
LIQUIDITY LOCK	5%	2,000,000	\$0.05	\$100,000	Early Supporter Reward upon game launch

4.1 Project Roadmap



4.2 About XP Token

The native digital cryptographically-secured fungible token of PolkaFantasy (\$XP) is a transferable representation of attributed governance and utility functions specified in the protocol/code of PolkaFantasy, and which is designed to be used solely as an interoperable utility token on the platform. Tokens will become available for sale through the IDO Public Sale on the Launchpad and later through public sale on a fixed Uniswap liquidity pool. \$XP tokens will be issued and distributed based on the ERC-20 token standard at the beginning.

\$XP is a functional utility token which will be used as the medium of exchange between participants on PolkaFantasy in a decentralised manner. The goal of introducing \$XP is to provide a convenient and secure mode of payment and settlement between participants who interact within the ecosystem on PolkaFantasy, and it is not, and not intended to be, a medium of exchange accepted by the public (or a section of the public) as payment for goods or services or for the discharge of a debt; nor is it designed or intended to be used by any person as payment for any goods or services whatsoever that are not exclusively provided by the issuer. \$XP does not in any way represent any shareholding, participation, right, title, or interest in the Company, the Distributor, their respective affiliates, or any other company, enterprise or undertaking, nor will \$XP entitle token holders to any promise of fees, dividends, revenue, profits or investment returns, and are not intended to constitute securities in Singapore or any relevant jurisdiction. \$XP may only be utilised on PolkaFantasy, and ownership of \$XP carries no rights, express or implied, other than the right to use \$XP as a means to enable usage of and interaction within PolkaFantasy.

\$XP also provides the economic incentives which will be distributed to encourage users to contribute to and participate in the ecosystem on PolkaFantasy, thereby creating a mutually beneficial system where every participant is fairly compensated for its efforts. \$XP is an integral and indispensable part of PolkaFantasy, because without \$XP, there would be no incentive for users to expend resources to participate in activities or provide services for the benefit of the entire ecosystem on PolkaFantasy. Given that additional \$XP will be awarded to a user based only on its actual usage, activity

and contribution on PolkaFantasy and/or proportionate to the frequency and volume of transactions, users of PolkaFantasy and/or holders of \$XP which did not actively participate will not receive any \$XP incentives.

As the native platform currency, all trades within the PolkaFantasy NFT marketplace will be settled with \$XP and other cryptocurrencies.

The play-to-earn mechanism will reward users with \$XP and various items for playing the game, participating in activities and marketing events.

In order to promote decentralised community governance for the network, \$XP would allow holders to create and vote on on-chain governance proposals to determine future features of PolkaFantasy (the right to vote is restricted solely to voting on features of PolkaFantasy; it does not entitle \$XP holders to vote on the operation and management of the Company, its affiliates, or their assets or the disposition of such assets to token holders, or select the board of directors of these entities, or determine the development direction of these entities, does not constitute any equity interest in any of these entities or any collective investment scheme; the arrangement is not intended to be any form of joint venture or partnership).

4.3 Future Outlook

The current crypto environment and sector is undergoing a flood of new capital allocations and infrastructure improvements. This is very beneficial for the industry, as a majority of these funds are used to promote technical development and entrepreneurship within the space. Since 2017 until writing this Litepaper, there have been major implementations of infrastructures deployed, which is ultimately the key to a thriving ecosystem.

Currently, there are over 62 million users of blockchain wallets and this number is multiplying itself every year as more room for new market participants. As of January 2021, there are nearly 1,400 cryptocurrencies that could be exchanged and traded for crypto and fiat currencies based on data from CoinMarketCap. DeFi had amassed over US \$39.11B on March 1st, 2021 from just roughly US \$1.01B exactly one year prior, exhibiting an exponential 39x growth in Total Value Locked (TVL).

