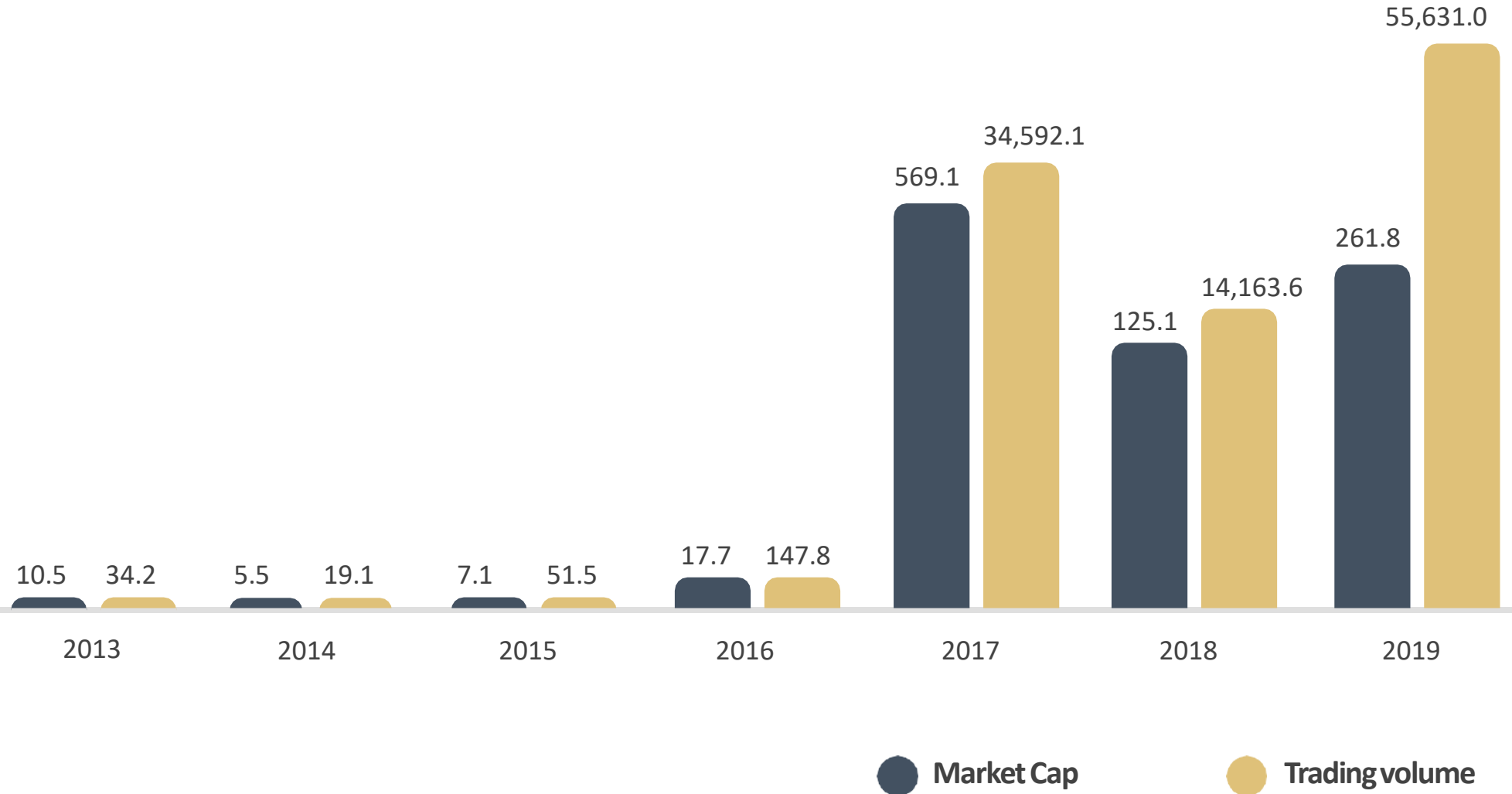# ANCHOR

theanchor.io

ANCHOR STABLECOIN

The Future of Digital Finance and Global Payments

ANCHOR

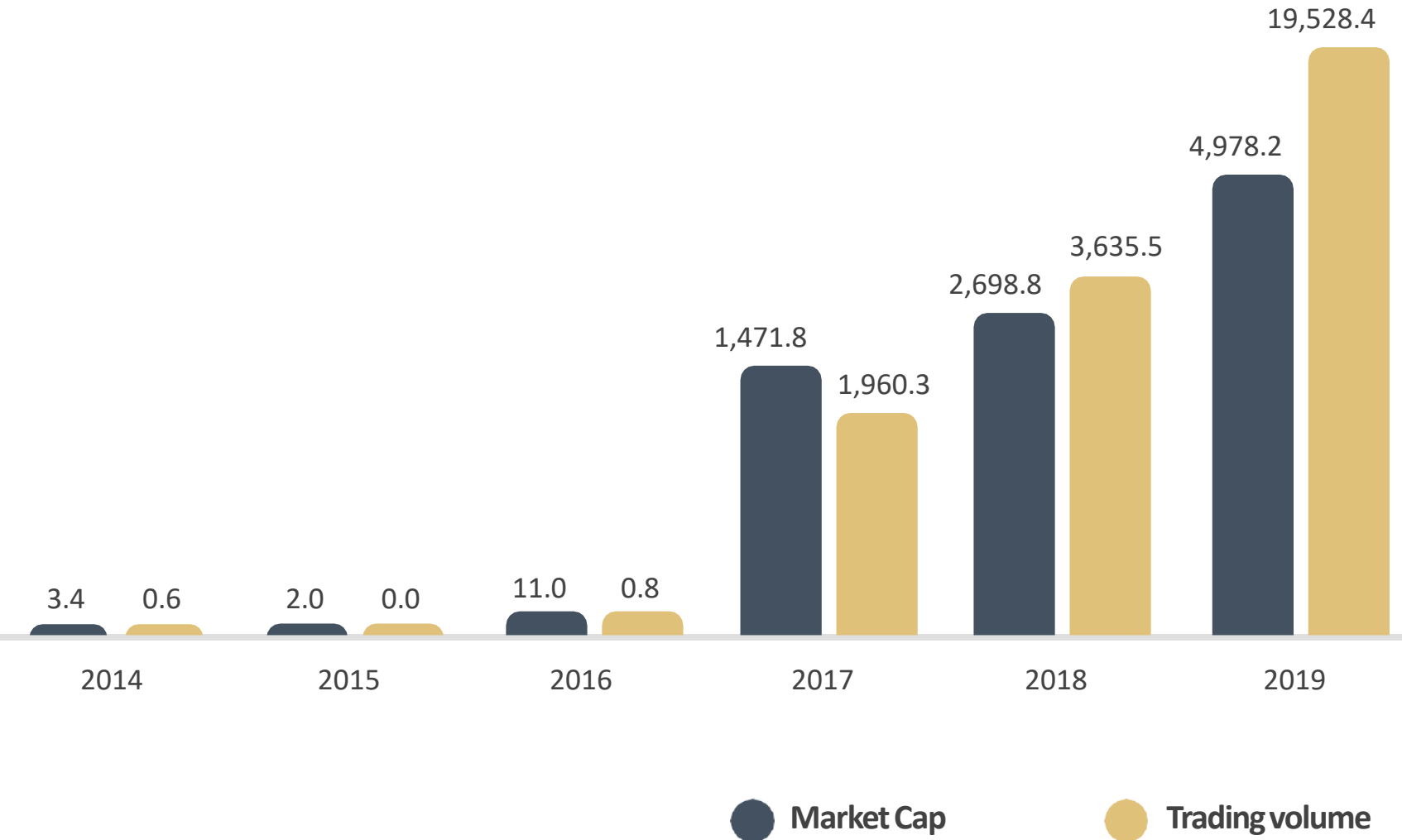## Increasing adoption of cryptocurrencies and stablecoins.

