



# Monkey King Token White Paper

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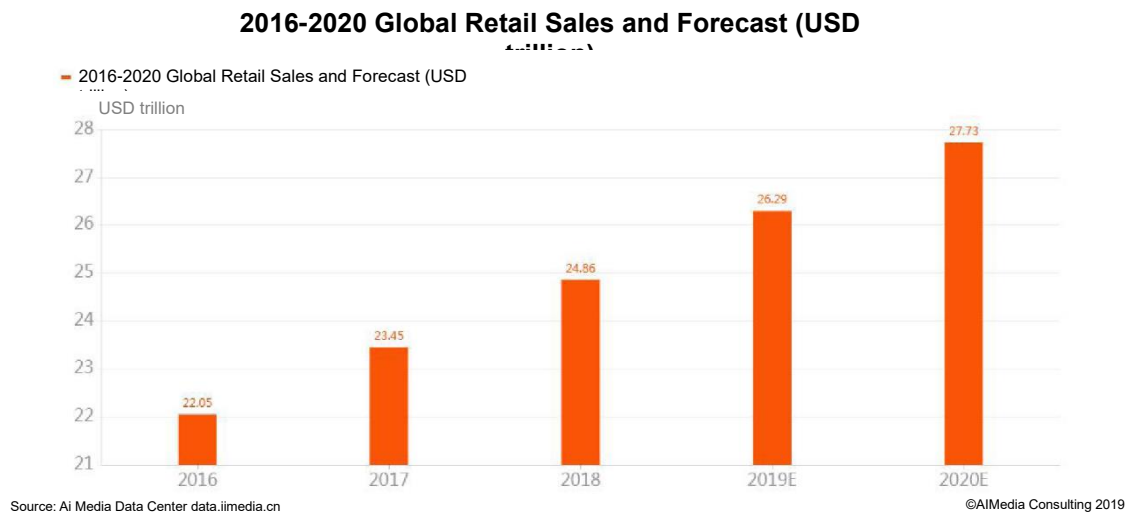
**Monkey King New Retail Ecosphere Chain**

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# 1. Industry Development

As the global economy continues to heat up, the retail industry also develops rapidly. Data shows that in 2018 global retail sales reached \$24.86 trillion, sales are predicted to grow to \$26.29 trillion in 2019, and \$27.73 in 2020.



Online shopping is present everywhere in daily life, but it in fact only accounts for 15.5% of the total retail sales of consumer goods, and more than 80% of commodity transactions are not carried out online. This means that Internet+ and the work of bring more of traditional commerce online still needs more space to expand.

A new concept of retail has been proposed as the traditional em-commerce platform model has begun to have only a marginal effect. This concept is for the deep merging of online and offline retail, and the combining of them with the IoT, big data, A.I. and blockchain technology to recreate a new business format that is based around factors such as “people, goods, and scenarios”.

## 2. Project Overview

Monkey King New Retail Ecosphere Chain is committed to creating a credible, open, shared, collaborative, multi-level business ecosystem and hopes to use the field application of blockchain technology to achieve new innovative applications in new retail.

### **Blockchain technology has three core characteristics:**

The first of which is that data can be attributed to solve the issue of Internet data being copied indefinitely, this means that assets can be widely exchanged after they have been digitized. The data that needs to be exchanged and shared can be written into the block with blockchain technology. The writing process and its content are mutually transparent and the written data is automatically confirmed. So there is no reason to fear private tampering or data copying. The two parties can read it in accordance with their individual needs and this greatly reduces the cost of data exchange. This greatly reduces the barriers for sharing and exchanging data between businesses, governments and other organization, and can realize a borderless ideal in business operations.

The second of which is achieve decentralized trust, i.e. Not relying on any third party. Mathematics is used to ensure that transactions are not tampered with and are not denied. Achieving decentralized trust can significantly reduce the cost of trust, and allows for the omission or optimization of intermediaries, intermediate links and many processes in business activities. This allows for the reconstruction of the new retail scenarios around the factors of “people, goods, and stores”.

The third is to realize the point-to-point transmission of value, which when

combined with assets on the chain and the generalization of the rights and interests of merchants and consumers, can form a wide range of business eco-alliances of shared value, mutual traffic, exchanges of rights and interests, data process docking and complementary models.

Monkey King combine the two trends of blockchain and new retail to use blockchain characteristics in an innovative manner to construct a transparent and credible public chain platform that realizes the aggregation of resources and the circulation of value for various forms of business.

The traditional e-commerce platform model has already begun to have a marginal effect. If the other forms of commerce that account for 85% of total retail sales are to be moved onto the traditional e-commerce platform model it would be infeasible and innovative retail model transformation is needed.

2. Due to the merging of online and offline, the conventional O2O model and traditional software architecture are expensive, data and processes are interconnected and require a blockchain solution.

3. A blockchain solution is necessary because the IoT in the infrastructure of new retail breaks down islands of information and data and information are connected to a network.

4. A blockchain solution is necessary because of the A.I. And big data of the new retail infrastructure crosses borders, captures data, shares data, and aggregates data.

Monkey King has built a new retail eco-alliance through three different levels of access solutions, such as sales alliance, point token exchange, and business sub-chain integration, based on the concept of the innovative application of blockchain in new retail.

### **3. The Application Prospects of Blockchain in New Retail Scenarios**

E-commerce has gradually become one of the mainstream commercial retail models since the founding of Amazon in 1995, 8848, eBay, Alibaba in 1999 Taobao in 2003.

Originally e-commerce was used to allow individuals to exchange information on the Internet to achieve transactions. Its goal was to reduce intermediate links and facilitate personal second-hand commodity transactions. The efficiency and cost advantages of Internet channels have become more prominent with the improvement to Internet infrastructure and the rise of its popularity. Now, e-commerce channels have rapidly emerged to break down barriers between channels and begin to replace traditional channels as the mainstream. At the current level of e-commerce development today, C2C has almost disappeared and all inbound traffic has been monopolized by a select number of e-commerce platforms.

The e-commerce market is now very much like the Red Sea, platforms have been monopolized by several companies and a system of princes has formed. Alibaba is dominant and holds a 90% share of total trading volumes. WeChat is stronger in the field of social networking, but lacking in platform e-commerce. It is not cooperative with JD.com and VIPS. The domestic market has been divided and there is no way out for the traditional platform e-commerce model.

