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EN

Singapore
CrossAngle Pte. Ltd.

**Profile Report**

# V SYSTEMS

**Cayman Islands**
(Country or jurisdiction of incorporation)

(Entity Registration Number)

**Hong Kong**
(Address, including zip code, including area code, of principal executive offices)

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## WHERE YOU CAN FIND MORE INFORMATION

Readers and others should note that the company announces material information to the public using the company website, press releases, public conference calls, and webcasts. They may also use the following social media channels as a means of disclosing information about the company, products, planned financial and other announcements and attendance at upcoming investor and industry conferences, and other matters.

| Channels | Address |
|---|---|
| **Company Website** | https://v.systems/ |
| **Main communication channel** | |
| **Twitter** | https://twitter.com/VSYSCoin |
| **Company Blog** | https://medium.com/vsystems |
| **Facebook** | |
| **Linkedin** | |
| **Github** | https://github.com/virtualeconomy/v-systems |
| **Reddit** | https://www.reddit.com/r/V_SYSTEMS |
| **Telegram** | https://t.me/VSYSOfficialGroup |
| **WeChat** | |
| **KaKaoTalk** | |
| **Custom Link** | Youtube - https://www.youtube.com/channel/UC3tnJX2dztNKh2yJxFVSDAw/featured? |

view_as=subscriber

The information posted through these social media channels may be deemed valid. Accordingly, the public should monitor these accounts and the blog, in addition to following company press releases, conference calls, and webcasts. This list may be updated from time to time and these channels may be updated without notice.

**Company Representative (Report Data Submitter)**

| Name | Position | Office Phone Number | Telegram ID |
|---|---|---|---|
| Alex Yang | CEO | | @vsystech |

# PART I. Corporate Profile

## ITEM 1. Basic Corporate Profile

| | |
|---|---|
| **Official Company Name** | V SYSTEMS |
| **Establishment Date** | |
| **Jurisdiction of Incorporation** | Cayman Islands |
| **Principal Office Location** | Hong Kong |
| **Address of Official Company Registration** | Cayman Islands |
| **Company Name for Website Display** | V SYSTEMS |
| **Description of Company** | V SYSTEMS is a general purpose blockchain database for decentralized applications. Led by Chief Architect Sunny King, the V SYSTEMS blockchain has implemented his new innovative consensus algorithm - Supernode Proof of Stake (SPoS). V SYSTEMS aims to deliver decentralized database cloud technology that is scalable and durable, with high finality, performance and the highest resistance to 51% attacks.<br><br>The network is operated as a cloud platform that can support efficient and agile development of a vast variety of applications, including but not limited to decentralized finance applications (DeFi), entertainment, social media, tokenization, dapp deployment and many more. |
| **Company Website** | https://v.systems/ |
| **Whitepaper Link** | https://v.systems/whitepaper.html |
| **Mission and Vision** | Re-Architect Blockchain, De-Centralize Finance.<br><br>With the massive potential that blockchain could bring, however, the world has yet to witness the true materialization of the technology. In light of this, V SYSTEMS envisions to push forward a new economic era by refining the existing Proof of Stake mechanism and bringing a truly scalable, stable, and global blockchain platform that is easy to use and is compatible with billions of system. |

## ITEM 2. Team

### 2.1 Executives & Founders

The following sets forth certain information regarding the company's executive officers and founders, their details and positions as of 2020-08-31

#### Sunny King

| | |
|---|---|
| Position Title | Chief Architect |
| Short Bio | Sunny King, a legendary blockchain developer, is the inventor of Proof of Stake consensus mechanism and creator of three cryptocurrencies/blockchain projects, including V SYSTEMS, Peercoin and Primecoin. |
| Experience | |
| Education | |
| Company e-mail | |
| Social | |