CRYPTOCURRENCIES:

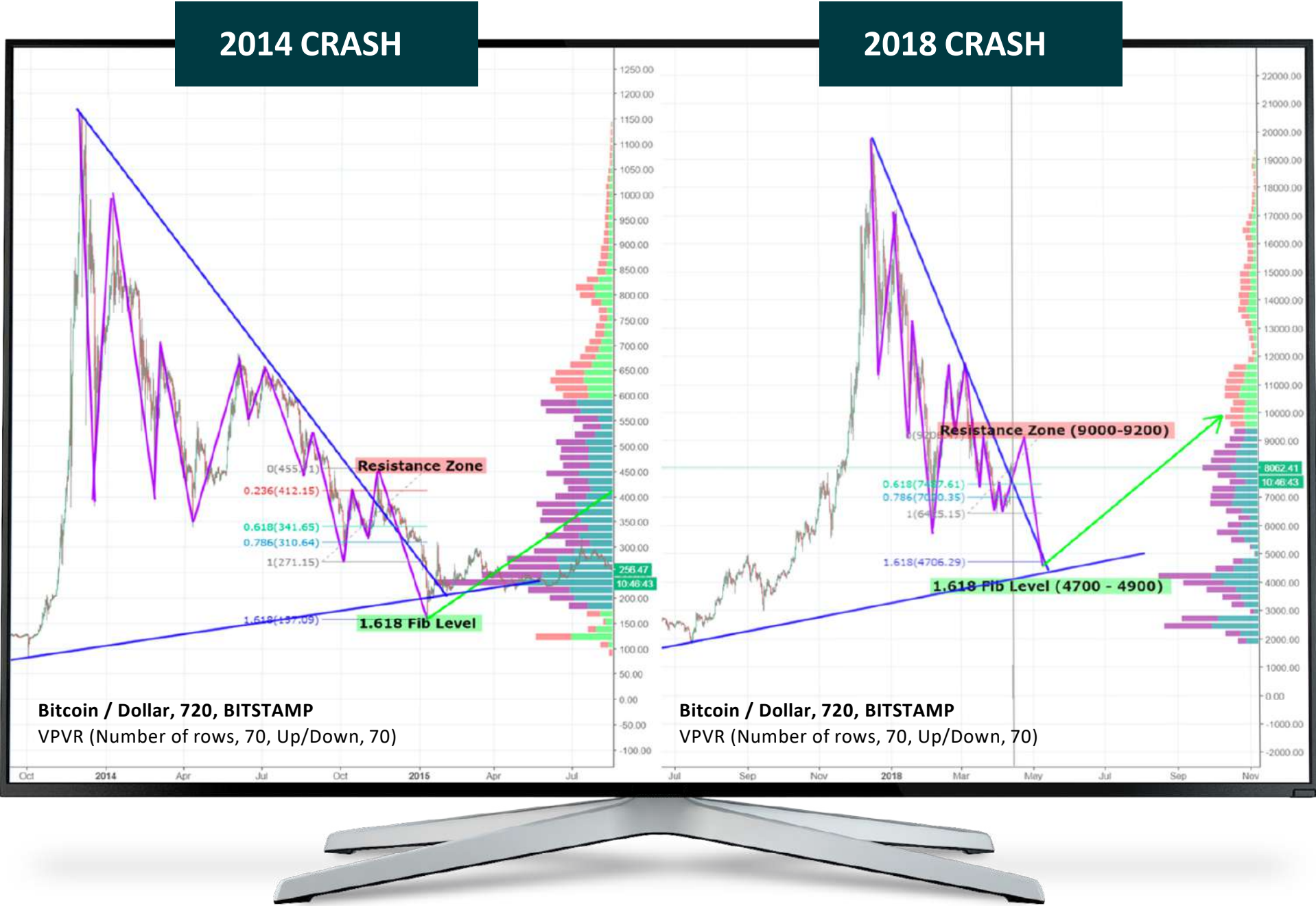Market cap and trading volume continue to fluctuate but demonstrate long-term growth (values in USD).

STABLECOINS:

Market cap and trade volume spike in the last three years (values in USD).

	2013	2014	2015	2016	2017	2018	2019
Market Cap	10.5	5.5	7.1	17.7	569.1	125.1	261.8
Trading volume	34.2	19.1	51.5	147.8	34,592.1	14,163.6	55,631.0

● Market Cap   ● Trading volume

	2014	2015	2016	2017	2018	2019
Market Cap	3.4	2.0	11.0	1,471.8	2,698.8	4,978.2
Trading volume	0.6	0.0	0.8	1,960.3	3,635.5	19,528.4

● Market Cap   ● Trading volume

ISSUES WITH CURRENT DIGITAL AND FIAT CURRENCY MARKETS

ANCHOR

Bitcoin and other cryptocurrencies are volatile.

Bitcoin 2014 crash compared with 2018 crash (history may repeat again).

Most stablecoins are backed by depreciating fiat currencies.

USD	↓	55%	CAD	↓	45%
EUR	↓	44%	CHF	↓	14%
JPY	↓	5%	CNH	↓	86%
GBP	↓	51%	SEK	↓	38%
AUD	↓	63%	NZD	↓	50%

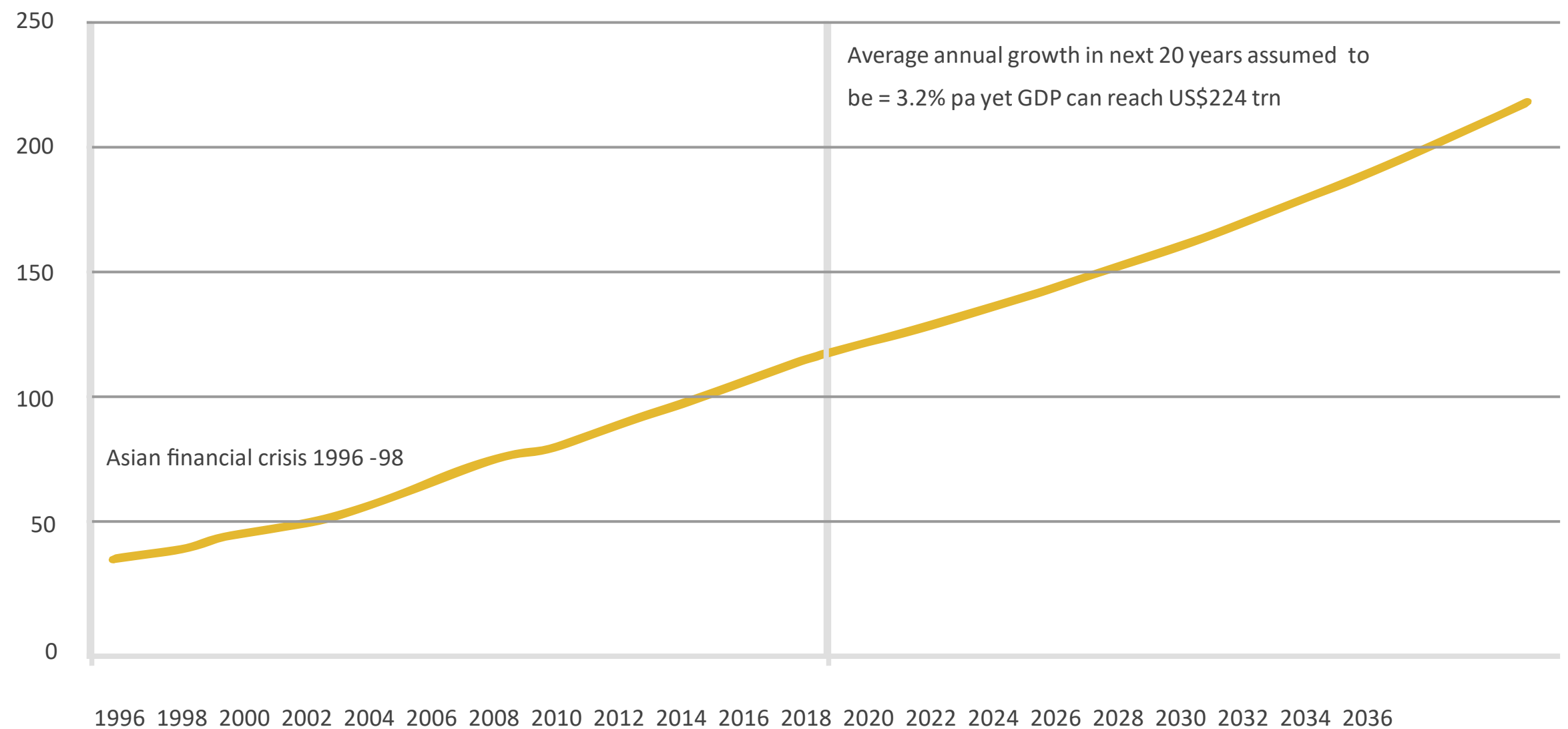Top 10 most traded fiat currencies % of depreciation from 1994-2019.