However, 85% of the retail business market transactions are not carried out online. Although network retail is experiencing rapid growth, its traditional platform e-commerce model has begun to have a marginal effect. The cost of traffic is getting higher and higher, and traffic is controlled by the platforms. Merchants are dependent on the platform and if the platform is shut down they will lose years of hard work.

The new retail concept proposes the integration of all online and offline channels, it proposes this because as long as e-commerce platforms have boundaries, traffic will continue to have a marginal effect. Therefore, the merging of online and offline retail with the addition of A.I., big data, IoT, and blockchain technology has normed the future concept for new retail.

Influence by the rise of mobile Internet, community marketing and social media marketing (represented by WeChat) has emerged. Their business models and organizational forms are different from previous commercial forms. Their concepts of win-win, sharing, mutual sharing are people-centric business paradigms. This began the concept of social media new retail and this also fits in line with the new retail scenarios of the future.

Social media new retail is focused on the transformation of organization and



production relationships. Alibaba New Retail focuses achieving a smart business vision with technological innovation. It is expected that the integration of these two new retail concepts will be achieved with blockchain technology because of blockchain has the characteristics of de-intermediate value transfer, decentralized trust, data sharing, and tokenization of rights and interests. This will allow for the innovation and reconstruction of the community+ and a smart complete new retail business model.

To date, almost all e-commerce platforms, retail assess and other similar platforms have created a centralized platform that either controls the input flow or the export of goods or both. The prospects of Monkey king are not to again to build a blockchain technology or centralized authorization platform but rather it hopes to use blockchain technology to construct an alliance (style) platform. This platform not only doesn't require the control of input and export, and is only responsible for the gathering of different kinds of resources. It will use blockchain technology and tokens to link together commercial resources of all different states and industries.

By using Monkey king, all kinds of commercial organizations will be able to not rely of e-commerce platforms but instead utilize offline traffic channels and they will be able to share and cooperate with other traffic channels. They can create a marketing alliance that crosses borders, regions and industry conditions and can realize the sharing and exchange of data. Community operations and offline operations will become an important source of data, and all business forms that do not have the conditions for online sales to realize Internet drainage and sales.

In the future blueprints of new retail, Monkey King will utilize its own superior blockchain technology and leading complete resources to push forward the digitalization and equitization of resources and construct a commercial alliance ecosphere.

## **4. The Current State of Network Retail**

2018 was a year of stable development of the global e-commerce business market. B2B e-commerce continued to take up a dominant market share, network retail sales continued to rapidly increase, and the Asia-Pacific region became the driver for the global e-commerce market. In 2018 the Chinese Electronics business market continued to appear crowded together in accordance with laws, regulations and relevant policies. Its development environment continued to become more regulated, its competitiveness remained stable and it stepped towards a more mature stage.

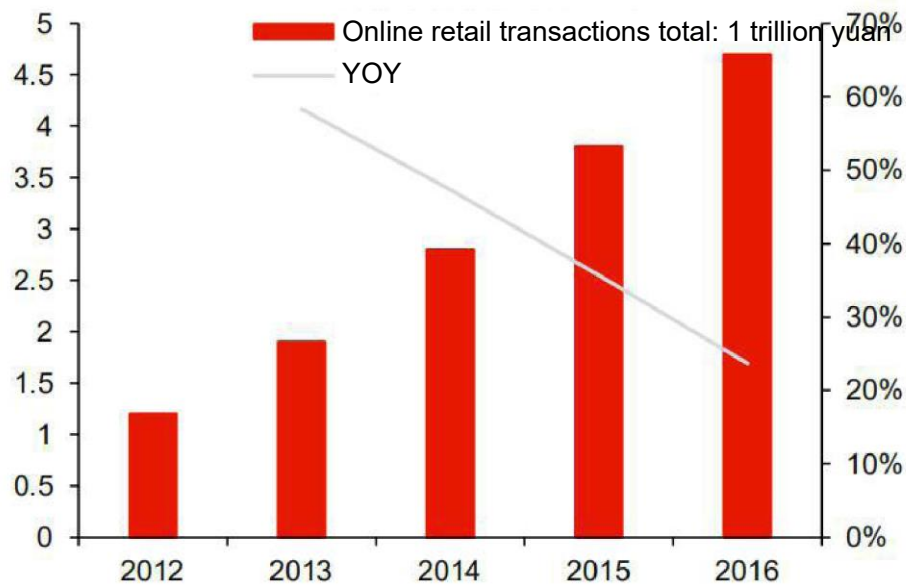
### **1. The scale of the global e-commerce market continues to increase.**

The scale of the global e-commerce market continues to increase.

Looking on a global scale, the e-commerce market has continued to steadily develop alongside the increase in the level acceptance of Internet by enterprises and the rapid growth of the network retail market. Global e-commerce sales reached \$27.4 trillion in 2018, a growth of 7.9% from the previous year.

## **2. B2B maintains the highest share of the market structure.**

In 2018, B2B still held the position of director in the e-commerce field, its sales reached \$24.6 trillion, and made up 90% of global e-commerce transactions. The B2C market came in second. In 2018, the B2C market continued to grow rapidly, and its sales reached \$1.6 trillion, representing a market share of 5.8%, and this pulled it even further ahead of C2C in terms of transaction amounts. Despite the growth in the C2C market and sales of 1.2 trillion, the total market share of C2C has continued to shrink, and it made up around 15% of global e-commerce sales.



Source: iResearch, Huatai Securities Research Institute

Chart 1: Online shopping transaction scale and growth rate

### 3. Asia-pacific, North America and the E.U. are the three main markets

The Asia-Pacific e-commerce market has continued to rapidly expand, Japan, South Korea and other important countries saw an average increase of over 25%. Asia-Pacific e-commerce transactions made up of 38.7% of the global total. The North America e-commerce market development continued to be stable and it took up 24.5% of the global market share. Other countries such as India and Russia also saw promising development trends.

### 4. Amazon and Alibaba lead the way for the global e-commerce market.

#### The Chinese e-commerce market continued to grow in 2018.

The Chinese e-commerce market has continued to develop and mature as it has entered its high quality development. This was done with a background of a beneficial policy environment, the digitalization of traditional businesses, a shift towards the concentration of the Internet and consumer habits being focused on

online shopping. The Chinese e-commerce market continued to grow in 2018 and transactions reached a total of 31.6 trillion RMB, a growth of 8.5% from the previous year.

In terms of market share in 2018, Alibaba came first with a share of 58.2%, and JD.com achieved 17.3%. The two e-commerce companies together held a market share of 75% and have undeniable competitive advantages.