#### Alex Yang

| | |
|---|---|
| Position Title | CEO |
| Short Bio | Dr Alex Yang is a FinTech entrepreneur and investor with over 14 years of experience in banking and finance, during which time he has sponsored many world-leading blockchain foundations. |
| Experience | |
| Education | |
| Company e-mail | |
| Social | @https://twitter.com/AyVirtual |

## 2.2 Engineering Team Leaders

The following sets forth certain information regarding the company's development and engineering leaders, their details and positions as of 2020-08-31

### Sunny King

| | |
|---|---|
| Position Title | Chief Architect |
| Short Bio | https://medium.com/vsystems/who-is-sunny-king-545eec4079d9 |
| Experience | |
| Education | |
| Social | |

## 2.3 Advisory

The following sets forth certain information regarding the company's advisories, their details and positions as of 2020-08-31

No data available

## 2.4 Organization Structure

The following sets forth certain information regarding the structure of the company as of 2020-08-31

| Name of Department/Group/Office/etc. | Number of Full-Time Staff | Number of Part-Time Staff | Head of Department (Maybe left blank) |
|---|---|---|---|
| Executives & Founders | 2 | 0 | |
| Development Team | 7 | 0 | |
| Strategy | 3 | 0 | |
| Advisor | 2 | 0 | |
| Marketing and Communications | 3 | 0 | |
| **Total** | 17 | 0 | |

# PART II. Business Information

## ITEM 1. Industry Classification

| | Not Applicable |
|---|---|
| **Sector** | Technology |
| **Industry** | Software and Services |
| **Sub-industry** | Infrastructure and Platform |
| **Categories** | 1. Interoperability |

## ITEM 2. Industry Description

### 2.1 Industry Overview

The software and services industry group is made up of companies that provide internet services, as well as companies that provide software and IT services. Internet services include companies that provide online databases or interactive services, such as search engines or social networks. IT services includes companies that provide IT consulting or data processing services to other companies. Finally, software consists of any sort of software for business or consumer use, ranging from enterprise software and systems software to video games.

### 2.2 Recent Trends

#### (1) Less Hype and Scams, More Substance

Any new technology has the potential to attract snake-oil salesman, and perhaps blockchain attracted more than most. This meant that 2018 saw regulators stepping in, meaning that those offering “miracle solutions” and get-rich-quick schemes built (or not built) on blockchain should be far less visible in the next 12 months. What we should see instead is results of more considered, mature endeavors in the blockchain arena. Businesses such as Walmart that is investing in solutions designed to shore up food safety standards in the wake of crises such as 2018's E.coli outbreak. Walmart's solution means anyone involved in the supply of certain products will be able to trace individual items back to the farm where they were grown, using a tamper-proof distributed database.

#### (2) Real-world uses

Earlier this month, McKinsey & Company reported that businesses have identified more than 100 blockchain use cases, with the most impressive results coming from blockchains used to store information, cut out intermediaries, and enable greater coordination between companies. Corporations are beginning to see through pie-in-the-sky predictions claiming blockchain solves every business problem and making thoughtful attempts to understand where it’s really the best fit. 2019 is likely to see an uptick in learning by doing, with pilots, proof-of-concepts, and other early-stage experimentations designed to identify tangible, productive use cases for blockchain. Forcing a round blockchain peg into a square company hole creates negative ROI and slows down the adoption curve. Realizing the places blockchain offers real-world solutions, and the places where other technologies like artificial intelligence are a better fit, will help push blockchain into the mainstream.

### 2.3 Target Market Size

The global blockchain technology market size was valued at USD 604.5 million in 2016 and is predicted to exhibit a CAGR of 37.2% over the forecast period. Blockchain technology is one of the most promising developments in the information technology (IT) domain. It enables a ledger that can be accessed by all parties involved in the transaction and can act as the universal irrefutable depository of all transactions between involved parties.

