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WAFFLE STAY

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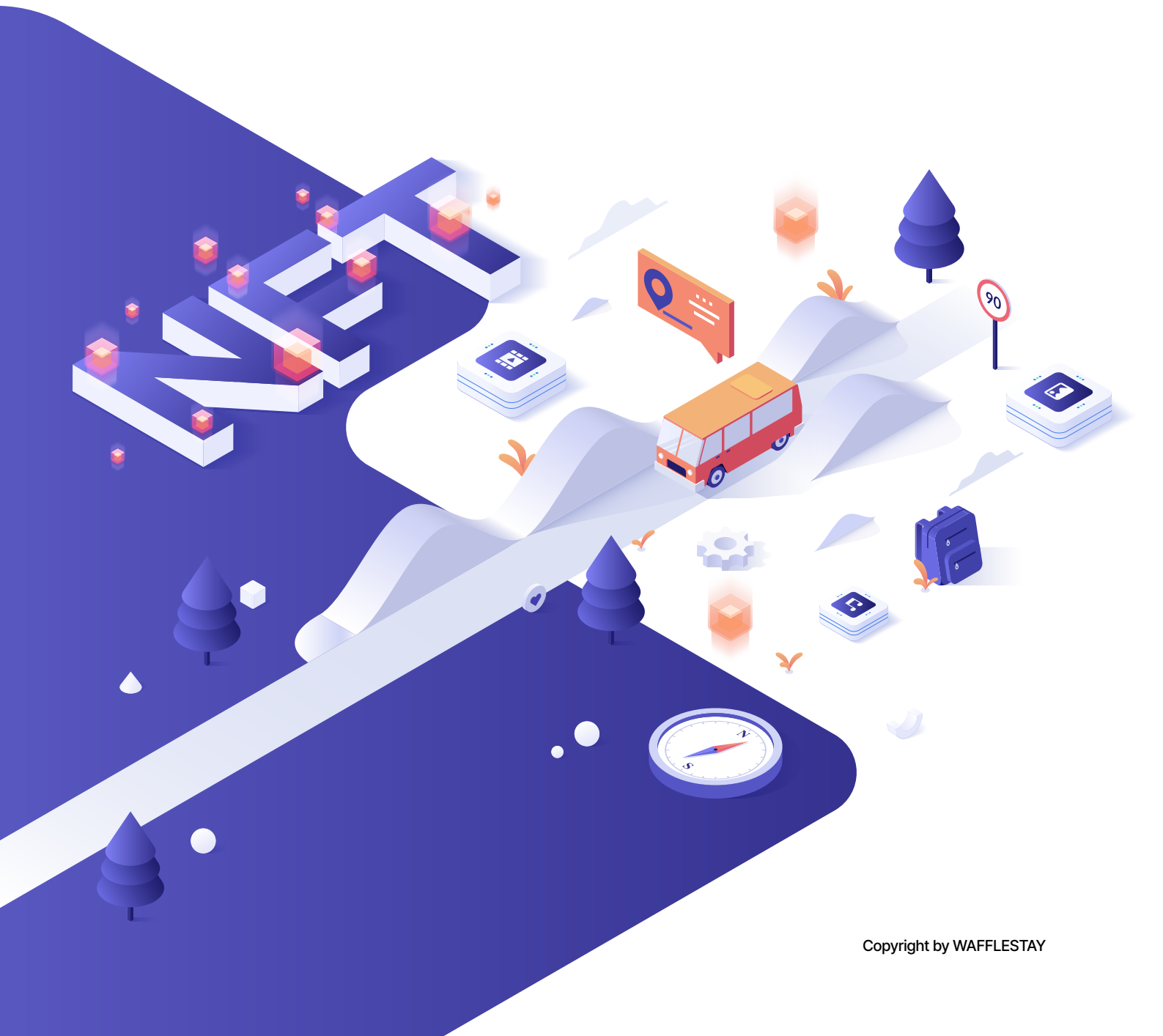
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1. Introduction



1. Introduction

Tourism is one of the fastest-growing industrial sectors in the world due to continuous expansion and diversification in modern society. An estimated 1 billion tourists travel around the world every year. Countries around the world are paying keen attention to improving tourist satisfaction and are changing tourism trends to attract more tourists.

Travel can be a rest for someone and can work for someone in the personal realm, so its meaning varies from person to person. Travelers post and share experiences, opinions, and thoughts related to travel, not fragmentary views, and provide information to other travelers with the expansion of social media.