Second tier enterprises still fall far behind when compared with Taobao and Tmall. Buy Together has seen a dramatic rise with a current market share of 5.2% rising from a previous share of only 0.1%.

Suining, VIPS and Gome had a market share of 1.9%, 1.8% and 0.7% respectively. There are many enterprises at the bottom of market share rankings, with the rise of cross-border, fresh produce, mother and baby and other vertical fields, new enterprises have proven to be very competitive.

### **B2B E-commerce - Differences in Requirements has led to a Scattered Pattern**

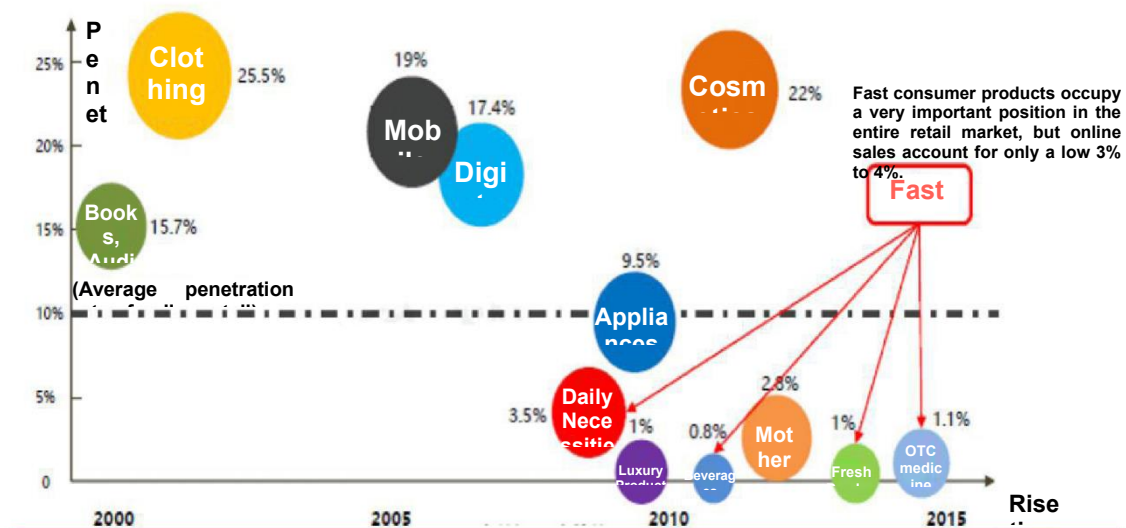
From a global perspective, enterprises in different countries and regions have vastly different purchasing requirements. To date, the pattern in market competitiveness has tended to be distributed, and a real meaningful dominant force. Enterprises that have a larger market share are China's Alibaba, America's Amazon, Russia's Tiu, India's TradeIndia, Brazil's B2Brazil, etc. In addition to this, every country continues to present new innovative transaction methods which are focused on different field's B2B e-commerce platforms. For example there is the original, H2H (human to human) service model eWorldtrade, the focused on clothing accessories Etsy Wholesale, and the focused on electronic products Tradekey, etc.

### **Retail E-commerce - A Divide and Control Strategy that Takes Regions as a Unit**

Looking from a global scale, Amazon's dominant position in network retail has always been stable. In 2018, its turnover broke 200 million \$ for the first time. Its

e-commerce services cover more than 58 countries and regions. Alibaba has also used China's strong user base to become an e-commerce giant. To date, the areas covered by its retail services mainly include South East Asia, the Middle East and other areas. Although eBay has seen steady growth in North America, it is in Australia and South Africa that it is the most welcomed e-commerce platform. In addition to this, NASPERS dominates the Russian, West Asian, and East European markets, MercadoLibre holds the largest the largest market share in South America.

Although the penetration rate for overall online shopping (the proportion of online shopping in the company is zero) still has room for improvement (according to statistics from the Bureau of Statistics, the physical online shopping company accounted for 11.6% of the total), but for books, clothing, cosmetics, 3C digital and other traditional online shopping categories, the penetration rate has reached a high level of more than 20%, and its corresponding growth rate has slowed down significantly.



Source: Analysys Think Tank 2015 Huatai Securities Research

Chart 2: China's Fast Consumer Online Trading Ratio

In over the year that New retail has been proposed, Alibaba has won first place in the field with its initial strategic deployment. This deployment comprises of two parts: The first is a network retail part, the second of which a new retail part that merges online and offline, it includes Yintai, Suining cloud, Lianhua Supermarket, Sanjiang Shopping club, Fresh Hema amongst others, and advances smart upgrades of physical shop fronts.

The “Jingteng Borderless Retail” solution plan is based on the transaction habits of consumers on JD.com, Tenecent’s characteristic observation of social



media behavior and brand stores' offline shopping data, and improves the level of operation activity and services for customers.

The “Jingteng Borderless Retail” solution plan hopes to observe and gather the big data of consumers, and this kind of brand store can develop operation activities more precisely. For example, vouchers issued by JD.com being able to be used at core shop fronts and in WeChat stores. Consumers can acquire membership cards in offline stores and their points and discounts can also be used on JD.com, its flagship stores, and in WeChat stores. As consumption has continued to upgrade, consumer expectations towards product quality and consumer environments also continue to rise. The focus of consumers has shifted from price to product quality and service and traditional online shopping can already no longer satisfy these various consumer scenarios. These new trends also have diversified online characteristics, convenience and offline person experience. No matter where the consumer is, they are all able to have a much unified service experience, and a clear feeling and understanding of the product image.

## **5. Issues for Network Retail**

The weak point of e-commerce is the shopping experience for consumers of some product categories are not good, a second weak point the data costs are increasingly high (the cost of a acquiring a real purchasing customer for traditional B2C e-commerce is already 180 RMB), the third is that logistic costs cannot be reduced. And the ability of traditional retail’s two core indicators, Ping effect and Main Hour Productivity, to cross borders is very hard to achieve without an new operations model.