Anchor (ANCT) is an algorithmic stablecoin pegged to the sustainable and predictable growth trend of the global economy.

Value Proposition:

- Long-term price stability
- Protection from inflation Hedge
- against daily market risk
- Independent of external market conditions
- Non-speculative
- Leverages long-term expansion of global GDP
- Scalable
- A viable store of value, medium of exchange, and unit of account

Global GDP continues to grow despite regular crises

● Global GDP, PPP, US$ Trn

Average annual growth in next 20 years assumed to be = 3.2% pa yet GDP can reach US$224 trn

Asian financial crisis 1996 -98

1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024 2026 2028 2030 2032 2034 2036

ANCHOR'S FOUR CORE STABILIZING MECHANISMS ENSURE LONG-TERM PRICE STABILITY

ANCHOR

1 Monetary Measurement Unit (MMU)

Anchor's value peg, a non-flationary financial index that reflects the growth trend of the global economy.

2 Two-token Algorithmic Model

Anchor Tokens (ANCT) are the currency and the secondary Dock Token (DOCT) similar to shares, following an elastic supply and demand, burn-mint principle.

3 Anchor Economy

Revenue streams from Anchor's ecosystem of products and services contribute to the stability, strength, and liquidity of the ANCT currency.
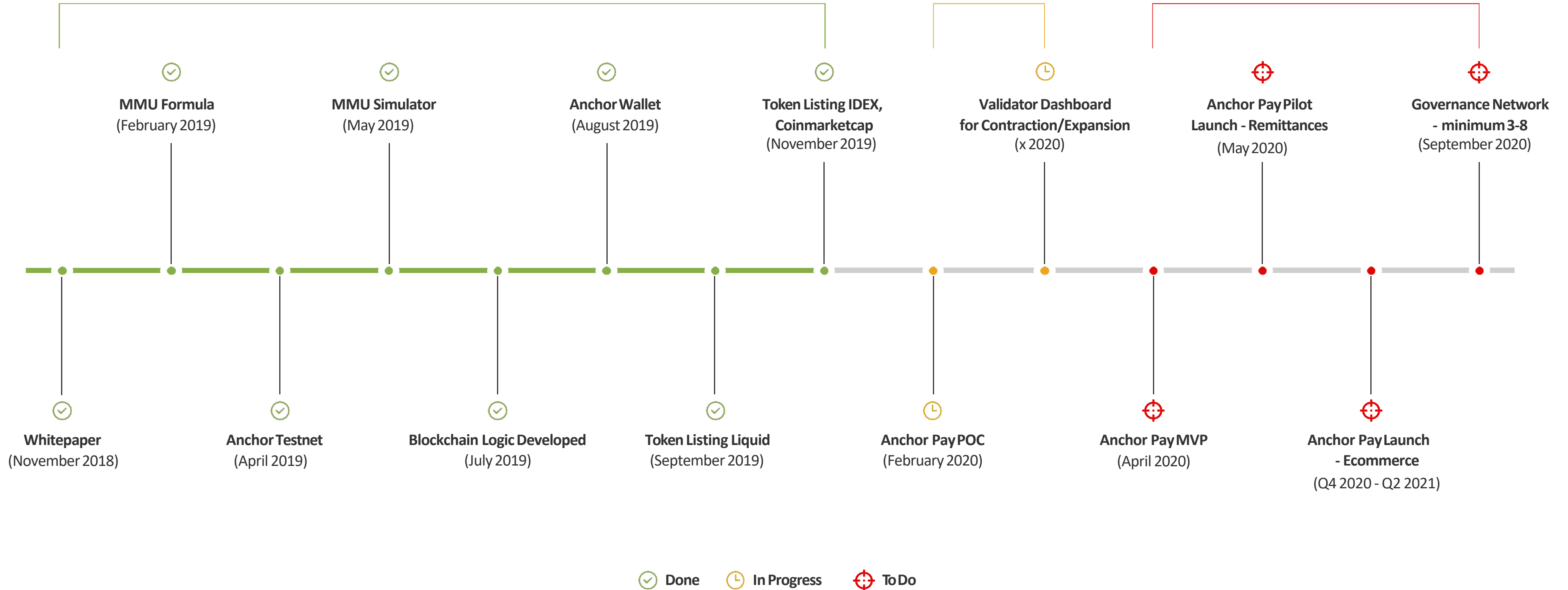
4 Governing Body

Up to 21 validators will make up Anchor's governing body to authenticate the MMU's value and ANCT's price as a decentralized consensus.
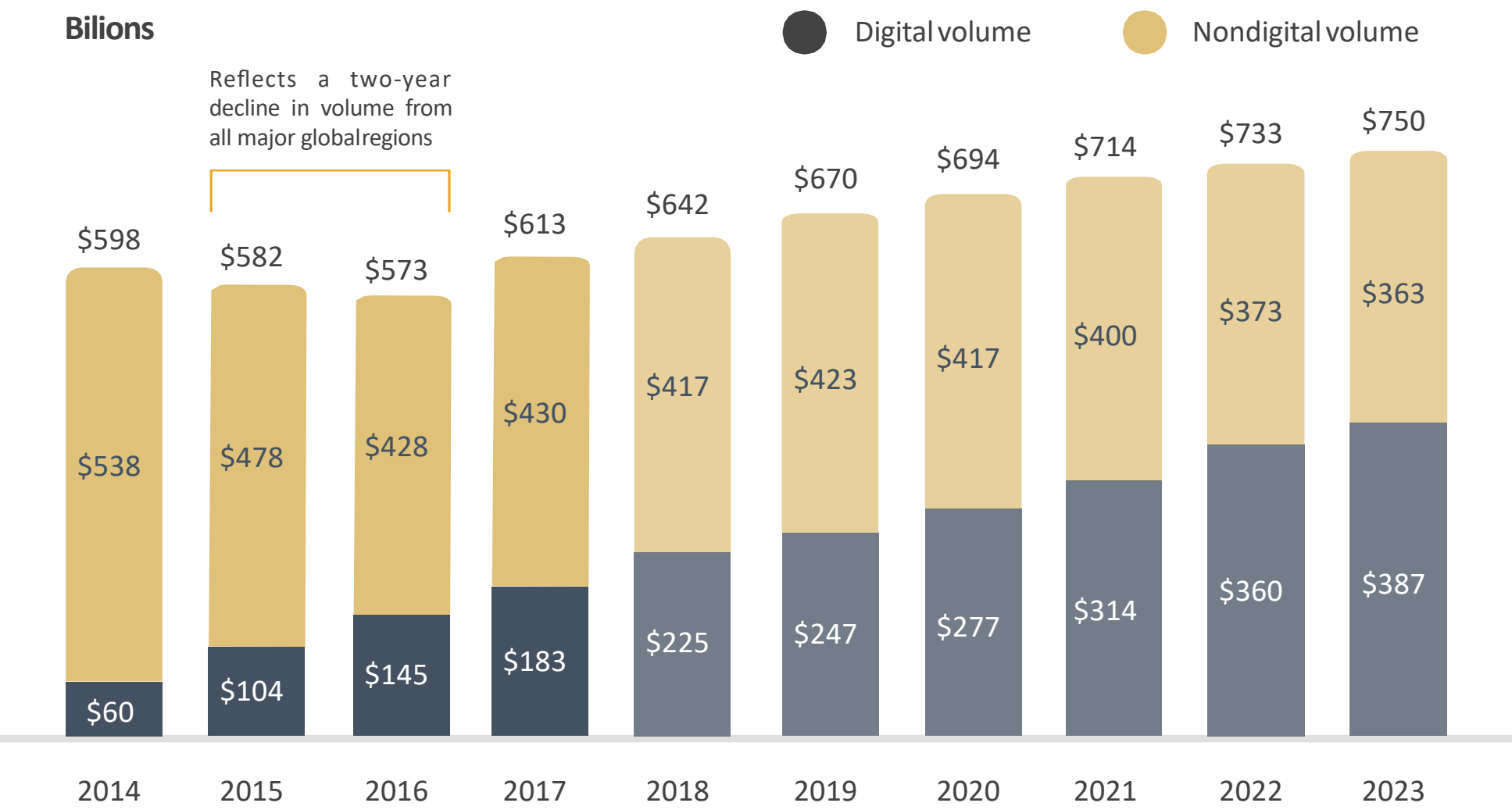
TRACTION AND ROADMAP