Travel has been a reward for travelers by itself, and it has been taken for granted. The information they generate has been an important indicator for new travelers in choosing where to travel, but it has been considered that making money with the information travelers generated was the domain of travel agencies or professional travel writers. In addition, travel-related information can be searched on portal sites or through specialized sites, but in the case of portal sites, the "profession" of knowledge and information is doubtful, and the reliability of information is also low due to excessive exposure to advertising by large companies. For travelers preparing to travel, reliable information is not random advertising or promotional information. They want to see the value felt by others who have experienced it.

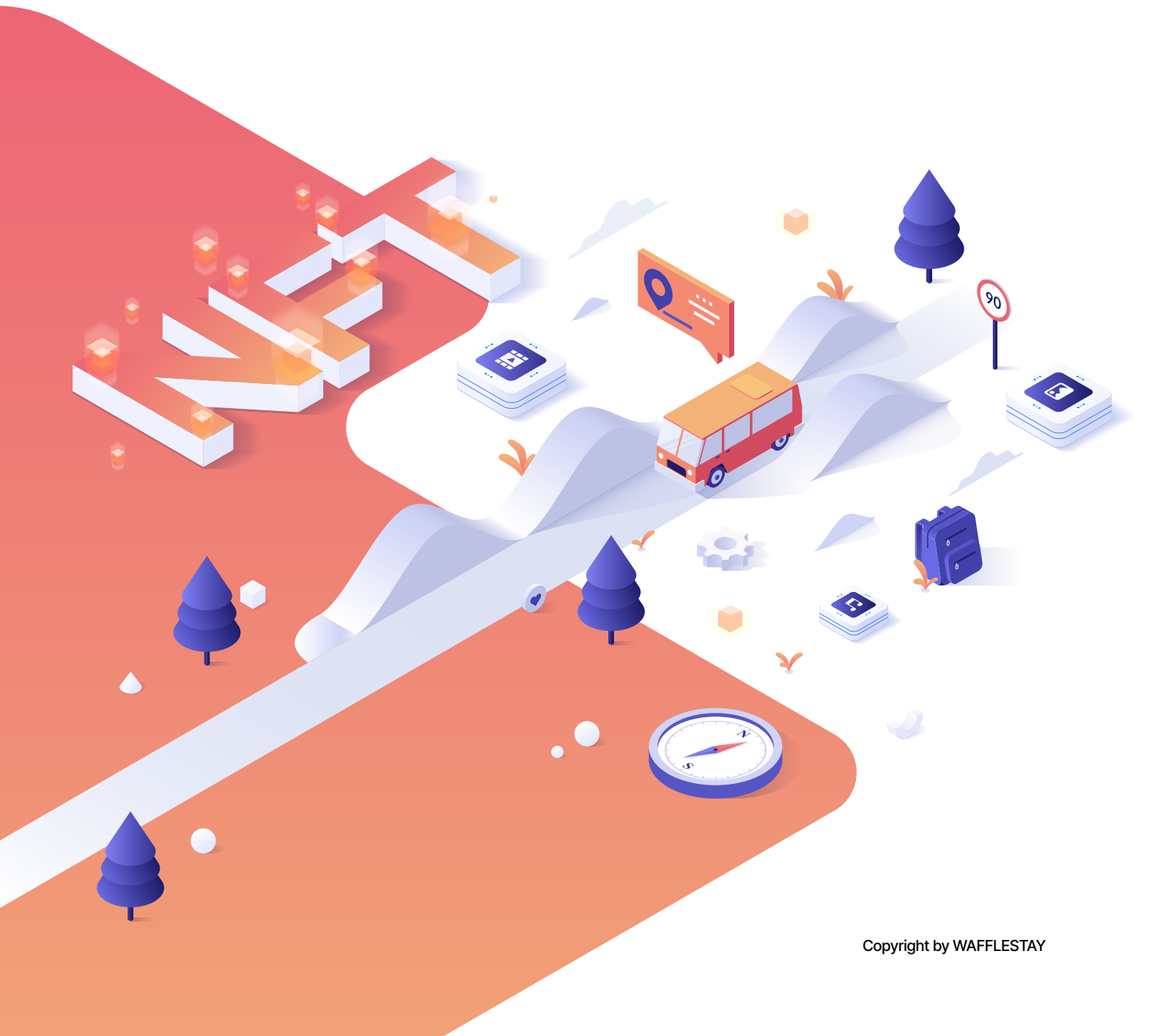
Travel can become more diverse, enriching, and less financially burdensome if the travelers can generate information about their own experiences, and the information is objectively verified and fully rewarded, thus creating more enjoyable trips for other travelers. Waffle Stay will look very different from the existing travel community that shares information for simple self-satisfaction. Waffle Stay has been working with global partner companies to provide accommodation reservation services in the travel market and has been thinking about how more people can get the best value, such as ideas, inspiration, relationships, and tastes, through traveling.