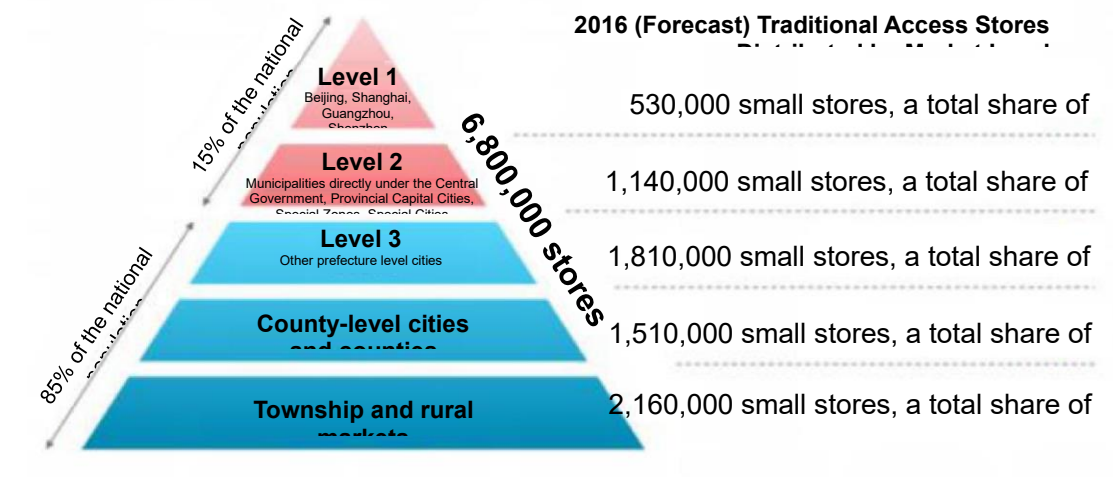
As retail models change, offline has a greater ability to take responsibility for physical experiences, and online to provide convenience, cheap prices and win

consumer favor in different parts of transactions and Offline takes the role as a guide for send consumers online. However, in terms of ultimate stakeholders, due to the IT system's existence of barriers to solving the problem of storing diversion identification, many suppliers isolate online and offline distribution channels and the the offline stores' contribution to experiences cannot be repaid, and these contradictions are increasing.

Physical retail stores emphasize the high quality traffic of people brought by the core business circle. PC e-commerce organizes sellers and buyers with platforms, all of these platforms have centralizing characteristics. In contrast, mobile social media makes more contacts between users and has a decentralizing characteristic. The integration of online and offline is not limited to unmanned shops or smart stores, but also rapidly improves the value of mobile social media traffic.

In the vision for new retail, it is hoped that the personalization of consumption levels and needs can be implemented along with the seamless docking and diversification of various consumer scenarios and a people-oriented approach. From an operational level, this involves solving the issue of information siloing caused by the instant and fragmented shopping scenarios. It also involves the use of mobile social media, communities, crowd funding and other methods to enable consumers to participate in creating value.

According to statistics, there is a total of 6.8 million traditional access stores in China, and there are millions of online stores with real transactions. The data management and informatization levels of these stores are often uneven. Many e-commerce companies have reached international first class levels in the collection and analysis of data, but many traditional enterprises still pay very little attention to informatization and data management analysis, and most ordinary stores do not even have informatization of the most basic data management.



Source: Kaidu Consulting, Huatai Securities Research Institute

Chart 3: Traditional shops are widely distributed in various cities

As the levels of incomes and living standards have increased, promising trends

of middle and higher consumers and personalized consumption have appeared. The market is now looking to meet the demand for high-quality products and niche products. Small and medium sized retail enterprises and long-tail brands with better quality positioning niches have found their own advantageous positioning opportunities. However, traffic tends to saturate, and the cost of marketing channels is becoming more and more expensive with the ROI of the traditional model coming in at 1:0.3. They tend to have a low level of informatization and their main issues are how to find low cost traffic, how to integrate with online (especially in the fields of social marketing and community marketing), how to have low cost access to online and online barriers.

## **6. How will Monkey King Construct a New Retail Eco-Alliance Public Chain?**

Monkey King will create a merchant alliance that crosses borders and industries and combines online and offline with a blockchain platform as a foundation and tokens working as intermediaries. Alliance merchants can have their own individual e-commerce platforms, apps, and make their own malls, WeChat public accounts, websites, physical stores. They will also be able to mutually share resources and traffic by joining the new retail eco-alliance public chain.

### **6.1 Characteristics of Blockchain Technology**

Blockchain uses timestamps and digital cryptography to record transaction records in data blocks that are arranged in a time series. It also uses a consensus mechanism to store them in a distributed database and this generates unique data records that are stored permanently and are irreversible. This achieves the purpose of facilitating credible transactions without relying on any central institution.

Blockchain enables the ownership of digital assets through consensus, and this realizes the transfer of value through consensus and distributed ledgers and the deintermediation of digital assets and transactions. Several major features of blockchain will be gained in Monkey King.

These features are shown below:

#### **Decentralization**

Blockchain is a public ledger that is maintained by each and every node for accounting, and is stored at the point of every node in the network. Each transaction

requires consensus from a majority of the nodes in the network to acquire final confirmation, thereby avoiding any need for endorsement from centralized third-party intermediary organizations (such as banks) or trust institutes, this is due to the need for each node in the network to follow the same account transaction rules and these rules are based on an encrypted algorithm instead of credit. In traditional centralized networks, an effective attack on an central node (such as a third-party payment intermediary) can destroy the entire system. This is not possible in a decentralized network such as blockchain, where an attack on a single node cannot result in the gaining control of the network or its destruction. Even with the full control of 30-50% of the nodes is just the very beginning of being able to control the system. This decentralization also ensures that it is not possible for a any individual super administrator to tamper or edit data in the system.

In a blockchain network, any malicious or deceptive system behavior will be rejected and suppressed by other nodes because of the algorithm's self-constraint. This means that the system does not have to rely on support or credit endorsement from a central authority. In traditional credit endorsement network systems, the participants need to have sufficient trust in the central organization. As the number of participants in the network increases, so does the security of the system decreases. In contrast to this, in a blockchain network, participants do not need to trust anyone, and as the number of nodes participating in the network increases, so does the security of the system. Additionally to this, data content can be fully disclosed.

Monkey King uses a random BFT consensus mechanism and its partners can also strengthen the credit guarantee of the system by adding consensus nodes. There is no centralized hardware or management organization due the use of distributed accounting and storage. The rights and obligations of every node are the same and equal. Data blocks are jointly maintained in the system by the nodes with maintenance functionality.

### **Data cannot be Tampered with and Encrypted Security**

Blockchain adopts a one-way hash algorithm. In addition, each newly generated block advances strictly in adherence with a time linear sequence. The irreversible nature of time means that any attempt to attack or tamper with data information on the block chain is easily traceable. Together with the exclusion of such nodes by the other nodes in the system, this means that the occurrence and execution of any wrong doing is restricted.