## 2.4 Target Customers

Enterprises and individuals

## 2.5 Competitors

### 2.5.1 Existing Industry Competitors

The following sets forth certain information regarding the company's conventional competitors already established within the industry as of 2020-08-31:

No data available

### 2.5.2 Token Project Competitors

The following sets forth certain information regarding the company's competitors that have implemented Token economics as of 2020-08-31:

***https://ethereum.org/***

| | |
|---|---|
| Token Symbol | ETH |
| Network Type | |
| Description | Ethereum is a native blockchain platform with "Turing complete" smart contracts. V Systems is a native blockchain platform with more secure "non-Turing complete" smart contracts and a new more egalitarian consensus mechanism called SPoS - Supernode Proof of Stake. |

# ITEM 3. Project's Business Model

## 3.1 Business Description

### 3.1.1 Revenue Model

Deliver decentralized database cloud technology that is scalable and durable, with high finality, performance and resilience against 51% attacks.

### 3.1.2 Platform or Application Overview

**General platform description**

No Input

**Functions of the solution**

V SYSTEMS creates a scalable and stable consensus that brings a healthy blockchain ecosystem based on the next evolution of PoS, Supernode Proof of Stake (SPoS). V SYSTEMS aims to materialize the vision by building blockchain database and cloud developing tools to make blockchain development swift and easy.

**User pain points**

No Input

### 3.1.3 Product/Service Line Description

- **Supernode Proof of Stake (SPoS)**

SPoS is the next evolution to PoS consensus algorithm invented by Sunny King and the consensus mechanism used by V SYSTEMS. From an architecture point of view, SPoS evolutes the multiple shortcomings of PoS, and adopts fixed block algorithm design to improve performance and stability. From a governance perspective, on another hand, not only the decentralized ecosystem is adopted, coin holders are able to participate in minting as a way of governing the ecosystem and get reward.

### 3.1.4 Competitive Advantage

V SYSTEMS introduces greater speed and scalability to the previously limited capacity of Proof of Work models. This changes the dynamic of participation in the running of the network which have significant impacts on stability and security, and contributes to resilience against 51% attacks.

### 3.1.5 Intellectual Property

1.

Description
Jurisdiction
Patent Applicant

## 3.2 Partnerships

#### ZB.com

| | |
|---|---|
| **Counterparty Website** | ZB.com |
| **Counterparty Description** | |
| **Applicable Dates** | 2019-03-25 ~ |
| **Does this partnership has an expiration date?** | No |
| **Revenue Generation** | No |
| **Expected Revenue (USD)** | N/A |
| **Partnership Description** | World leading cryptocurrency exchanges ZB.com have announced the LaunchPad Program and its first coin sale partnership with V SYSTEMS. It was the first coin sale partnership conducted by ZB.com, ZBG, BW LaunchPads which offer token listing and all-round consulting services for projects. The coin sale partnership acts as intermediary between the token issuer and interested contributors. |
| **Expected Benefits to Project Team** | |
| **Expected Benefits to Counterparty** | |

#### Chainlink

| | |
|---|---|
| **Counterparty Website** | https://chain.link/ |
| **Counterparty Description** | |
| **Applicable Dates** | 2019-06-20 ~ |
| **Does this partnership has an expiration date?** | No |
| **Revenue Generation** | No |
| **Expected Revenue (USD)** | N/A |
| **Partnership Description** | VSYS aims to build the world's first general-purpose decentralized database to unleash the full potential of decentralized applications in daily data processing, and the collaboration with Chainlink will enable VSYS to focus on the on-chain implementation of contracts while benefitting from off-chain open source APIs built by Chainlink. |
| **Expected Benefits to Project Team** | |
| **Expected Benefits to Counterparty** | |

### Messari

| | |
|---|---|
| **Counterparty Website** | https://messari.io/ |
| **Counterparty Description** | Messari Disclosures Registry |
| **Applicable Dates** | 2019-08-20 ~ |
| **Does this partnership has an expiration date?** | No |
| **Revenue Generation** | No |
| **Expected Revenue (USD)** | N/A |
| **Partnership Description** | V SYSTEMS has joined the Messari Disclosures Registry with Cardano, Lisk and Beam to foster trust and transparency in the blockchain industry. VSYS is also one of the four largest projects among the registry's new additions with a market cap of over $300 million. |
| **Expected Benefits to Project Team** | |
| **Expected Benefits to Counterparty** | |