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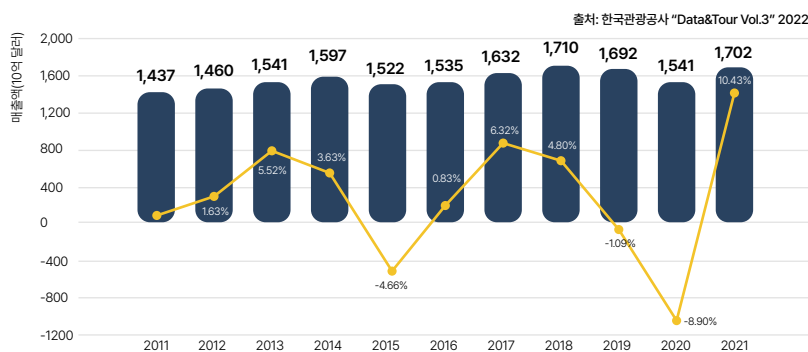
Current status and problems in the travel industry



2. Current status and problems in the travel industry

01 COVID-19 Pandemic and the Travel Industry

The travel industry is facing massive and rapid changes due to technological innovation. From the beginning of the online economy, the travel industry has been one of most forefront industries adopting technological change, but now the travel industry has been hit the hardest by the Corona pandemic. The market size of the global tourism industry estimates that the tourism industry increased by 17.74% from about \$143.7 billion in 2011 to about \$169.2 billion in 2019. However, it showed a significant decline, down 8.90% from the previous year to about \$154.1 billion in 2020 due to the impact of the Corona pandemic. But the size of the tourism industry is expected to recover rapidly according to a study by the World Travel and Tourism Council (WTTC). In 2022, even though the travel and tourism industry will have a ripple effect of the global economic downturn, they will rebound to \$8.6 trillion,.

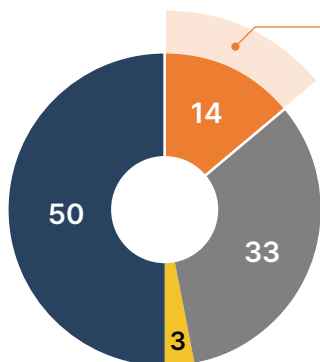


When estimating the market size by the sales of each type of tourism industry, hotels accounted for about 50% on average, and long-term accommodation rentals accounted for about 14%. This indicates that the industry type related to accommodation occupies a very high proportion. Based on this share, the online travel agency (OTA), which focuses on convenient online accommodation reservation services, fundamentally changed the distribution structure of travel while expanding the platform commercialization and mobilization. This change is making technology-based innovators lead the travel industry. Nevertheless, strong changes are required to respond to the new technological innovation and the market trend changes beyond the current OTA-centered reservation service as the COVID-19 pandemic revealed the fundamental crisis in the travel industry. For instance, the number of travel planning app users showed a smaller decrease than the decrease of OTA users during the Corona pandemic, and the travel planning app service is expected to show the largest increase after the Corona pandemic compared to before the Corona pandemic (27%→35%, 8% increase) according to the Korea Tourism Organization's 'Data & Tour Vol.3'. This seems to be the result of the fact that in a situation where it is not possible to go travel, travel consumption shifts to digital content such as SNS, and also due to a new trend (41.1% of respondents), of planning future destinations through travel planning apps, taking hold.

Market Size by Tourism Type

The author edited based on statistics released by the Korea Tourism Organization in 2022

- Hotel
- Long-term Rental
- Travel Package
- Cruise



Travel Planning App

14% Before COVID-19 **23%** COVID-19 **35%** After COVID-19

VS

Accommodation Reservation App

41% Before COVID-19 **29%** COVID-19 **44%** After COVID-19

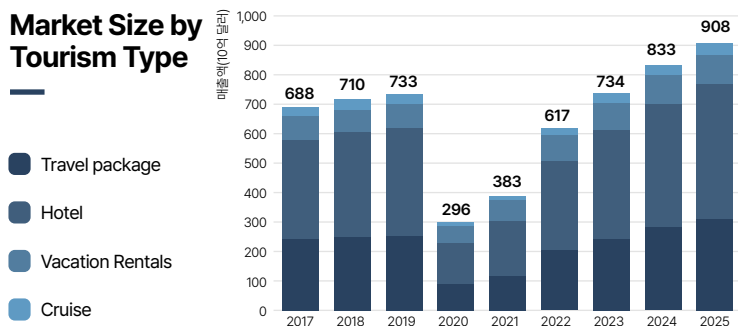
The world is currently suffering from a serious economic downturn, including an overall market contraction, high inflation, and a rise in unemployment due to the aftermath of the COVID-19 pandemic. Many countries have come up with complex countermeasures to overcome these risks, however, even major industrial markets have not been able to overcome the economic downturn. This naturally affected the travel market as well, but overseas travel is being revived due to the 'with Corona' movement and retaliatory consumer sentiment as the period in which overseas travel was unimaginable ended.