As there is not center and confirmation is required by all nodes for a transaction to be verified, this way of determining transactions requires a consensus to be formed amongst the different nodes. Consensus mechanism form an important part of blockchain systems. The technologies that are mainstream at the moment are POW, POS, BFT-series, etc. To put it simply, there are always contradictions and trade-offs in the number of nodes and the effectiveness of transaction confirmations. To take Bitcoin as an example, it chooses to use POW as a simple and practical consensus algorithm. This can support the number of nodes in the large number of Bitcoin networks globally. The cost to generate a block is at least 10 minutes, and it requires at least six blocks to have a high probability of a transaction being confirmed. However, this is simply not acceptable for application in many commercial scenarios, and because of this the direction of blockchain determines the choice of consensus algorithms.

Monkey King uses a random BFT consensus algorithm. Once information is verified and added to the blockchain, it will be stored permanently. Without the concurrent control of more than two-thirds of the nodes in the system, any modification to the database on a single node is invalid. This means that the blockchain has an extremely high level of data stability and reliability. The traffic, data, settlements, agreements and rights and interests of the platform cannot be altered by any party, even the merchant chain platform.

### **Openness**

The system is open, and apart from the private information of all parties in a transaction, all data in the blockchain is encrypted. Data in the blockchain is readily accessible to everyone, and anybody can query any data on the blockchain or develop related applications through the open interface. This means that the system information is transparent. Parties in the alliance are therefore can significantly reduce the cost of trust and trust thresholds, and this is helpful for the formations of various alliances.

### **Autonomy**

The blockchain adopts consensus-based specifications and protocols (such as a set of open and transparent algorithms) so that data can be exchanged freely and safely between all nodes in the entire system in an environment that does not require trust. This changes trust in people to trust in machines, and any interference from any person will not result in any affect.

## **Anonymity**

As exchanges between nodes follow a fixed algorithm, data interaction does not require trust (program rules on the blockchain will independently determine whether activity is valid). The counterparty of a transaction does not need to make the other party generate trust by revealing its identity, this is very helpful for credit accumulation.

The characteristics of blockchain cast aside purely technical terms. It can greatly reduce the cost of trust, so that based on the Monkey King platform, it can organize business alliances that are cross-border, cross-regional and cross-industry. It also realizes the transfer of value, so that various different commercial rights on the Monkey King platform can be transferred and exchanged as required. Finally, it reduces the cost of data exchange and protects all rights and interests of data. This will greatly reduce the obstacles that prevent sharing and exchanging data between various organizations and realize the ideal of “borderless” in business operations.

## **6.2 The Requirements of New Retail**

New retail scenarios involve several factors.

The first is how will online and offline be integrated?

The second is how it can be better used.

Mobile social media tools are everywhere and can be connected to at anytime.

The third is real-time big data analysis of the system. The fourth is the multiple scenarios and making scenarios more convenience to allow consumers to shop and get goods status updates in any place or any time.

Big e-commerce platforms contact offline, physical retail integrates online. No matter whether is its the Alibaba system or the JD Tencent system, or independent mall or micro-commerce models, social marketing and community marketing remain relatively marginal. In fact, a complete new retail business model has still yet to have taken shape, and the entire field is still testing the waters.

Many different solutions and concepts for the integration of online and offline in

the retail industry have emerged, but so far, none of them have managed to solve the three major issues of data merging, scenarios inaccessibility and transaction synchronization. The future direction is now focused around the issue of just how to effectively combine huge offline business activities, break through existing models and integrate online to form smart connections and interaction between online and offline and establish a revolutionary new retail scenario.

The integration of online and offline is expected to create a closed loop of real-time rights and interests interoperability, full promotion of scenarios, and full platform transactions. Therefore, blockchain chain technology will be the best choice to achieve the scenarios mentioned above, because regardless of whether a brand wants its offline coupons to be used online, or how advertisements propagated over various channels are accurately pushed, accurately drained and utilized, blockchain technology solutions are far more operable and workable than the existing It technology solutions and have lower costs.

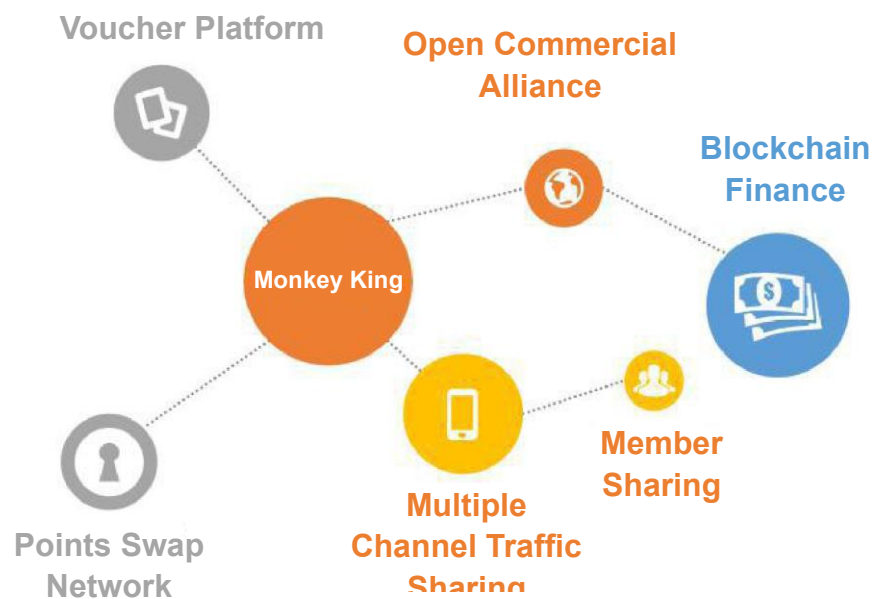
Monkey King can allow various businesses, that are not on e-commerce platforms or that don't have the conditions to access the Internet in sales scenarios or traffic entrances, by building a simple and effective platform. This combined with mobile payment is the most convenient way of realizing Internet+.