ANCHOR

MMU Formula
(February 2019)

MMU Simulator
(May 2019)

Anchor Wallet
(August 2019)

Token Listing IDEX,
Coinmarketcap
(November 2019)

Validator Dashboard
for Contraction/Expansion
(x 2020)

Anchor Pay Pilot
Launch - Remittances
(May 2020)

Governance Network
- minimum 3-8
(September 2020)

Whitepaper
(November 2018)

Anchor Testnet
(April 2019)

Blockchain Logic Developed
(July 2019)

Token Listing Liquid
(September 2019)

Anchor Pay POC
(February 2020)

Anchor Pay MVP
(April 2020)

Anchor Pay Launch
- Ecommerce
(Q4 2020 - Q2 2021)

✓ Done   🕐 In Progress   ⊕ To Do

REAL WORLD APPLICATIONS AND MARKET OPPORTUNITIES

ANCHOR

Anchor is developing financial solutions to offer faster transaction speeds, lower costs, more security, transparency, and seamless end-user experience in the Global Remittances and Southeast Asia E-commerce markets where T.A.M. is highest.
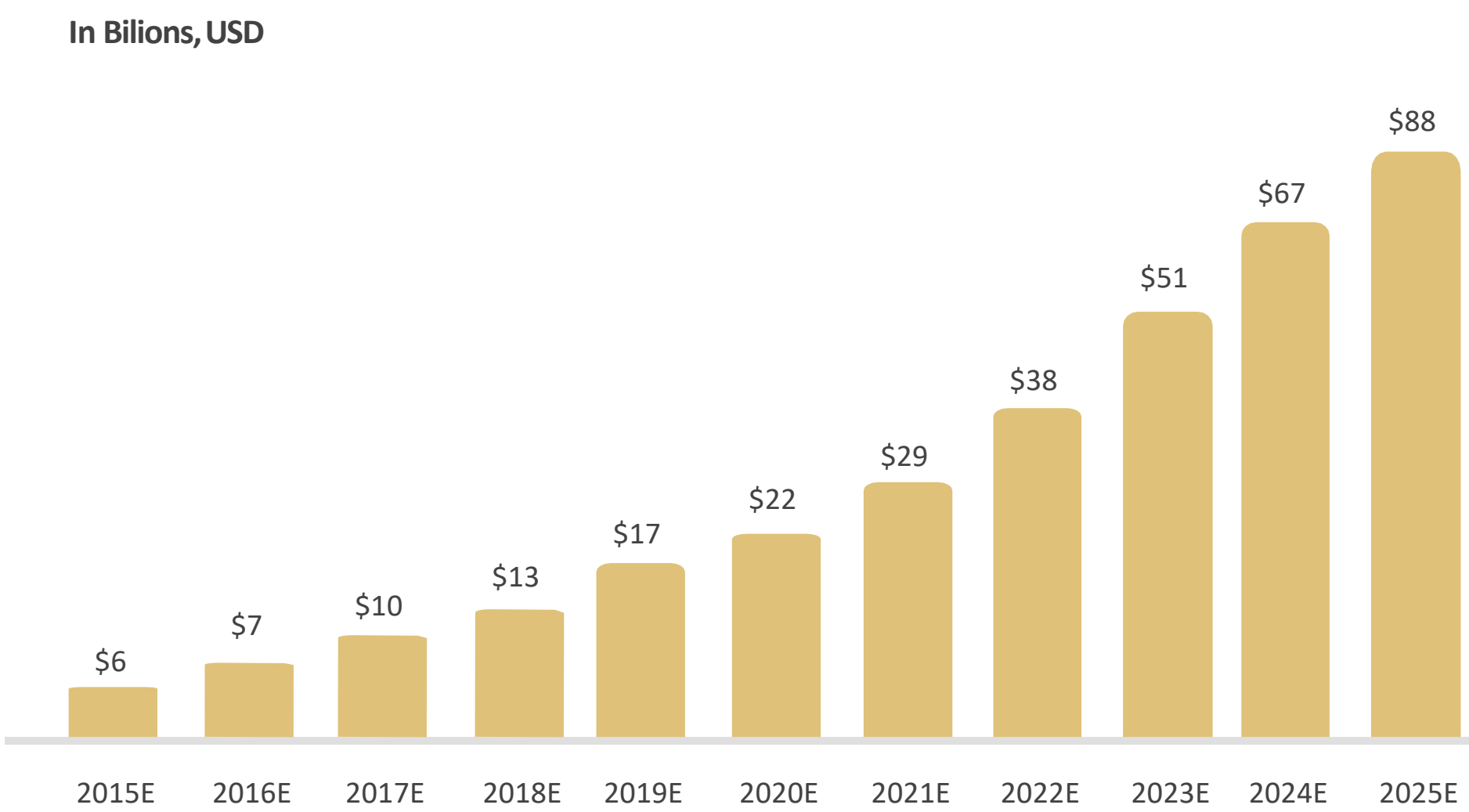
FORECAST: Global Remittance Volume

Phase 1

Bilions

● Digital volume   ● Nondigital volume

Reflects a two-year decline in volume from all major global regions

Year	Total	Nondigital	Digital
2014	$598	$538	$60
2015	$582	$478	$104
2016	$573	$428	$145
2017	$613	$430	$183
2018	$642	$417	$225
2019	$670	$423	$247
2020	$694	$417	$277
2021	$714	$400	$314
2022	$733	$373	$360
2023	$750	$363	$387

Source: Business Insider Intelligence estimates, Juniper Research, World Bank

Size Of Southeast Asia's E-Commerce Market

Phase 2

In Bilions, USD

Year	Value
2015E	$6
2016E	$7
2017E	$10
2018E	$13
2019E	$17
2020E	$22
2021E	$29
2022E	$38
2023E	$51
2024E	$67
2025E	$88