### OceanEx

| | |
|---|---|
| **Counterparty Website** | https://oceanex.pro/en/ |
| **Counterparty Description** | OceanEx Digital Asset Trading Platform uses advanced artificial intelligence technologies to provide a secure and ultra-fluid digital currency trading market. Capable of comprehensive quantitative trading, it offers a rich set of investment tools and products to meet the needs of all types of investors and investment strategies. Members of its team come from Morgan Stanley, BNP Paribas, Deloitte, Samsung Electronics Research Institute, Cisco and other internationally renowned companies. OceanEx is committed to creating a more professional digital asset trading services for investors. |
| **Applicable Dates** | 2019-11-11 ~ |
| **Does this partnership has an expiration date?** | No |
| **Revenue Generation** | No |
| **Expected Revenue (USD)** | N/A |
| **Partnership Description** | V SYSTEMS unveiled a new collaboration with OceanEx today at the Capital Warm-up Party, to explore joint development to cultivate a robust DeFi ecosystem. As strategic partners, OceanEx and V SYSTEMS will promote the interaction of the two sides and explore in-depth participation in DApp development and community engagement. |
| **Expected Benefits to Project Team** | It can identify DeFi projects with real-world use cases and high market demand promote the mass adoption of blockchain technology. Also, it can participation in community building and cooperation with OceanEx to provide its users with access to V SYSTEMS-powered projects to bring both V SYSTEMS and OceanEx to a larger user base. |
| **Expected Benefits to Counterparty** | The addition of V SYSTEMS-powered projects to OceanEx's digital asset trading platform |

### CertiK

| | |
|---|---|
| **Counterparty Website** | https://www.certik.org/ |
| **Counterparty Description** | CertiK leads blockchain security by pioneering the use of cutting-edge Formal Verification technology on smart contracts and blockchains. Unlike traditional security audits, Formal Verification mathematically proves program correctness and hacker-resistance. CertiK was founded by Computer Science professors of Yale University and Columbia University, securing over $5B in assets, including many of the world's top projects. |
| **Applicable Dates** | 2019-10-29 ~ |
| **Does this partnership has an expiration date?** | No |
| **Revenue Generation** | No |
| **Expected Revenue (USD)** | N/A |
| **Partnership Description** | |

| | |
|---|---|
| | The V SYSTEMS and CertiK teams understand the importance of blockchain security and believe this partnership will lead to a more secure VSYS ecosystem as V SYSTEMS launches the first version of Euclid Smart Contract.<br>Euclid aims to provide a token solution to allow anyone to implement a token economy system to rapidly build and deploy applications in the V SYSTEMS network. This solution aligns with Euclid's mission to deliver decentralized cloud database technology with high scalability, durability, and performance.<br>By putting a major focus on DeFi development, V SYSTEMS hopes to provide the market and community with more financial tools and DApps that cover a sizeable amount of data. In partnering with CertiK, V SYSTEMS continues to put security at the forefront in order to build trust in the VSYS network and promises to achieve high security standards as well as technical advancements to the platform. |
| **Expected Benefits to Project Team** | |
| **Expected Benefits to Counterparty** | |

**NEOPLY**

| | |
|---|---|
| **Counterparty Website** | https://www.neoply.com/ |
| **Counterparty Description** | A Korea-first startup accelerator with interest in blockchain since 2017. |
| **Applicable Dates** | 2020-08-01 ~ |
| **Does this partnership has an expiration date?** | No |
| **Revenue Generation** | No |
| **Expected Revenue (USD)** | N/A |
| **Partnership Description** | NEOPLY has become one of 15 Supernodes on the V Systems blockchain. |
| **Expected Benefits to Project Team** | |
| **Expected Benefits to Counterparty** | |

## 3.3 Project Progress

### History

The V SYSTEMS mainnet was launched on November 27th, 2018. To achieve a brand new era of virtual economy, the development team is currently working on tech updates such as smart contract, blockchain database platform, sidechain and cross-chain in 2019-2020.