We are already seeing top billionaires entering the crypto space such as Elon Musk who stormed the crypto space by buying over \$1.5 billion worth of BTC for his electric car company Tesla. We have also seen a surge of big companies allocating to cryptocurrency apart from Elon Musk's Tesla, such as PayPal to accept Bitcoin in their payment transfer services, Visa and Mastercard, Morgan Stanley Bank, Amazon Managed Blockchain, BNY Mellon Bank, and many more are about to acquire crypto assets.

According to analysis, future predictions state that the capitalization of the cryptocurrency market may exceed US\$10 trillion within the next 15 years. More new crypto millionaires, who will have earned their wealth through various tokens and coins, will appear as the market grows.

Just a decade after the world first heard of Bitcoin, the cryptocurrency market cap passed the US\$2.25 trillion mark in April 2021. While this growth has been a strong point in the crypto space, the market cap is still just a short fraction of the S&P 500 index (which stood at about US\$33.4 trillion as of December 2020) which is also a fraction of the global stock market investment market at about US\$80 trillion. This implies that there is a whole space and a long road for growth within the cryptocurrency market in the current and next decade.

The changing consumer sentiment regarding the environmental footprint of in-app items and digital art has quickly become a source of competitive advantage. Each item can have its ownership registered on a blockchain platform, where every transaction is securely recorded and made accessible to end consumers.

Moving forward, blockchain allows for greater traceability to help to create more inclusive gaming experiences. It is also a source of unlocking great value by tapping into the DeFi component, which will open new possibilities for earning for players and artists.



DISCLAIMER

PLEASE READ THE ENTIRETY OF THIS "DISCLAIMER" SECTION CAREFULLY. NOTHING HEREIN CONSTITUTES LEGAL, FINANCIAL, BUSINESS OR TAX ADVICE AND YOU SHOULD CONSULT YOUR OWN LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S) BEFORE ENGAGING IN ANY ACTIVITY IN CONNECTION HEREWITH. NEITHER FANTASY TECH INC. (THE COMPANY), ANY OF THE PROJECT TEAM MEMBERS (THE POLKAFANTASY TEAM) WHO HAVE WORKED ON POLKAFANTASY (AS DEFINED HEREIN) OR PROJECT TO DEVELOP POLKAFANTASY IN ANY WAY WHATSOEVER, ANY DISTRIBUTOR/VENDOR OF \$XP TOKENS (THE DISTRIBUTOR), NOR ANY SERVICE PROVIDER SHALL BE LIABLE FOR ANY KIND OF DIRECT OR INDIRECT DAMAGE OR LOSS WHATSOEVER WHICH YOU MAY SUFFER IN CONNECTION WITH ACCESSING THIS LITEPAPER, THE WEBSITE AT [HTTPS://WWW.POLKAFANTASY.COM/](https://www.polkafantasy.com/) (THE WEBSITE) OR ANY OTHER WEBSITES OR MATERIALS PUBLISHED BY THE COMPANY.

Project purpose: You agree that you are acquiring \$XP to participate in PolkaFantasy and to obtain services on the ecosystem thereon. The Company, the Distributor and their respective affiliates would develop and contribute to the underlying source code for PolkaFantasy. The Company is acting solely as an arms' length third party in relation to the \$XP distribution, and not in the capacity as a financial advisor or fiduciary of any person with regard to the distribution of \$XP.

Nature of the Litepaper: The Litepaper and the Website are intended for general informational purposes only and do not constitute a prospectus, an offer document, an offer of securities, a solicitation for investment, or any offer to sell any product, item, or asset (whether digital or otherwise). The information herein may not be exhaustive and does not imply any element of a contractual relationship. There is no assurance as to the accuracy or completeness of such information and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information. Where the Litepaper or the Website includes information that has been obtained from third party sources, the Company, the Distributor, their respective affiliates and/or the PolkaFantasy team have not independently verified the accuracy or completeness of such information. Further, you acknowledge that circumstances may change and that the Litepaper or the Website may become outdated as a result; and neither the Company nor the Distributor is under any obligation to update or correct this document in connection therewith.