## **6.3 Monkey King Solution Plan**

### **6.3.1 Building a new retail ecosystem**

Monkey King takes blockchain technology as a fundamental technology for the building of a business alliance that combines both online and offline and cross-regional and cross-format. Its tokens can achieve the connection and integration of online and offline. Through the creation of customized points and electronic vouchers with smart controls, merchants can form their own smaller alliances on the merchant chain. The blockchain generates an individual product code for each product which can be traced and helps to stop counterfeiting. All transactions are tracked by the token, and any merging, expansion or flow of traffic in the ecological chain is traceable. The links of people, shops things, money, and

information in the business system are connected to realize the pooling of resources, this creates then creates a complete closed loop of the interoperability of real-time rights and interests, full scenarios promotion, and full platform transactions. The true value of the Monkey King business chain eco-alliance platform is that is significantly reduces traffic costs, customer acquisition costs, and trust costs.



## Multiple Channel Traffic Sharing

### The resource integration of traffic entrances

The Monkey King Platform will use promotions and marketing drainage as the platform's entry point. It will achieve the faultless integration of consumer rights both online and offline with its blockchain cards and vouchers. In addition it will also allow for the mutual use and drainage of different merchant's coupons, and finally provide an online next-stop marketing promotion service.

In addition to the traffic entrances on the e-commerce platform or the application, games, live broadcasts, online communities, offline communities, and entities will all have their own traffic entrances. By converting all of the different traffic entrances in the ecosystem into unified merchant chain users, the greatest effort can be made to keep user spending within the business chain ecology.

Monkey King will build a membership platform based on tokens. All traffic will be identified by the blockchain. The user has a token wallet and when the user enters the Monkey Chain Platform, all of its route will be identified. After the data has



been desensitized of any private details, the shared big data analysis is formed and given to merchants on the business chain platform.

## **The Integration of Cross-sector business resources**

Monkey King is focused on the creation of a new retail business ecosystem. This system will include various business resources for clothing, food, housing, transportation, eating, drinking, and playing. Various resources will be gathered together to form an instant network with the blockchain technology based token cards and points. This will both connect and decentralize the ecological environment of the platform.

Assess resources will become increasingly abundant as the ecological chain is continuously improved. Any newly access resources will be able to immediately acquire the resource support of the entire new retail alliance on the ecological chain, thus producing the 1+1+2 aggregation effect. This greatly enriches and promotes the development of the chain, and also achieves more efficient resource integration and utilization.

1. In shopping scenarios, online shopping, offline shopping, and business alliance big data will all be integrated.

2. Working with third-party software developers to construct a service ecosystem. Embed Monkey King functional modules into various business systems, and provide merchants with seamless connectivity.

3. Perfectly integrate the different rights given by different merchants to consumers. Vouchers issued by different merchants and the rights and interests of members can be exchanged to maximize consumer rights and the promotion and drainage effects of merchants.

4. With its smart mobile advertising delivery abilities, merchants will be able to reach potential consumers groups in various scenarios precisely. Regardless of

whether it is advertising on the platform itself or to other merchant channels, it is more accurate and ROI is greatly improved.

5. Realize the integration of WeChat programs, SaaS, Paas, and APP to continuously optimize the decentralized mobile Internet business experience, achieve deep integration and create a closed loop of the interoperability of real-time rights and interests, full scenarios promotion and full platform transactions.

### **6.3.4 The Construction and Development of the Partner Ecosystem.**

Monkey King is an open data and asset exchange public chain and development platform. The interfaces provided by the platform can be directly used by various third-party software developers, integrators, and institutions. For example, a third-party CRM software developer can directly use the voucher module provided by the platform API to connect with other merchants on the ecological platform. Various point tokens issued by the integral organization can be docked and exchanged based on the business chain platform to expand the original sales channels and circles. Work together to form a service ecosystem, design exclusive marketing activities for brands, and implement online and offline stop-and go marketing services.

Monkey King provides three different application blockchain technology solutions based on different application scenarios and the needs of customers.

1. The fastest way to allow different kinds of merchants to access the Monkey King platform, let consumers acquire and use it is the most easy way is through the blockchain card voucher drainage system and plan. In addition, through this plan the basic framework for the new retail eco-alliance platform will be established.

2. They will be helped to issue token points on the business chain platform, convert traditional points into token points, complete the digital assetization of original business scenarios, establish a points trading platform and complete the point transaction and conversion of each and every point organization. This will thereby complete the opening of a retail scene that is in between large points organizations and smaller merchants.

3. Provide a sub-chain construction solutions plan for enterprises or enterprise

alliances, copy a new retail eco-alliance sub-chain to form a small new retail ecosystem, and have the functionality to connect it to the business chain new retain eco-sphere platform. This will ensure that it has its own small ecology and that it can be integrated into the larger ecology of the business chain.

## **6.4 Case Examples of Monkey King platform voucher application and operation modes**

Initial Scenario:

Merchant A issues 1,000 vouchers with a face value of 100 yuan with the Monkey King platform that were distributed by the merchant's own product sales channels or social channels. Consumer A acquires the discount vouchers and registers on the business chain platform.

Scenario 1:

Consumer A purchases 1,000 yuan of products online from merchant A and uses a 100 yuan discount voucher. Merchant A achieves their intent for the promotion and consumer A gets a discount.

Scenario 2:

Consumer A uses a 100 yuan discount voucher the online merchant e-commerce C on Monkey King, and e-commerce C rebates 50 yuan to merchant a. Consumer A got a discount, e-commerce C got drainage, and merchant A got a cost rebate for issuing the discount voucher.

Scenarios 3:

Consumer A does not want to shop on Monkey King, and puts the discount voucher in a digital wallet into a 80 yuan pending order, and consumer B purchases it. Consumer A got a discount of 80 yuan in cash, consumer B spent 80 yuan to acquire a 100 yuan discount voucher and Merchant A did not lose anything because their intent was realized when consumer A sold the voucher.

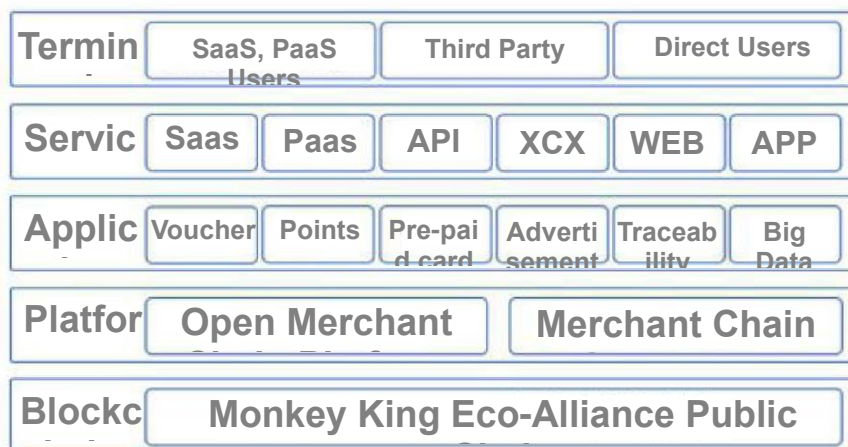
The above scenarios are just some possible applications of blockchain vouchers in the new retail alliance.