### Project Status

Operational

### Development of the platform and business operations have been or will be funded through the following sources

Initial token sale(Public and Private)
Sale of tokens from team's pre-mined or pre-allocated reserves post initial sale

### Plan or Strategy to expand platform or token

V SYSTEMS will further improve its liquidity through listing on more top exchanges and work on potential partnerships and business development to expand the ecosystems.

## 3.4 Milestones

| Title | Target | Status | Description |
|---|---|---|---|

| | Date | | |
|---|---|---|---|
| VSYS Coin was first listed on exchanges | 2019-01-18 | | VSYS Coin was first listed on exchanges |
| V SYSTEMS mainnet launch. | 2018-11-27 | Completed | V SYSTEMS mainnet launch. |
| Supernode operation went live | 2018-11-27 | Completed | Supernode operation went live |
| VSYS wallet went live | 2018-11-27 | | VSYS wallet went live |
| Announced SPoS consensus. | 2018-09-12 | Completed | Announced SPoS consensus. |

## 3.5 Use Case

### (1) Tachyon

| | |
|---|---|
| **Date** | |
| **Type** | Business: Adoption and commercialization |
| **Name of main counter-party** | |
| **Involved companies or organizations** | |
| **Category** | |
| **Main Participant** | 1. X-VPN<br>Company Website: https://xvpn.io/<br>Sector: sector.information_technology<br>Details:<br>XVPN offers the best free VPN service to secure your online privacy and access blocked sites. |
| **List of others involved** | |
| **Description of blockchain application** | A decentralized internet protocol |

## 3.6 Legal Concerns

No data available

# PART III. Financial Information

## ITEM 1. Equity Shareholders

The following sets forth company cap table of equity shareholders of the organization with more than 5% stake as of 2020-08-31
Number of Shares Outstanding:

| Shareholder Name | Title or Relations with Company | Percentage of Total Outstanding Shares | Number of Shares |
|---|---|---|---|
| No data available | | | |

## ITEM 2. Equity Funding History

### 2.1 Equity Funding Rounds

| Transaction Name | Announced Date | Number of Investors | Money Raised (In USD) | Lead Investors |
|---|---|---|---|---|
| No data available | | | | |

### 2.2 Extraordinary Relations with Company

The following sets forth companies and organizations with extra-ordinary relations with company as of 2020-08-31

| Company Name | Country of Incorporation | Start Date | End Date | Relationship Details |
|---|---|---|---|---|
| No data available | | | | |

## ITEM 3. Financial Disclosures

The following are simplified and condensed financial statements submitted by the company for disclosure last updated on 2020-08-31:

### 3.1 Simplified Income Statement

○ Year ◉ Quarter

### 3.2 Simplified Balance Sheet

○ Year ◉ Quarter

### 3.3 Key Ratios

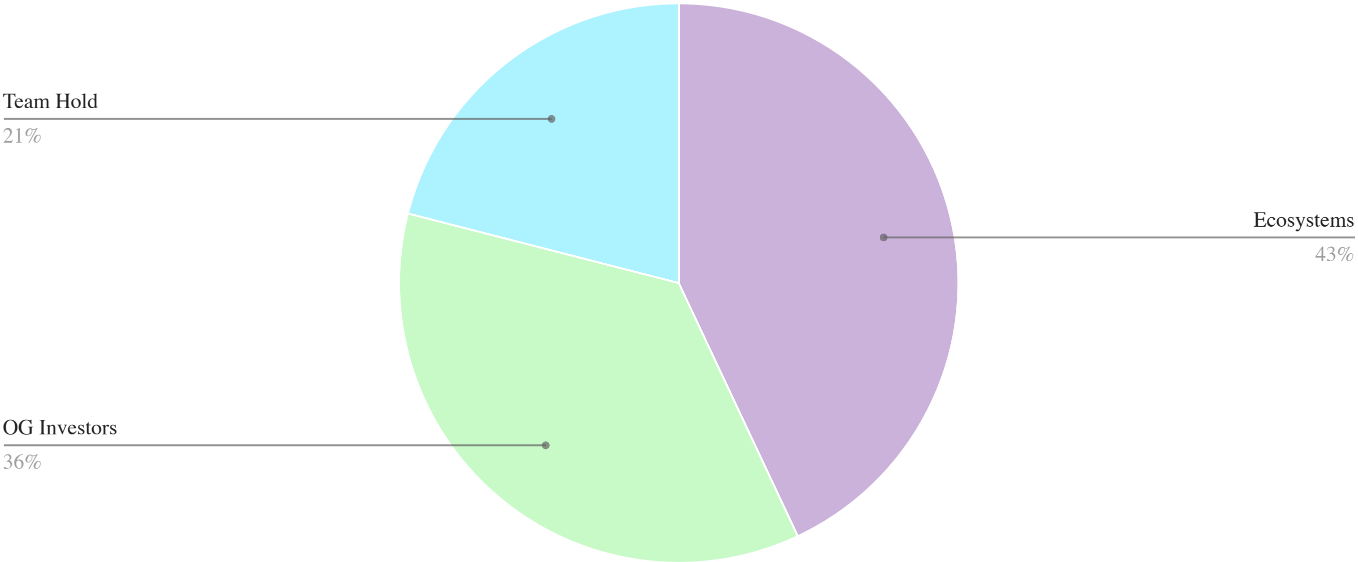
No data available

# PART IV. Token Information

## ITEM 1. Token Profile

| | |
|---|---|
| **Token Name** | V SYSTEMS |
| **Symbol** | VSYS |
| **Token Economy** | |
| **Token Usage** | VSYS Coin is the native currency for the V SYSTEMS blockchain platform with a multitude of uses including transactions, staking and minting on the network. VSYS Coins can also be used to access a vast variety of applications built on the V SYSTEMS networks, as well as pay for resource usage on the V SYSTEMS database cloud. VSYS Coin features the strongest ability in payment across the globe, allowing completion of a massive transaction within as short as 1 second. It is also known for a low fee (less than 1 coin for each transaction) and the world highest security level that makes it less vulnerable to 51% attacks than bitcoin. |
| **Short Token Description** | VSYS enables access to a multitude of features and transactions on V SYSTEMS. |
| **Token Contract Address** | N/A |
| **Base Platform** | V SYSTEMS |
| **Mainnet Explorer Url** | https://explorer.v.systems/ |
| **Network** | No Input |
| **Project Type** | Platform |
| **Tokens were initially available and currently obtainable in the following method(s)** | 1. Private offering<br>2. Public offering |
| **Additional Token issuance or minting conditions, including implemented natural inflation.** | Following the V SYSTEMS mainnet launch in November 2018, 5,142,858,000 VSYS Coins have been generated from its genesis block. A fixed amount of VSYS Coins as 283,824,000 will be produced every year via supernode minting. There is an annual inflation rate of approximately 5%, however, VSYS Coins that are used as transaction fees and supporting the economic cycles of projects built on the blockchain will be burnt, which can potentially reduce the VSYS Coin inflation. |
| **Trading practices after the Token Sale by Company** | 1. Company has not purchased or sold Tokens after the Token Sale<br>2. Company founders and promoters have not purchased or sold Tokens after the Token Sale |
| **Method of allocating tokens during Token Sale** | First come, First served |