Token Documentation: Nothing in the Litepaper or the Website constitutes any offer by the Company, the Distributor, or the PolkaFantasy team to sell any \$XP (as defined herein) 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. Nothing contained in the Litepaper or the Website is or may be relied upon as a promise, representation or undertaking as to the future performance of PolkaFantasy. The agreement between the Distributor (or any third party) and you, in relation to any distribution or transfer of \$XP, is to be governed only by the separate terms and conditions of such agreement.

The information set out in the Litepaper and the Website is for community discussion only and is not legally binding. No person is bound to enter into any contract or binding legal commitment in relation to the acquisition of \$XP, and no digital asset or other form of payment is to be accepted on the basis of the Litepaper or the Website. The agreement for distribution of \$XP and/or continued holding of \$XP shall be governed by a separate set of Terms and Conditions or Token Distribution Agreement (as the case

may be) setting out the terms of such distribution and/or continued holding of \$XP (the Terms and Conditions), which shall be separately provided to you or made available on the Website. The Terms and Conditions must be read together with the Litepaper. In the event of any inconsistencies between the Terms and Conditions and the Litepaper or the Website, the Terms and Conditions shall prevail.

Deemed Representations and Warranties: By accessing the Litepaper or the Website (or any part thereof), you shall be deemed to represent and warrant to the Company, the Distributor, their respective affiliates, and the PolkaFantasy team as follows:

- (a) in any decision to acquire any \$XP, you shall not rely on any statement set out in the Litepaper or the Website;
- (b) you will and shall at your own expense ensure compliance with all laws, regulatory requirements and restrictions applicable to you (as the case may be);
- (c) you acknowledge, understand and agree that \$XP may have no value, there is no guarantee or representation of value or liquidity for \$XP, and \$XP is not an investment product nor is it intended for any speculative investment whatsoever;
- (d) none of the Company, the Distributor, their respective affiliates, and/or the PolkaFantasy team members shall be responsible for or liable for the value of \$XP, the transferability and/or liquidity of \$XP and/or the availability of any market for \$XP through third parties or otherwise; and
- (e) you acknowledge, understand and agree that you are not eligible to participate in the distribution of \$XP if you are a citizen, national, resident (tax or otherwise), domiciliary and/or green card holder of a geographic area or country (i) where it is likely that the distribution of \$XP would be construed as the sale of a security (howsoever named), financial service or investment product and/or (ii) where participation in token distributions is prohibited by applicable law, decree, regulation, treaty, or administrative act (including without limitation the United States of America and the People's Republic of China); and to this effect you agree to provide all such identity verification document when requested in order for the relevant checks to be carried out.

The Company, the Distributor and the PolkaFantasy team do not and do not purport to make, and hereby disclaims, all representations, warranties or undertakings to any entity or person (including without limitation warranties as to the accuracy, completeness, timeliness, or reliability of the contents of the Litepaper or the Website, or any other materials published by the Company or the Distributor). To the maximum extent permitted by law, the Company, the Distributor, their respective affiliates and service providers shall not be liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including, without limitation, any liability arising from default or negligence on the part of any of them, or any loss of revenue, income or profits, and loss of use or data) arising from the use of the Litepaper or the Website, or any other materials published, or its contents (including without limitation any errors or omissions) or otherwise arising in connection with the same. Prospective acquirors of \$XP should carefully consider and evaluate all risks and uncertainties (including financial and legal risks and uncertainties) associated with the distribution of \$XP, the Company, the Distributor and the PolkaFantasy team.