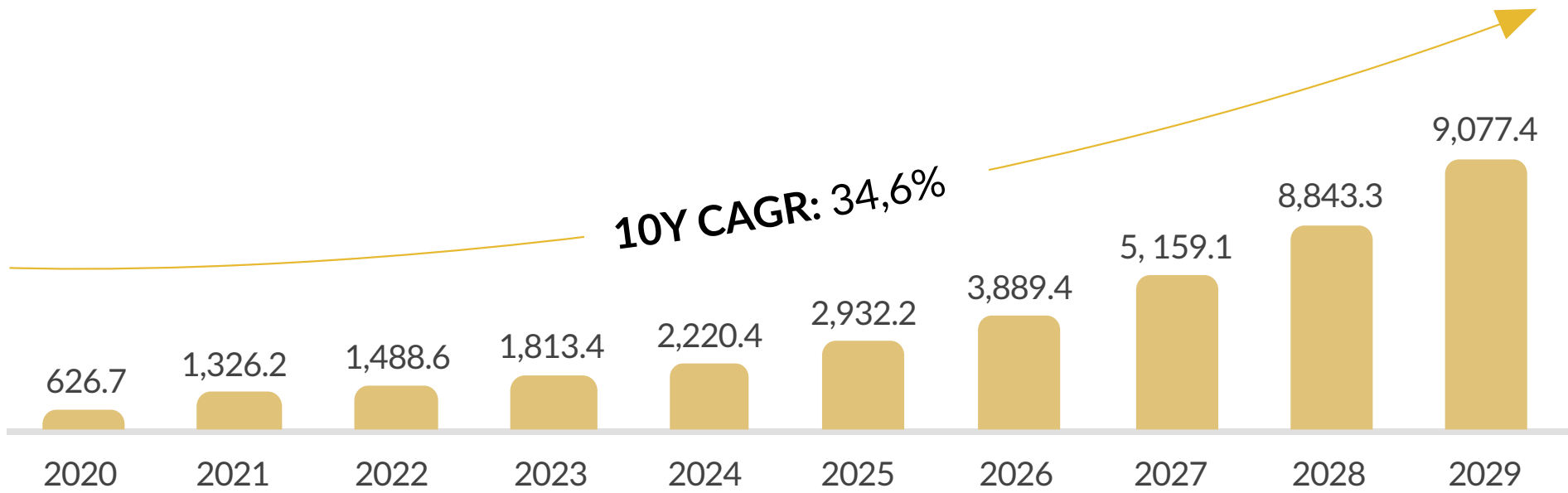Source: Google, Temasek Holdings, 2016

INDICATIVE FINANCIAL IMPLICATIONS: REMITTANCES

Conservative Revenue Projection for Remittances: USD 9.1m by 2029

ANCHOR

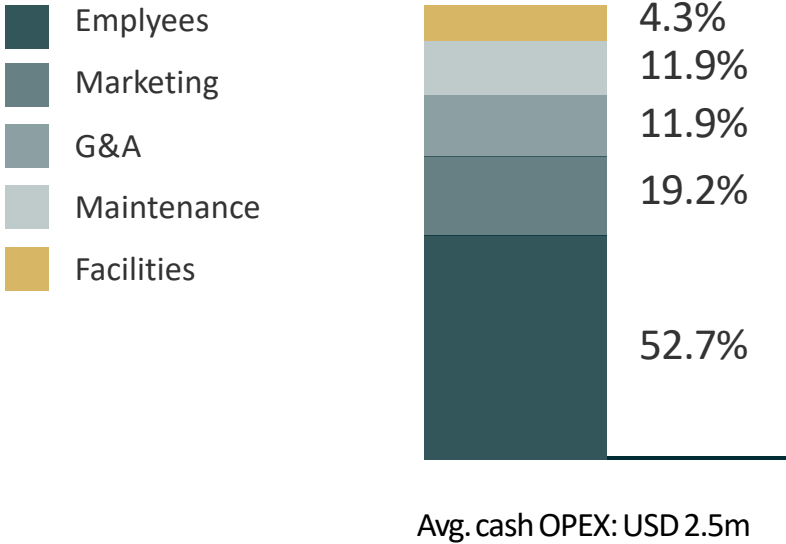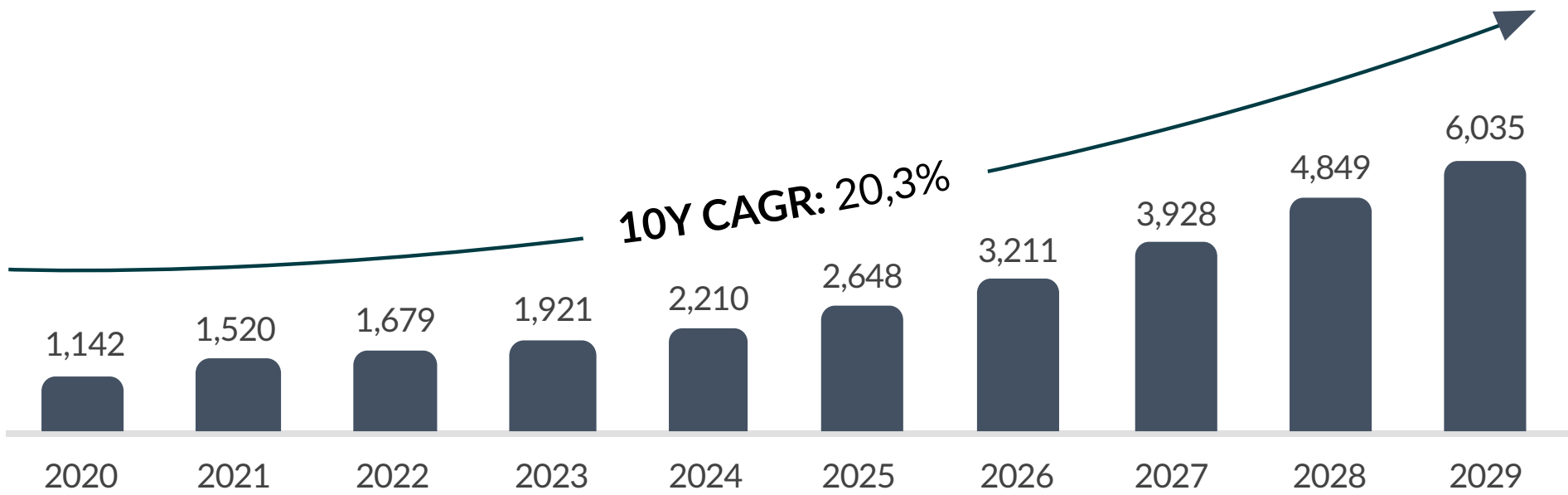| Key revenue assumptions	
Market entry	Serbia: Q2 2020 Montenegro: Q1 2021
Stability fee for each transaction	1.5%
Revenue sharing scheme (Anchor / ECD)	90/10
Weighted average market penetration rate	2.8%
Total value of transactions processed by year 10 (2029)	USD 335.9m

Revenue projections, 2020 - 2029 (values in USD '000)

10Y CAGR: 34,6%

2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
626.7	1,326.2	1,488.6	1,813.4	2,220.4	2,932.2	3,889.4	5,159.1	8,843.3	9,077.4

CAPEX requirements for developing solution

- UX Design
- UX Research and design
- IT Development

70%
20%
10%

Starting CAPEX: USD 60k
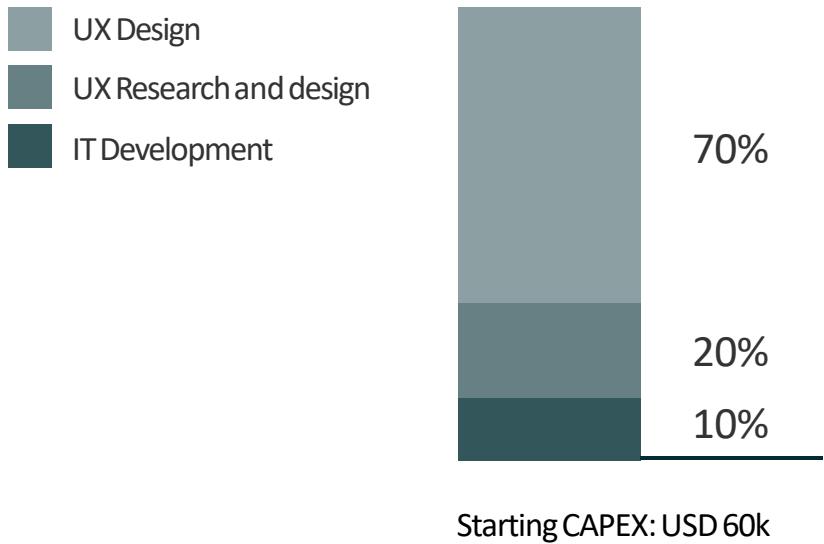
Average annual OPEX for 2020 - 2029 period

- Employees
- Marketing
- G&A
- Maintenance
- Facilities

4.3%
11.9%
11.9%
19.2%
52.7%

Avg. cash OPEX: USD 2.5m

OPEX projections, 2020 - 2029 (values in USD '000)

10Y CAGR: 20,3%

2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1,142	1,520	1,679	1,921	2,210	2,648	3,211	3,928	4,849	6,035

WINNING IN THE MARKET: E-COMMERCE STRATEGY
E-Commerce is Expected to be the Dominant Revenue and Profitability Source for Anchor

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Anchor service is needed in the market due to:

Speed	Infrastructure	Price
The **speed** of existing blockchain transactions is **low**	The **infrastructure capacity** of SME businesses is limited	The **price volatility** of existing cryptocurrencies is **high**