2. Current status and problems of the travel industry

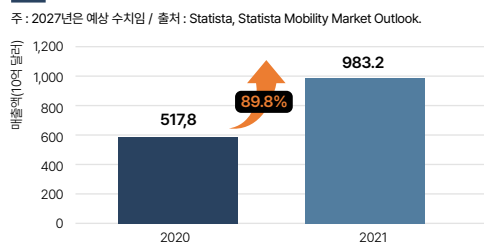
02 The Light and Shadow of the OTA industry

OTA accounts for a very important factor in the travel industry for those preparing to travel. OTAs such as Expedia and Booking.com is a very convenient tool for acquiring and booking information about accommodation, flight tickets, tours, etc. Even companies in the travel industry understand general search engines alone cannot generate sufficient sales.

Market Size by Tourism Type



Changes in the size of the online travel reservation platform market 2022 vs 2027



OTA provides useful travel information to travelers who are planning trips for various purposes and allows them to compare their price factors, just as consumers use Amazon to acquire information on various items and review other travelers' experiences. The OTA service, which has long evolved to be customized for customers, provides a very convenient user experience during the search process by helping travelers select according to their needs through various filter functions. Some OTA service also allows price-sensitive travelers to compare various price options in one place.

OTA is indeed serving as a window for travel agencies to communicate with more travelers and create reservations, but the recent surge in OTA reservation commissions is also a high burden on many travel agencies. Registering a travel agent on the OTA site is free, but a fee of 20% or more occurs when there is a sale. Of course, the burden of fees paid by travel agencies can be reduced by more sales and faster turnover than before. But the burden will inevitably be passed on to travelers as the surge of commission acts as a factor that encourages a rise in sales prices as time goes on.

Moreover, OTA promotes information that is refined and processed by companies rather than delivering actual information to travelers. OTA also exposes information from some travel companies that pay higher fees or marketing costs to consumers, than travel companies that are well-received by travelers. When OTA displays reviews from travelers, OTA, which is subject to restrictions according to its internal strategy, may limit certain reviews on unfavorable travel companies' information.

03 Value and ownership of travel information sharing

The importance of discussing copyleft to share knowledge is increasing as the commercial value of knowledge and information increases in modern society. Contrastingly, in favor of copyright, some argue that data shared is also an individual's property and that the original owner should receive appropriate compensation for the use of their data. A large number of knowledge-sharing services in Korea are centered on Q&A and implicitly require pure and voluntary donations from users called knowledge workers. The copyleft debate argues for a universal knowledge-sharing service with the argument that knowledge and information should not be monopolized by the few but should be open to everyone. Of course, it is not possible to judge every part of the copyleft's argument, but the copy-left discussion indeed caused more problems than the copyright discussion, at least in terms of sharing reliable and high-quality knowledge content.



2. Current status and problems of the travel industry

The Knowledge Sharing Service reflects both the quantitative and qualitative labor of the respondents. Quantitative labor means the resource input using domain knowledge generated to answer the question, and qualitative labor means the time, sincerity, and effort required to input such knowledge.

Content producers will write short, and evaluators will respond insincerely without a suitable compensation system for both quantitative and qualitative labor. Advertising answers and meaningless answers are major obstacles when accumulating high-quality content, and are factors that hinder the participation of new content creators. In other words, content producers continue to question why s/he should spend time to provide and share knowledge and information about what s/he knows.

| Problem | Solution |
|--|---|
| Absence of system motivating users | Tokenomics on active participants who benefit the ecosystem of knowledge |
| Absence of preliminary verification of respondents | Cross-validation of peers and linkage of activity index and compensation |
| Content copyrights not protected | Use of blockchain technology, which is irreversible in data, and the use of anti-counterfeiting characteristics |

Not a small number of travel destinations and resorts have been damaged by the continued economic recession and the COVID-19 pandemic. The sharing of information on the current status of travel destinations is very meaningful not only to travelers but also to the travel industry where everyone needs travel-related knowledge and real-time local information.