\$XP Token: \$XP are designed to be utilised, and that is the goal of the \$XP distribution. In fact, the project to develop PolkaFantasy would fail if all \$XP holders simply held onto their \$XP and did nothing with it. In particular, it is highlighted that \$XP:

- (a) does not have any tangible or physical manifestation, and does not have any intrinsic value (nor does any person make any representation or give any commitment as to its value);
- (b) is non-refundable and cannot be exchanged for cash (or its equivalent value in any other digital asset) or any payment obligation by the Company, the Distributor or any of their respective affiliates;
- (c) does not represent or confer on the token holder any right of any form with respect to the Company, the Distributor (or any of their respective affiliates), or its revenues or assets, including without limitation any right to receive future dividends, revenue, shares, ownership right or stake, share or security, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property or licence rights), right to receive accounts, financial statements or other financial data, the right to requisition or participate in shareholder meetings, the right to nominate a director, or other financial or legal rights or equivalent rights, or intellectual property rights or any other form of participation in or relating to PolkaFantasy, the Company, the Distributor and/or their service providers;
- (d) is not intended to represent any 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;
- (e) is not intended to be a representation of money (including electronic money), security, commodity, bond, debt instrument, unit in a collective investment scheme or any other kind of financial instrument or investment;
- (f) is not a loan to the Company, the Distributor or any of their respective affiliates, is not intended to represent a debt owed by the Company, the Distributor or any of their respective affiliates, and there is no expectation of profit; and
- (g) does not provide the token holder with any ownership or other interest in the Company, the Distributor or any of their respective affiliates.

Notwithstanding the \$XP distribution, users have no economic or legal right over or beneficial interest in the assets of the Company, the Distributor, or any of their affiliates after the token distribution.

To the extent a secondary market or exchange for trading \$XP does develop, it would be run and operated wholly independently of the Company, the Distributor, the distribution of \$XP and PolkaFantasy. Neither the Company nor the Distributor will create such secondary markets nor will either entity act as an exchange for \$XP.

Informational purposes only: The information set out herein is only conceptual, and describes the future development goals for PolkaFantasy to be developed. In particular, the project roadmap in the Litepaper is being shared in order to outline some of the plans of the PolkaFantasy team, and is provided solely for **INFORMATIONAL PURPOSES** and does not constitute any binding commitment. Please do not rely on this information in deciding whether to participate in the token distribution because ultimately, the development, release, and timing of any products, features or functionality remains at the sole discretion of the Company, the Distributor or their respective affiliates, and is subject to change. Further, the Litepaper or the Website may be amended or replaced from time to time. There are no obligations to update the Litepaper or the Website, or to provide recipients with access to any information beyond what is provided herein.

Regulatory approval: No regulatory authority has examined or approved, whether

formally or informally, any of the information set out in the Litepaper or the Website. No such action or assurance has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of the Litepaper or the Website does not imply that the applicable laws, regulatory requirements or rules have been complied with.

Cautionary Note on forward-looking statements: All statements contained herein, statements made in press releases or in any place accessible by the public and oral statements that may be made by the Company, the Distributor and/or the PolkaFantasy team, may constitute forward-looking statements (including statements regarding the intent, belief or current expectations with respect to market conditions, business strategy and plans, financial condition, specific provisions and risk management practices). You are cautioned not to place undue reliance on these forward-looking statements given that these statements involve known and unknown risks, uncertainties and other factors that may cause the actual future results to be materially different from that described by such forward-looking statements, and no independent third party has reviewed the reasonableness of any such statements or assumptions. These forward-looking statements are applicable only as of the date indicated in the Litepaper, and the Company, the Distributor as well as the PolkaFantasy team expressly disclaim any responsibility (whether express or implied) to release any revisions to these forward-looking statements to reflect events after such date.

References to companies and platforms: The use of any company and/or platform names or trademarks herein (save for those which relate to the Company, the Distributor or their respective affiliates) does not imply any affiliation with, or endorsement by, any third party. References in the Litepaper or the Website to specific companies and platforms are for illustrative purposes only.

English language: The Litepaper and the Website may be translated into a language other than English for reference purpose only and in the event of conflict or ambiguity between the English language version and translated versions of the Litepaper or the Website, the English language versions shall prevail. You acknowledge that you have read and understood the English language version of the Litepaper and the Website.

No Distribution: No part of the Litepaper or the Website is to be copied, reproduced, distributed or disseminated in any way without the prior written consent of the Company or the Distributor. By attending any presentation on this Litepaper or by accepting any hard or soft copy of the Litepaper, you agree to be bound by the foregoing limitations.