What
Offer ANCT as a payment coin to support transactions for SME e-commerce businesses

Where
Starting with Singapore, Hong Kong and Japan and expanding to the rest of Asia

Why
Large T.A.M, favorable cross-border expansion synergies and trend towards decentralization

Operational specifics

Crypto Exchanges

Customers — crypto payment gateway — E-commerce

Suppliers — crypto payment gateway — Manufacturers

crypto payment gateway

1.
T.A.M of **USD 98.9bn,** for the 3 selected countries, in 2019

2.
Projected T.A.M of **USD 171.1bn** for the 3 selected countries, by 2029

3.
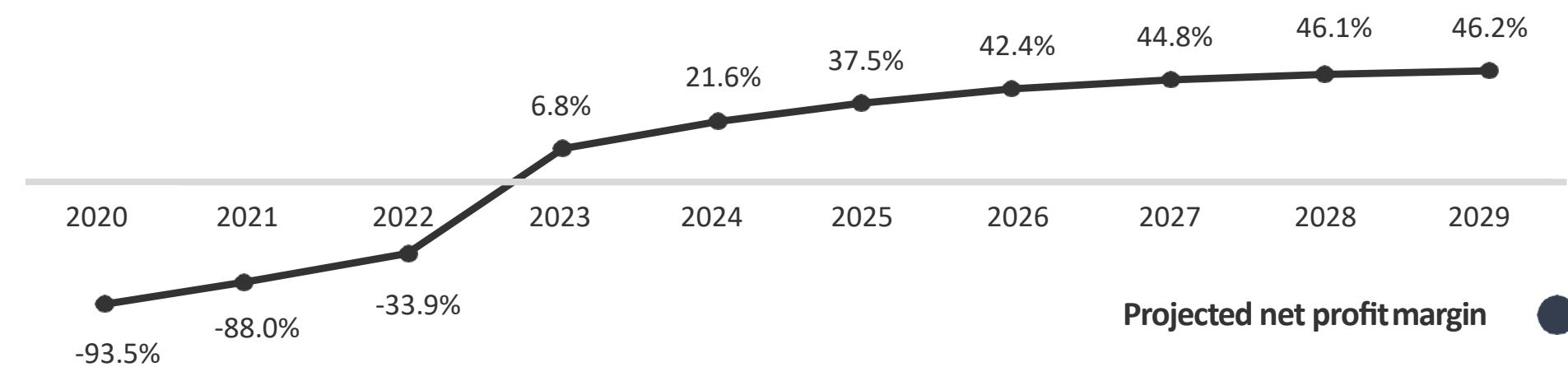Clear **market gap** in the SME segment of e-commerce business

INDICATIVE CUMULATIVE FINANCIAL RESULTS

Following stabilization of operations, the asset-light business model is projected to result in highly attractive margins

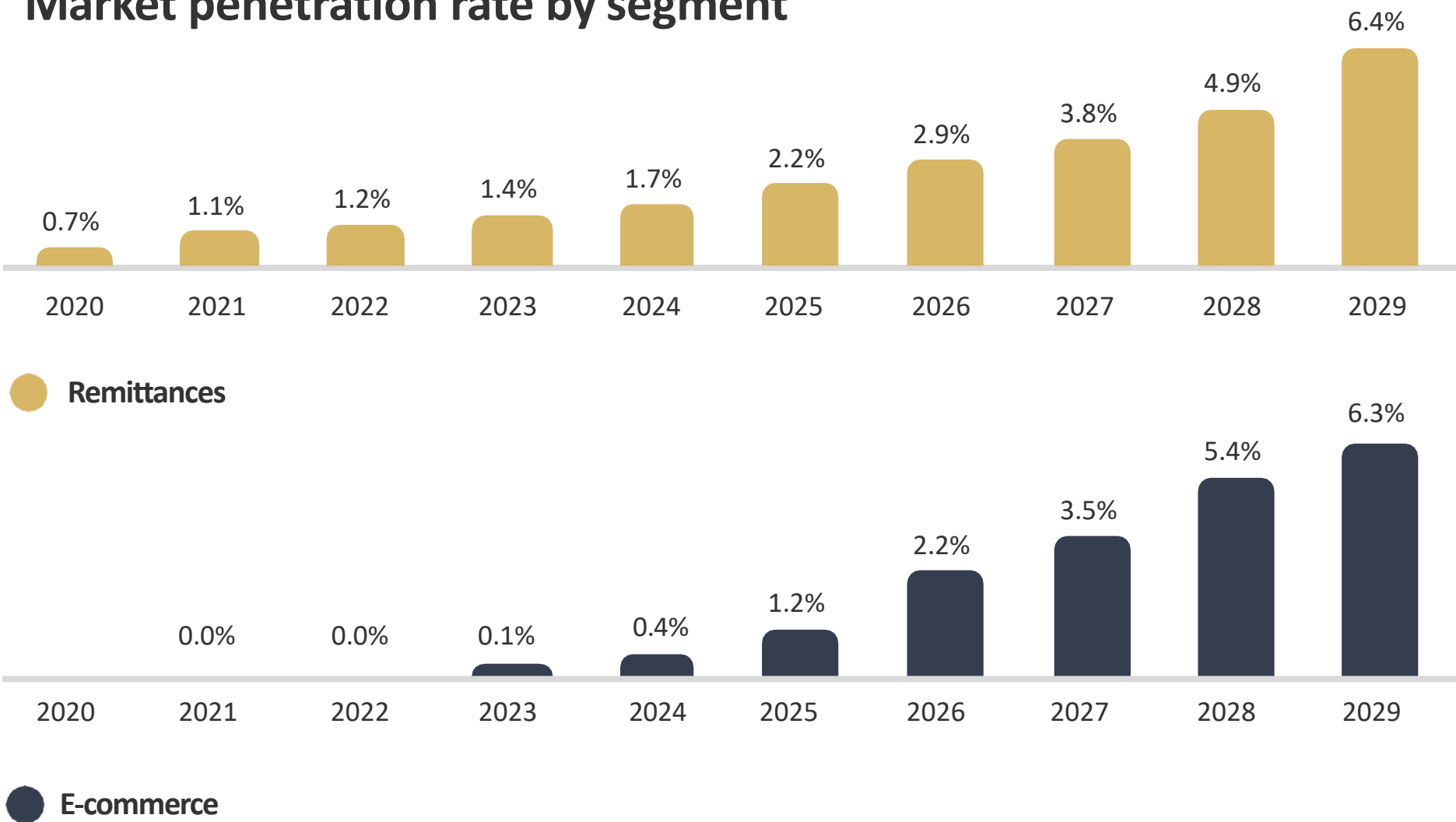## Projected financial results for the period 2020 - 2029

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Remittances rev. share	100.0%	67.2%	25.3%	12.9%	4.7%	2.1%	1.5%	1.2%	1.0%	1.1%
E-commerce re. share	0.0%	32.8%	74.7%	87.1%	95.3%	97.9%	98.5%	98.8%	99.0%	98.9%
Total revenue in USDm	0.6	2.0	5.9	14.0	47.2	136.7	260.9	437.2	692.2	840.5

Projected net profit margin: -93.5% (2020), -88.0% (2021), -33.9% (2022), 6.8% (2023), 21.6% (2024), 37.5% (2025), 42.4% (2026), 44.8% (2027), 46.1% (2028), 46.2% (2029)

Market penetration rate by segment

Remittances: 0.7% (2020), 1.1% (2021), 1.2% (2022), 1.4% (2023), 1.7% (2024), 2.2% (2025), 2.9% (2026), 3.8% (2027), 4.9% (2028), 6.4% (2029)

E-commerce: 0.0% (2020), 0.0% (2021), 0.1% (2023), 0.4% (2024), 1.2% (2025), 2.2% (2026), 3.5% (2027), 5.4% (2028), 6.3% (2029)

Cash required for the period 2020 - 2029 (values in USDm)

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
CAPEX	0.1	0.2	0.2	0.6	1.2	5.1	20.1	20.2	50.1	50.1
OPEX (excl. D&A)	1.1	3.5	7.5	12.4	34.8	77.3	132.7	211.0	322.0	386.8
Total costs	1.2	3.6	7.7	13.0	36.0	82.4	152.7	231.2	372.1	436.9