# 7. Monkey King Technology Operations Mode

## 7.1 Monkey King Design Module

Monkey King combines blockchain and big data to plan a complete system architecture. Its smart contract mechanism guarantees that multiple parties can operate autonomously within the network. The big data analysis platform adopts a distributed architecture design and can store a large amount of business data. Cooperation between data storage and the blockchain network guarantees that data is authentic, credible, and can't be tampered with. Monkey King supports third-party access by supplying unified micro-services, APP plug-ins, and API interfaces.

### System



1. The open SaaS platform uses services through the website homepage, iOS applications, Android applications, small programs, and other methods.
2. The open PaaS platform provides different interfaces and docking to realize seamless integration with third-party software and third-party commercial organizations.
3. The merchant chain platform is responsible for business logic, this includes interfacing with different front-ends and external systems. With its role as the value

application layer of the business chain, it supplies vouchers, points, pre-paid cards, advertising traffic, traceability and underlying big data business logic protocols.

4. The Monkey King public chain blockchain layer is responsible for the generation of various digital assets tokens for different rights and commodities to realize payment, circulation, and transaction functionality.

5. Monkey King provides complete API to interact with the application layer to guarantee that loose coupling of blockchain and application logic under the layered solution plan.



## **7.2 The Implementation Plan of the Monkey King Technology Plan**

### **7.2.1**

Unlike POW and POS consensus mechanisms that are characterized by their high energy consumption and slow confirmation times, Ethereum adopts synchronous execution of smart contracts. Monkey King uses a random PBFT and asynchronous execution of smart contracts to achieve a transaction speed of at least 5000tps. Under this PBFT mechanism there is a concept of a view. In a view, a node (replica) will be the primary node (primary), and the remaining nodes are called backup nodes (backups). The master node is responsible for sort client requests and then sends the to the backup nodes to order them. The PBFT master node has more rights than other nodes and if it fails for any reason it will cause a relatively large system delay. This is improved upon in random PBFT, with reference to the RAFT election mechanism, the voting method does not need to grab the accounting rights and this guarantees the fairness of the rights and interests of each node.

Asynchronous calling is a smart contract execution technology and is used to isolate the execution of contracts and system consensus unit execution and and compare it to the existing smart contract execution technology. The contract execution can be remote, so that the execution of the contract does not occupy the system consensus unit's resources. At the same time as this, the decoupling of the contract execution unit and the system consensus unit make them relatively independent and supports hot-swapping between them. A contract execution cache unit is established between the consensus verification unit and the contract

execution unit and an asynchronous call execution method is created throughout the entire contract execution process so that the execution of the contract are realized between the zones (block  $i$  and block  $i+k$ ). The consensus between the nodes can be guaranteed. The method improves the concurrent execution of the contract, the consensus process does not need to wait for the results of the contract, and this significantly increases the number of contracts that the block can support.

### **7.2.2 Layered Structure**

Monkey King will use a layered structured blockchain solutions plan. The layered architecture allows each layer to specialize in a kind of functions whilst still providing a loosely coupled architecture and firewall between layers.

### **7.2.3 Smart Contracts**

The smart contracts introduced by Ethereum have been called blockchain 2.0 and have brought about the concept of 'code as law.' That is, the function is turned into a code by the pre-determined business logic which is based of the data on the blockchain and cannot be tampered with. And according to changes in the data, it executes itself accordingly to the previously determined logic and cannot be tampered with or terminated by either party.

Merchants can establish their own business alliances within Monkey King, and these alliances can include point alliances, discount vouchers and traffic swap alliances, advertising alliances, etc. Participants within the alliances can determine the sharing model through smart contracts and with confirmation by digital signature by all parties, and write onto the blockchain network. When later business activities occur, the platform can automatically divide the revenue of the settlement according to the smart contracts.

### **7.2.4 Automatic Matching Mechanism**

The underlying blockchain technology used by Monkey King has an automatic matching mechanism that can automatically match the value exchange needs of the different kinds of nodes (such as the exchange of vouchers and points between different merchants).

The automatic matching algorithm is a function at the bottom layer of Monkey King, and it does not need to be carried out through a smart contract. The automatic matching algorithm includes the following features:

1. The principle of minimal difference. Despite there being a price difference

between the order of D and the requirements of A's order, there will be no difference in price after matching the orders of A, B and C.

2. Optimal path principle: The system will always choose to use the shortest path with the smallest spread (number of transactions) necessary to complete the transaction.

3. Matching mechanism based on the theory of the six degrees.

### **7.2.5 Silver System**

Monkey King issues digital asset tokens via the banking system. The banking system can issue custom symbols for digital assets and can freely pay, circulate, and trade them without the intervention of the issuer. The banking system provides a digital asset solution that is able to be executed quickly and does not require smart contracts.

### **7.2.6 Micro-service APP plug-in, Platform API**

Monkey King will use micro-service programs, APP plug-ins and platform API as external technical interfaces.

1) Openness: creating open and fair access standards for third-party merchants to access.

2) Completeness: providing a corresponding service or API support for each Monkey King subsystem.

3) Orthogonality: minimize coupling dependencies between subsystems.

4) Compatibility: consider how to access the various already existing applications of the merchant to reduce and minimize changes to the merchant's original system.

### **7.2.7 Smart Data Analysis**

Monkey King supplies a safe, trusted, open and transparent data sharing and collaboration environment for all merchants. This will be able to obtain a large quantity of real and effective transaction data, traffic data, channel data, and user feedback data, etc. This can solve the issues of low quality and data leakage that existing existing data silos suffer from.

One of blockchain technology's characteristics is traceability, each and every transaction that used token cards or points on the blockchain can be connected. Each commodities has its own individual code, this code can be traced back to its source and prevents counterfeiting. Consumers and merchants have their own blockchain address, and receipts and payments are recorded. Each transaction can be linked and traced back to the token path. With such precision, big data will

generate valuable analysis models and reports. By integrating big data from shopping, offline shopping, and consumer scenarios, the ability to promote smart advertisements will be more precise and ROI will be increased.