In response, WaffleStay aims to create new value chains for exchanging travel-related information by forming a web 3.0 travel community. In this community, users will be able to become both content producers and operators and generate appropriate profits based on the content they create. This community will actively utilize blockchain technology making the community decentralized, and thus will be able to show a transparent operation.

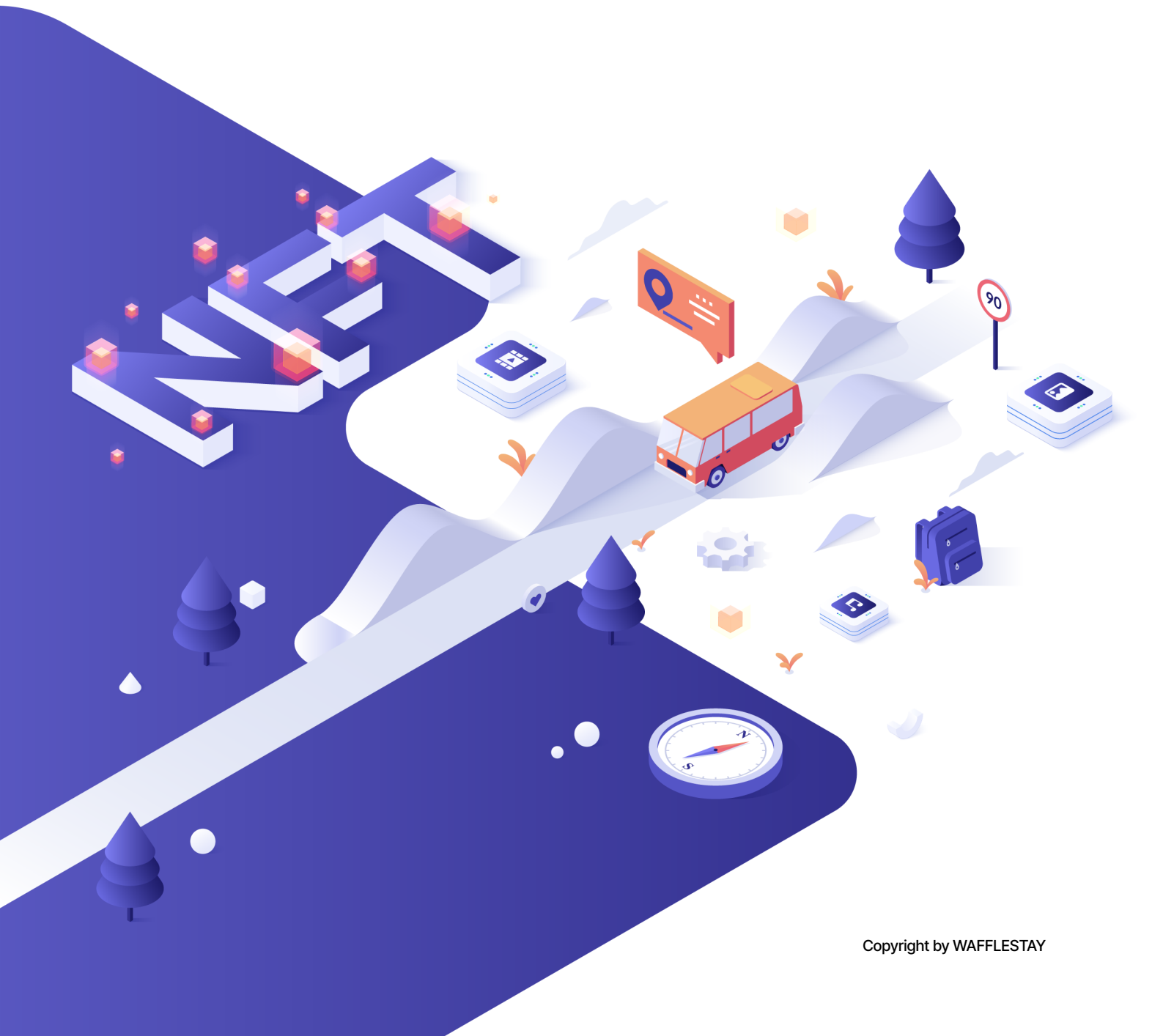


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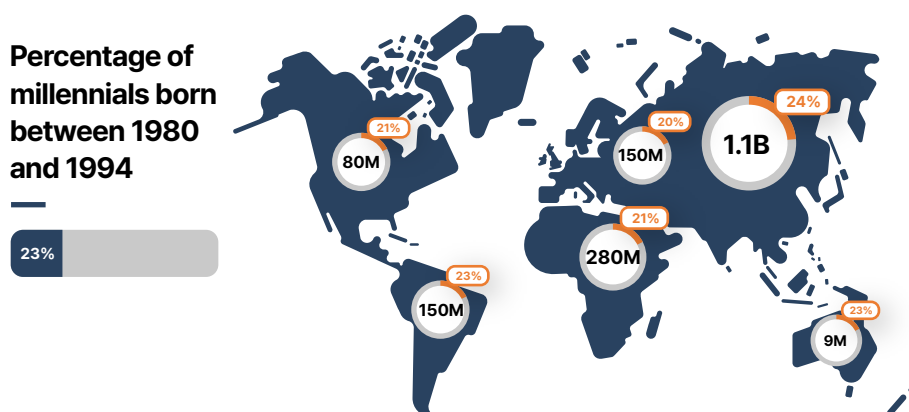
Changes in Travel Trends



3. Changes in Travel Trends

01 The Rise of The MZ Generation and Individual Experience-driven Travel

Millennials + Generation Z (hereinafter referred to as the MZ generation) worldwide are estimated to be about 1.8 billion and are the trend leaders of the travel industry, which accounts for the largest portion of the generation composition. Travel has become popular since Generation X in the past, but for the MZ generation, travel is so close that it is a part of life, and it has become natural for the MZ generation to travel abroad or domestically as soon as they are able to do so.



78% of 1,000 Millennial respondents answered that they travel abroad more than once a year, and 98% of respondents answered that they travel domestically more than once a year according to the 'Hotels.com Millennial Travel Awareness Survey' released in the second half of 2018. This shows that to the MZ generation, traveling is a part of life.

From January 2019 to December 2020, it was confirmed that the destination of the trip was very different for each generation according to the results of analyzing data from a mobile carrier KT. People in their 40s and 50s, Baby Boomers and Generation X, preferred well-known, nature-friendly destinations, but the MZ generation turned out to prefer new destinations that could be experienced in a variety of ways or places that are not well known to the public.

The development of digital IT technologies such as map apps, translator apps, and travel information apps provided by Google has made traveling easier for the MZ generation, who are familiar with smartphones and SNS. This makes it easier for the MZ generation to travel individually where they can schedule their trips rather than going on package travels, suffering from expensive options and shopping compulsion. The MZ generation want to travel several times a year, freely planning places to travel and booking flights with high discount rates. Low-cost airlines, which are frequently used by the MZ generation, are difficult to operate in places with more than 6 hours of flight due to limitations of aircraft, which has led to the MZ generation's trend of resting in small cities for weekends or 2 nights.