**Token allocation percentage based on Total Supply immediately after Token Generation Event**




# ITEM 2. Token Sales

## 2.1 Token Sales details

No Input

**Percentage of individual investors at initial offering**

**Terms and conditions for top backers**

No Input

## 2.2 Initial Offering Rounds

No data available

*: Proposed calculation, but not necessarily mandatory, is based on USD equivalent of cryptocurrency received between the start and end date of the Token sale duration calculated by ((High+Low)/2) of market price

# ITEM 3. Token Supply History

The following is a manual record Token supply history as of 2020-08-31. Corresponding transactions hashes have not been provided within this report.

| Purpose | Date | Amount | Value (USD) | Post Total Supply | Post Circulating Supply |
|---|---|---|---|---|---|
| Mainnet Launch | 2018-11-27 | 5,142,858,000 | 300,000,000 | N/A | N/A |

# ITEM 4. Listed Exchanges

| | Exchange | Pair | Price | Volume | Percentage |
|---|---|---|---|---|---|
| | Huobi Global | VSYS/USDT | - | $6,094,252 | 43.60% |
| | Bithumb | VSYS/KRW | - | $1,799,208 | 12.90% |
| | OKEx | VSYS/USDT | - | $1,493,714 | 10.70% |

| | | | | | |
|---|---|---|---|---|---|
| | BW.com | VSYS/QC | - | $1,145,995 | 8.20% |
| | Huobi Global | VSYS/BTC | - | $800,573 | 5.70% |
| | MXC (MoCha) | VSYS/USDT | - | $444,863 | 3.20% |
| | OKEx | VSYS/BTC | - | $420,673 | 3.00% |
| | ZB.COM | VSYS/QC | - | $378,547 | 2.70% |
| | MXC (MoCha) | VSYS/ETH | - | $233,464 | 1.70% |
| | Indodax | VSYS/IDR | - | $167,134 | 1.20% |

## ITEM 5. Token Ownership

The following is an automatic query result of wallet addresses based on balance holdings with meta data application as of 2020-08-31.

| Rank | Address | Balance | Percentage |
|---|---|---|---|

## ITEM 6. Token Price and Market Cap

The following are market data present as of 2020-08-31.