We will therefore implement a cross-merchant, cross-format “blockchain and big data” analysis platform. This platform can provide real-time data querying, and export report system, etc., to provide multi-dimensional data support for merchants when they are making decisions. This will mean that marketing promotion is more accurate and user feedback is available in a timely manner. Finally the data will be fully applied to provide even more value to merchants and Monkey King users.

### **7.2.8 Open and transparent data information**

One characteristic of blockchain is that after data has been uploaded to the chain, it is open and transparent and cannot be tampered with in any way. This guarantees the credibility of the data and reduces the cost of trust between alliance merchants. A transaction margin mechanism can be implemented through a smart contract to ensure that rewards, shares, and commissions are confirmed instantly. Credible transaction information and an open, transparent and credible user evaluation mechanism can eliminate data fraud and malicious billing, and thereby solve the issues of traffic interchange and precise advertising investment. In addition to this, key user and data information of various merchants also undergo privacy desensitization and encryption at the blockchain's security layer to ensure that the privacy of users and customers is protected.

## **8. Monkey King Token**

Monkey King's digital asset token is called Monkey King Token (MKT), this is the application equity token for the business chain platform. MKT tokens will be converted into the member price for the purchase of various services and commodities provided by the business chain platform and include distribution fees, advertising fees, promotion commissions, service fees, etc.

The value of MKT tokens grows along with the number of merchants connected to the business chain platform and the platforms turnover. Merchants hope to receive discounts for various different platform fees through the purchase of MKT. This will be what drives the growth in the intrinsic value of MKT tokens.

Merchants can sell their products with the listed MKT price to entice MKT token

holders to make purchases. The platform will ensure that the MKT price enjoys a certain discount when compared to the price for legal currencies.

The Monkey King platform uses MKT tokens in a manner equivalent to member discount rights. The platform supports direct payments with fiat currencies and direct payment used fixed fiat currency CNTs. Any fluctuation of the price of MKT tokens does not affect the price system for platform services and commodities.

Holders of MKT tokens will not only be made up of investors but also business chain platform merchants and consumers.



# **9. Monkey King Operation Model and Future Development**

## **9.1 Operating Model**

Social media new retail is an important part of the trend for new retail, this is combined with the decentralized organization's technical support capabilities and the community operation model by blockchain technology. Monkey King's operations team will utilize a combination of business and community operations. MKT will serve as the glue that binds the business chain platform, employees, partners, holders, merchants and consumers. Communities, consumers, merchants, partners, holders, employees and business chain platforms can form a community of interests through the MKT tokens. They can also pool together resources and provide a firm foundation for the future growth of Monkey King.

The goal of the entire organization is to create a community of interests and using MKT tokens as an ecological benefit-sharing mechanism for the platform. This is not just focused about immediate benefits but also about how to manage the community, products, customers and attract more resources to join the eco-alliance in the long term. As more people join the community and consumption, the growth in the value of the MKT tokens will be realized as to maximize the benefits.

## **9.2 Future Development**

As the business chain ecology is constructed, the business chain will try to incorporate payment, commodities, and supply chains into the eco-alliance and then enter them into the data exchange and transformation of supply chains within enterprises.

In the future, the business chain will realize cross-chain certification with other

value chains, such as games, malls, real estate, chain stores and other industries and bring about a larger range in the blockchain ecology, as improvements are made to the business chain ecology and its technical feasibility.

## **10. MKT Issuing**

The token used by Monkey King is called the Monkey King Token (MKT), the amount issued will be forever set at 1.8 billion and no further issuing will be made.

The MKT token is a decentralized blockchain digital asset based on Ethereum. It is a ERC 20 standard token that is based on the Ethereum blockchain.

MKT tokens issued by Monkey King will be able to be used to replace MKT tokens that have been issued by the Ethereum ERC 20 standard after the Monkey Platform is launched online.

### **Contribution Incentive Rules Explanation**

Monkey King is committed to the promotion of a new retail ecosystem that combines both communities and businesses. The following contribution incentive rules have been made to help build the ecological environment:

Contribution incentives are handed out to relevant organizations and individuals that purchase service goods to promote operations in accordance with set rules. The distribution will be converted at a price that is not lower than the private placement. The growth rate of the investment amount and the money sum will be adapted to the revenue growth rate of the business chain platform. The business chain guarantees the ecological health of entire platform by creating a community of interests made up of investors, merchants, consumers, and communities. There will be special system documents for the distribution of contribution incentive rules and there will also be corresponding lock-up periods.

### **Development Time-line**

In October 2018, the Monkey King Project was launched.

In April 2019, the Monkey King platform was launched

In December 2020, the underlying public chain's functional modules will be fully developed.

## 11. Disclaimer

This document is only intended for the purpose of conveying information and does not represent the opinions or views of MKT. Any similar proposals or suggestions will be implemented under a credible clause and should be permitted by relevant laws. This above information and analysis does not constitute an investment strategy or a specific recommendation.

This document does not constitute any investment advice, investment intention or investment abetment for MKT. This document does not constitute nor shall it be understood as providing any kind of buying or selling behavior or any invitation to buy or sell any form of MKT. It also does not constitute nor shall it be understood as any form of contract or commitment. The Monkey King Foundation is not responsible for any direct or indirect losses that may be caused by participating in MKT projects, including but not limited to:

1. The reliability of all the information provided by this document.
2. Any errors, omissions or inaccurate information arising therefrom.
3. Or any actions resulting therefrom.

In addition, any one that has not used their MKT correctly may lose their rights to use MKT if they loose their wallet private keys and may even lose their MKT.

Tradelink (MKT) is not a form of ownership or control. Owning MKT shall not be seen as representing ownership of any personnel related to Monkey King. MKT does not grant any individual the right to participate, control or make any decision about Monkey King's business chain.

MKT is a token that is only for use within the Monkey King platform and should should not be understood as:

1. A kind of currency.
2. Any company equity, voting rights, non-voting securities (or anything similar) or any claim against the company.
3. Any kind of equity or debt investment in any enterprise.

Any security, financial derivatives of any form, or any commercial paper with an intrinsic value or market price.

5. Any form of investment contract.

6. An obligation for anyone anyone to redeem or purchase any goods or assets.

7. Debits, bonds, warrants or other certificates that confer interest, dividends or any return the holder/

### **Right of Interpretation**

The Monkey King Foundation reserves the right of the final interpretation of this plan