Project KPIs

Stabilized EBIT margin	Stabilized NPM	T.A.M captured by 2029
cc. 51%	cc. 46%	USD 11.2bn

INDICATIVE VALUATION

Initial projections suggest a potential enterprise value of USD 761.7m

ANCHOR

Key revenue assumptions	
Source of financing	100% equity
EBITDA multiple	8x
Cost of equity	20.0%
Terminal year	10th (2029)

Unlevered free cash flow projections 2020 - 2029 (values in USDm)
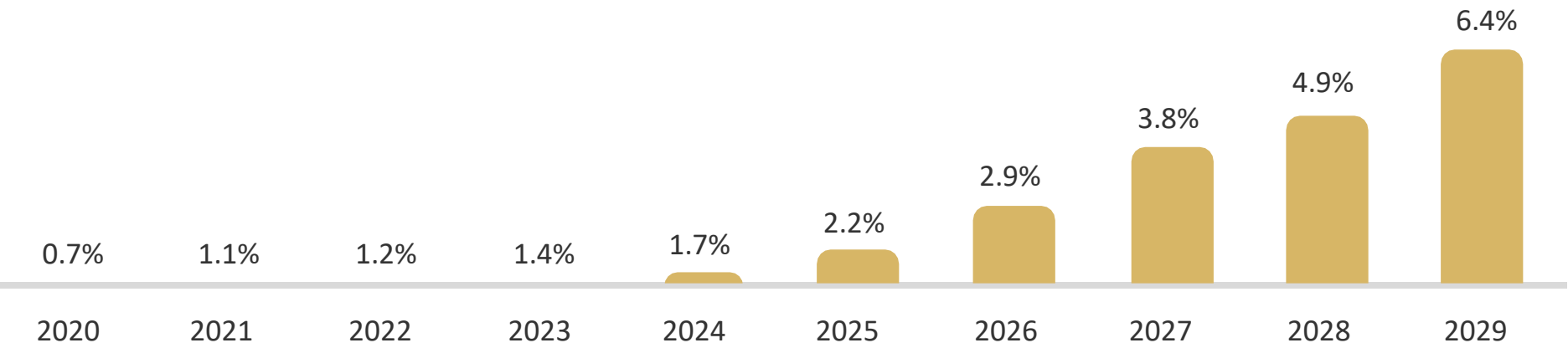
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
0.7%	1.1%	1.2%	1.4%	1.7%	2.2%	2.9%	3.8%	4.9%	6.4%

EBIT projections 2020 - 2029 (values in USDm)

2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
-0.6	-1.7	-2.0	1.0	11.1	56.1	120.8	213.9	348.7	424.8
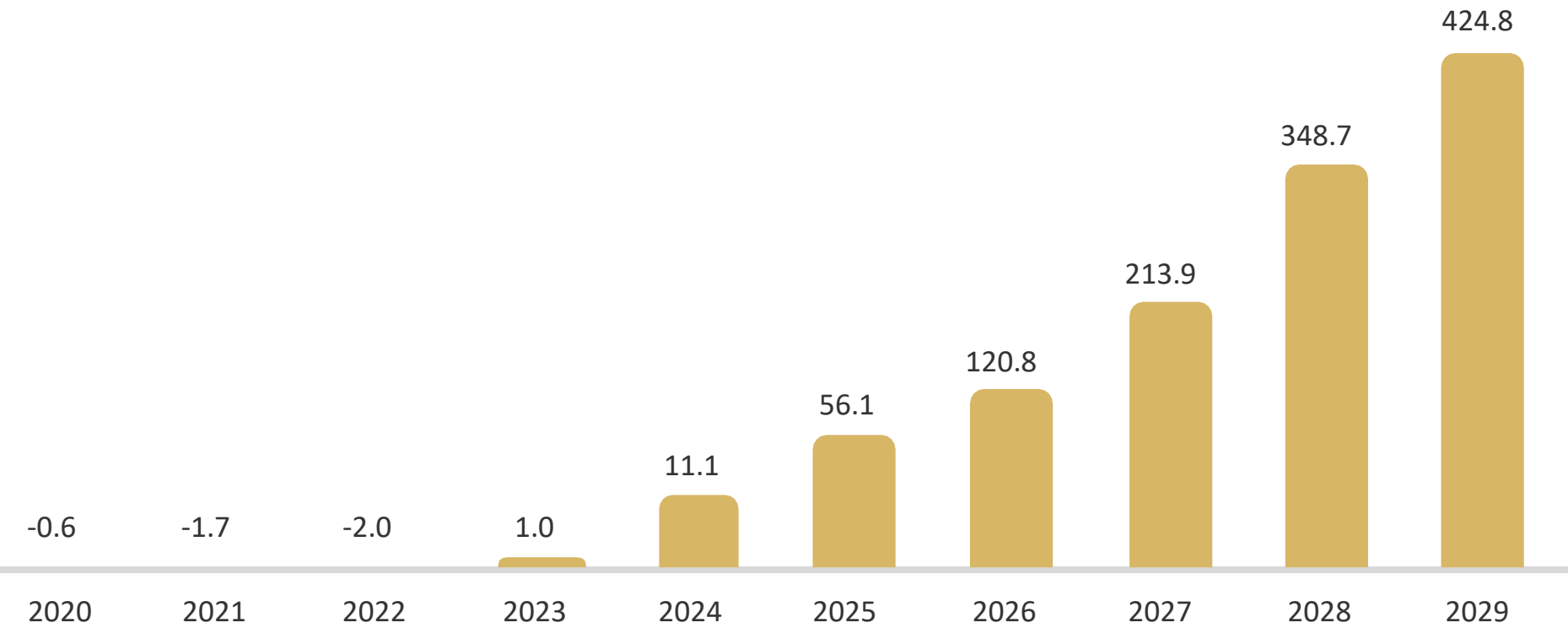
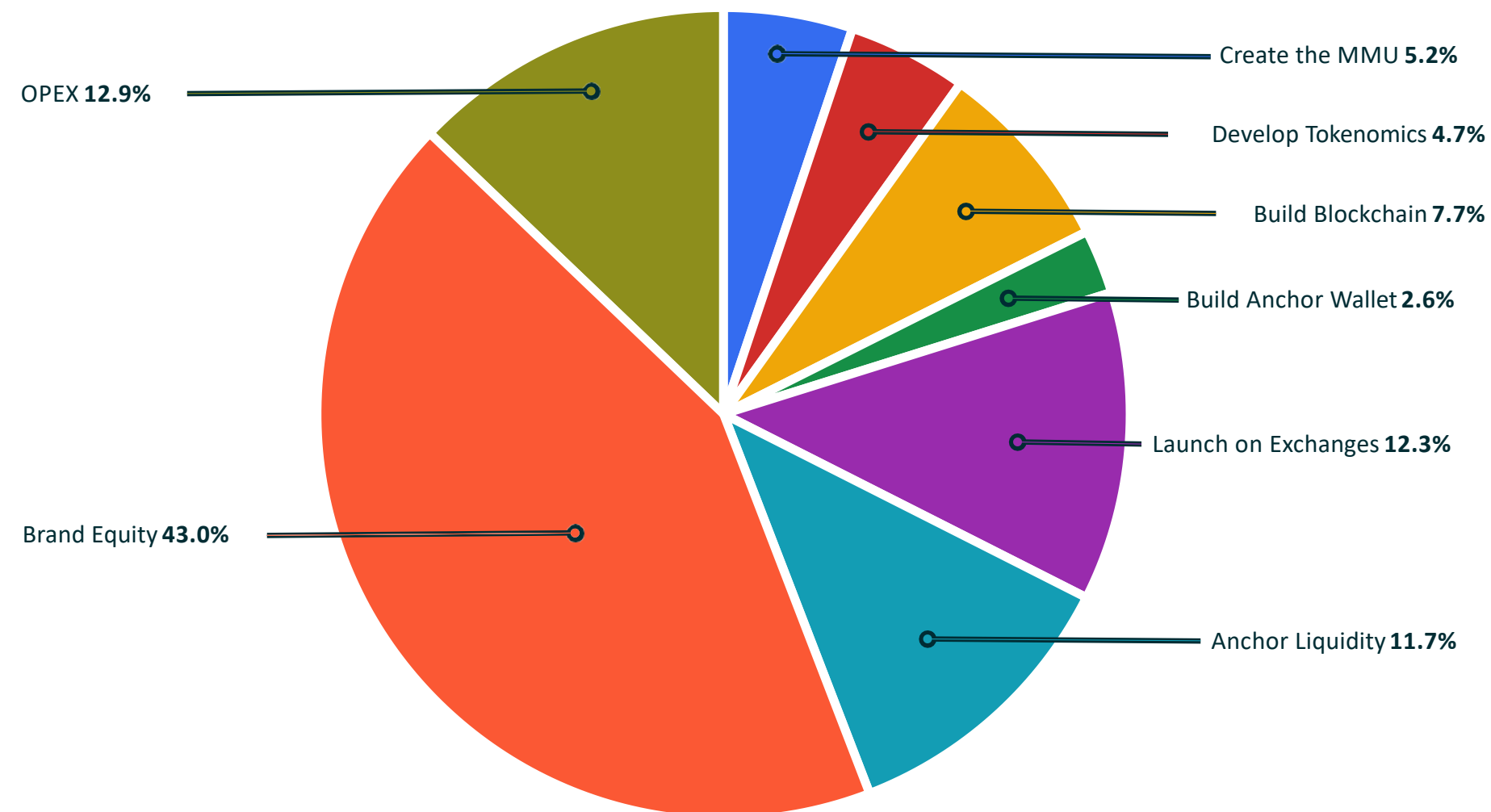| NPV of forecast	Terminal value	NPV of enterprise value
USD 193.8m	USD 3.5bn	USD 567.9m