The MZ generation freely travels in Korea during the off-season and weekends even if it is not overseas. According to a domestic travel survey of 500 Millennial workers at Expedia in early 2019, 32% of the respondents wanted to travel on off-season weekends rather than travel during holidays or peak seasons. For the MZ generation, which values experience rather than possession, traveling is becoming common to travel several times, during a short period of time, using the off-season or weekends.

This also appears in the way the travel is spent. The MZ generation prefer to experience unknown streets or experience food enjoyed by locals rather than traveling to city landmarks or famous tourist attractions.

The MZ generation, which considers it to be more meaningful to experience the lives of locals rather than a complex city, played a part in the increase in traveling to small cities with not many tourist resources.

The MZ generation, which values experience, repeatedly visits places to experience impressive memories. Because food and local experiences are more important than famous tourist attractions, they visit the same place several times to taste local food and experience the same lives as locals. For the MZ generation, traveling is becoming a trip to experience the lives of locals and actively experience local food, not commercialized tourism

3. Changes in travel trends

The MZ generation's experience-oriented travel method is not easy to meet schedules with others. Due to the reason that MZ generations travel often it is also not easy to find a travel companion for them every time. They also find companions to travel together for a certain period on community websites and participate in various parties held by locals, not travelers. Traveling alone is no longer considered lonely or miserable for the MZ generation but is a free trip to fill new perspectives and emotions with various experiences and recharge their energy.

02 The Generation of Youtube

One of the main reasons for the changes mentioned above in travel trends is that the MZ generation has grown with the digital world, mainly social media such as Youtube. According to a 2019 survey by the Korea Tourism Organization, 42.1% of MZ households said that video channels are the most preferred information acquisition channels when searching for new travel destinations. They answered that the unique scenery and surroundings in the influencer's travel video or daily vlogs made by local residents are the most important determinants.