Market Cap Rank **139**

### Price Performance


▸ **USD**

**Current Price** : $0.034558

**Change (7d/24h/1h)** : 11.3% | -3% | -1.3%

**Market Cap** : 71,771,335.36

**Initial Offering Price** : $-

**Return since Initial Offering** :

▸ **ETH**

**Current Price** : 0.000081 ETH

**Change (7d/24h/1h)** : 3.6% | -7.6% | -1%

**Market Cap** : 168,853.92

**Initial Offering Price** : - ETH

**Return since Initial Offering** :

▸ **BTC**

**Current Price** : 0.000003 BTC

**Change (7d/24h/1h)** : 11.5% | -3.6% | -1.2%

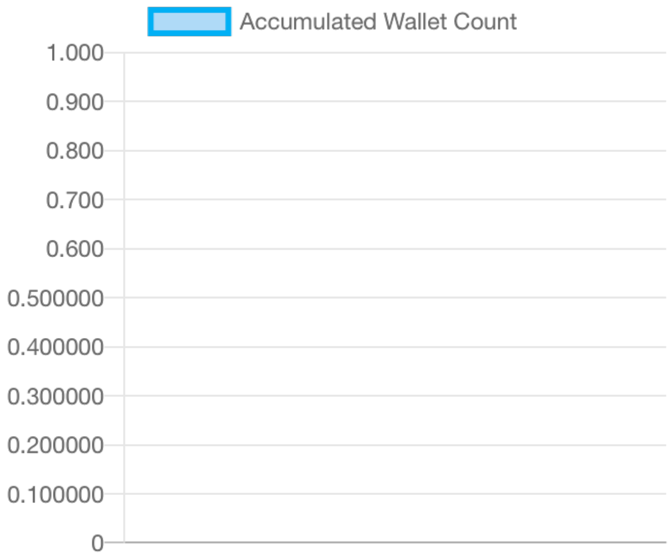
**Market Cap** : 6,141.52

**Initial Offering Price** : - BTC

**Return since Initial Offering** :

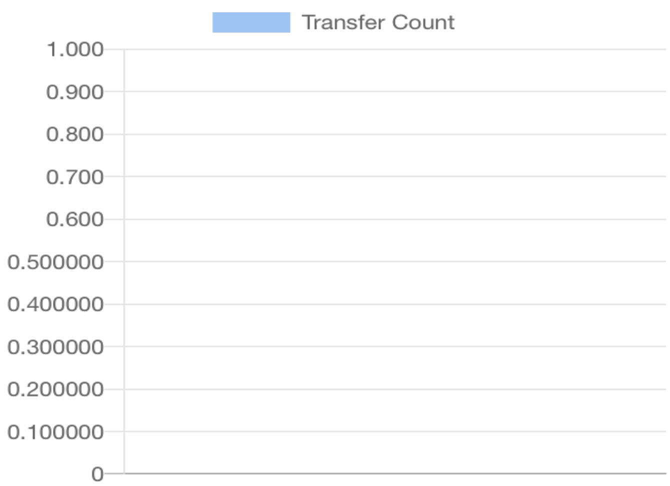
## ITEM 7. On-chain Performance

## Accumulated Wallet Count



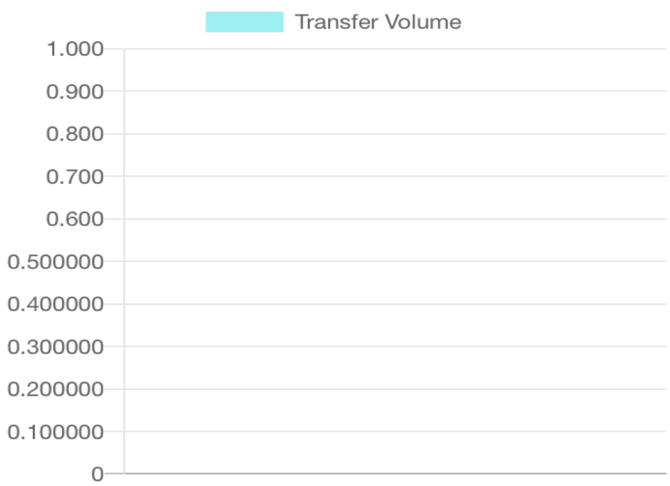

| Date | Accumulated Wallet Count | New Wallet Count |
|---|---|---|
| | No data available | |

## Transfer Count




| Date | Token Transfer Count |
|---|---|
| | No data available |

## Transfer Volume




| Date | Token Transfer Volume |
|---|---|
| | No data available |

# PART V. Compliance

## ITEM 1. Legal

### Legal Memorandums and Opinions

| Date | Target Jurisdiction | Sender / Written by | File |
|---|---|---|---|
| No data available | | | |

### Legal Compliance

**Q:** Can you ensure that your project is in compliance with all laws in the countries that you conduct business and the jurisdiction of where your company is incorporated? Please use the input field to describe your circumstances in case you cannot ensure compliance.
**A:**

**Q:** Can you ensure that there are no elements or features that potentially involve damaging public interests in certain countries due to the activities promoted by the project? (Gambling/drugs, etc.) Please use the input field to describe your circumstances in case you cannot ensure compliance.
**A:**

**Q:** Can you ensure that your token/coin project is not categorized as a security under any existing global capital market regulations? Please use the input field to describe your circumstances in case you cannot ensure compliance.
**A:**

## ITEM 2. Technical

### Technical audit results and other equivalents

| File | Date | Document Title | Audited by / Reported by |
|---|---|---|---|
| No data available | | | |

### Technical Compliance

**Q:** Can you ensure that your company has the technical capability to cooperate with exchanges? (Daemon/Wallet/Mainnet support/etc.) If your answer is yes, please use the input field to describe what necessary steps are required for the exchanges to engage in listing your project.
**A:**