Projected enterprise value: **USD 761.7m**

WHERE WE ARE, AND WHERE WE NEED TO BE

ANCHOR

Completely self-funded up to this point, Anchor has spent $1.2m USD on:

Anchor Expenses

- Create the MMU **5.2%**
- Develop Tokenomics **4.7%**
- Build Blockchain **7.7%**
- Build Anchor Wallet **2.6%**
- Launch on Exchanges **12.3%**
- Anchor Liquidity **11.7%**
- Brand Equity **43.0%**
- OPEX **12.9%**

For Anchor to reach its market potential, we are now seeking to raise $10-12m USD:

Fund Allocation

- CAPEX **10.0%**
- OPEX **20.0%**
- Partnerships **20.0%**
- Marketing **35.0%**
- Development **15.0%**
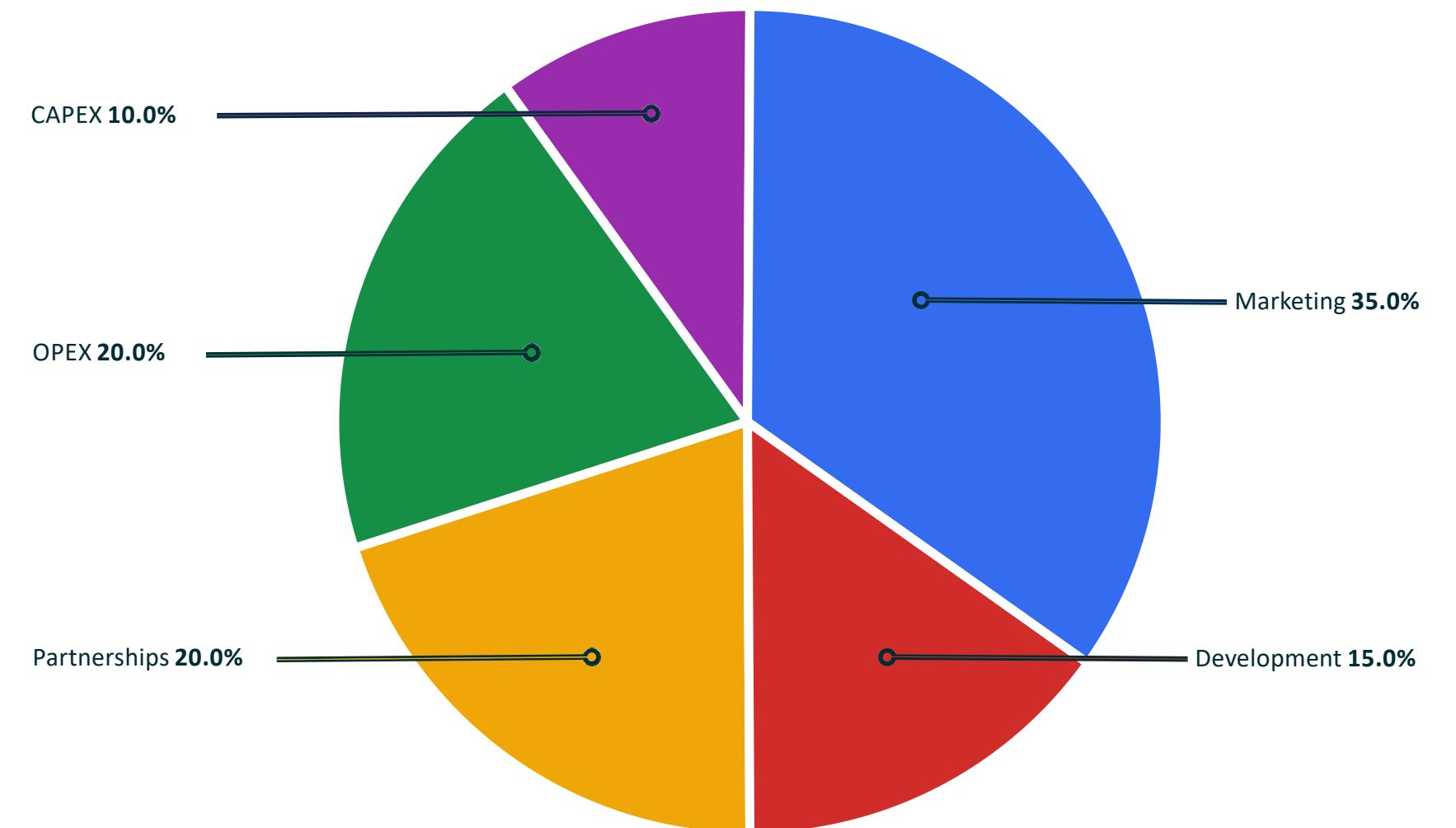
Daniel Popa
CEO of Anchor

Daniel is a serial telecommunications enterpreneur with over 20 years of experience successfully launching numerous telecommunications and software companies, including Pulse Telecom, ECS Soft, CCI, TimeWalk, and others. Companies founded by Daniel have generated over $1 bilion in revenue over the past 20 years and currently operate in 5 different countries, including the USA, Canada, Australia, Romania, and Ukraine. NECC Telecom employs more than 600 people and several thousand contractors around the world and earns revenues in excess of $54 million annually.

Cristian Bronescu
Co-founder and COO

Cristian is a full-stack developer with over a decade of programming experience and technical competencies in a wide range of programming languages. He is also a successful enterpreneur, co-founding 3 companies in the past 5 years, including a virtual reality company called vrplay and a software auditing company called BugsAudit. Cristian also brings strong project management skills acquired from his role at American telecommunications firm SRVR.

Zoran Grubisic, Phd
Head Economist and MMU Developer

Professor Zoran is one of the leading macroeconomics, international finance, and valuation experts in Eastern Europe. He has over 15 years of experience creating advanced financial models and has served as the Vice-Dean of the Belgrade Banking Academy, one of the foremost finance universities in Serbia. His published scientific papers have been cited dozens of times.

Ivan Marković, PhD
Lead Tokenomics Expert

While developing his own blockchain project in Education, having found that his academic and strategic skills translate well to blockchain solutions, Ivan caught the blockchain bug and has not looked back ever since. He is the one who came up with our entire tokenomics system, and who continues to work on developing and strenghtening our project.

Thank you!

We look forward to staying in touch.
Please connect with us to learn more.

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✉ invest@theanchor.io