Nasmedia's 2019 study results are not much different. The study indicates that 7 out of 10 MZ generations use YouTube as a search engine, not only for watching videos. As one-way content has evolved into user-generated videos, which accounts for the majority of YouTube contents, like traditional media once did, YouTube content is precisely meeting the diverse and specialized needs of viewers.

MZ generation viewers, who are familiar with communicating through videos, can easily become creators, and they participate in their creations by actively communicating with creators. In other words, they make videos of their experiences and share them with unspecified viewers, express their opinions to their favorite creators, and share the generated videos with their surroundings. One thing to note is that according to a recent Waffle Stay survey, most respondents share videos about their interests with others using text services such as Kakao. However, they hope to gather their favorite videos in one place and easily manage which videos they shared with their surroundings. This suggests the possibility of a new Youtube-based service.



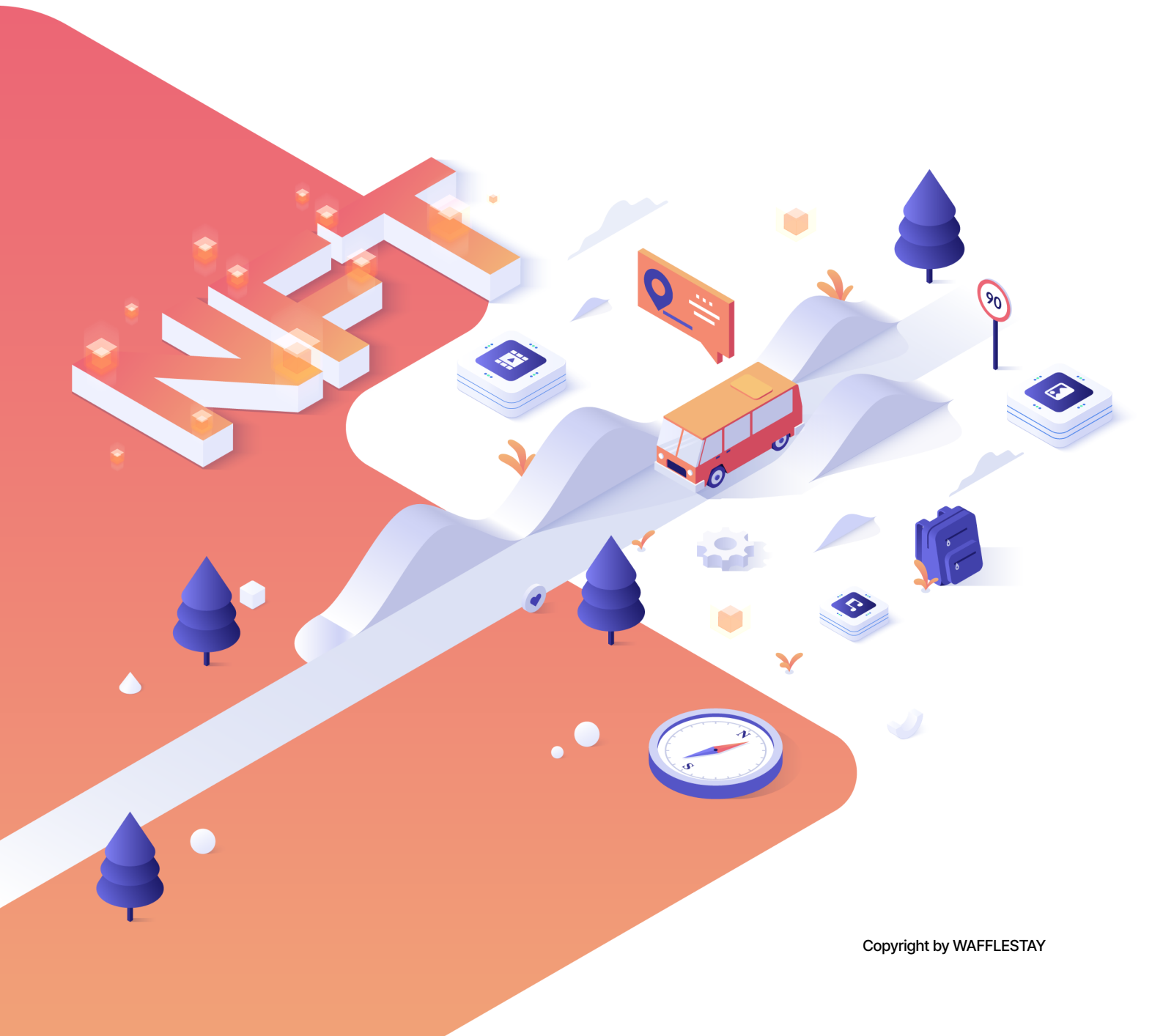
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4.

Waffle Stay's Footsteps



4. WaffleStay's Footsteps

01 OTA Service

Waffle Stay provides accommodation reservation services to over 11,600 hotels in Korea in cooperation with Global OTA. Starting with Japan in the fourth quarter of 2022, Waffle Stay plans to provide 2.6 million accommodation reservation services around the world by the second half of 2023.

| | |
|---------------|--|
| Official site | wafflestay.kr |
| Android | play.google.com/store/apps/details?id=com.swave.wafflestay |
| Apple IOS | apps.apple.com/tr/app.id1605907716 |
| Booking site | web.wafflestay.kr |

02 User Generated Content with the MZ Generation

WaffleStay provided NFT-based access certification services to the "Korea Youth Day", which attracted 100,000 people, and held an event providing travel gift certificates to the young people who attended on September 17, 2022.



The YouTuber fan meeting event during 2022 Korea Youth Day

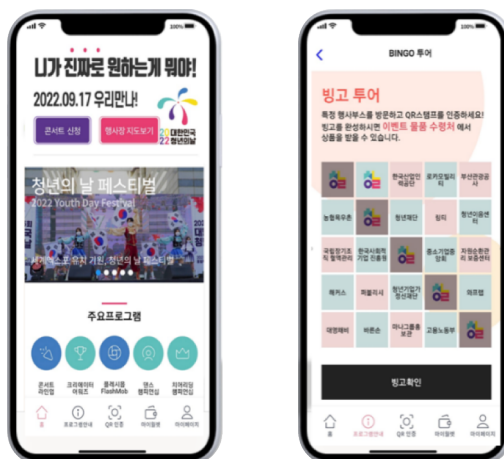
More than 90 famous YouTubers met with their fans on this day, and the highlight was that many MZ generations lined up in a long line even in the hot weather to communicate with YouTubers. This showed in reality how much ripple effect, user-generated content has. The promotion of the event was also carried out through digital media and YouTube, much different from the traditional method, and the MZ generation shared information about the event with each other and spread the word, attracting 100,000 people. In addition, many people who participated in the event made videos of the day and shared the videos on Youtube. Some popular videos recorded 810,000 views and 680,000 views. That is to say, the MZ generation obtained information about events from video platforms, enjoyed meeting with their favorite YouTubers, and recreated the experience of meeting with YouTubers and the day's event into a video, making themselves YouTube creators. This proves that an ecosystem centered on user-generated content is forming strongly.



4. Waffle Stay's Footsteps

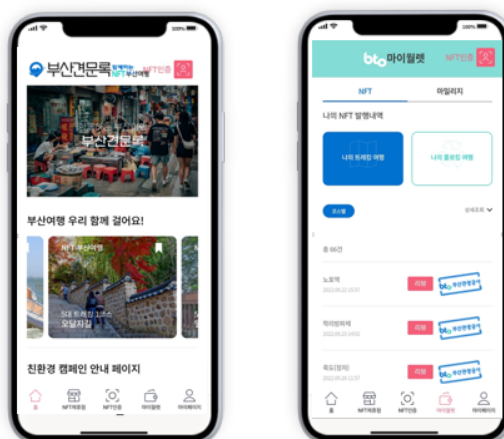
03 Blockchain, gamification, and application in real life

The way to make money with blockchain on its own largely remains in the virtual realm. However, the potential of blockchain goes way beyond the virtual realm. Waffle Stay is attempting to connect location-based services with NFT to show an example of how blockchain is applied in real life. On Youth Day, visitors were encouraged to sign up with NFTs. Bingo games were held with 25 booths, allowing visitors to authenticate their visits with NFTs and receive gifts provided by suppliers if they made a bingo. Among the users, those who verified their visit with NFTs had more than six booth visits on average and achieved more than one bingo mission, and received prizes.



Youth Day app screen and the Bingo tour screen using NFTs

In collaboration with the Busan Tourism Organization, "Il Millione Di Busan" app provides travel destination and travel course information to Busan visitors and allows travelers to receive various benefits from cooperative companies when their visits are certified through NFTs. On the app, to test the possibility of blockchain-based travel marketing combined with the gamification elements, the NFT Bingo game based on various tourist attractions was played, which allowed visitors who attended the Busan Blockchain Week, which was held between October 27 and October 29, to experience various places in Busan.



Busan Tourism Organization – Busan Visit Book NFT Travel App Screen

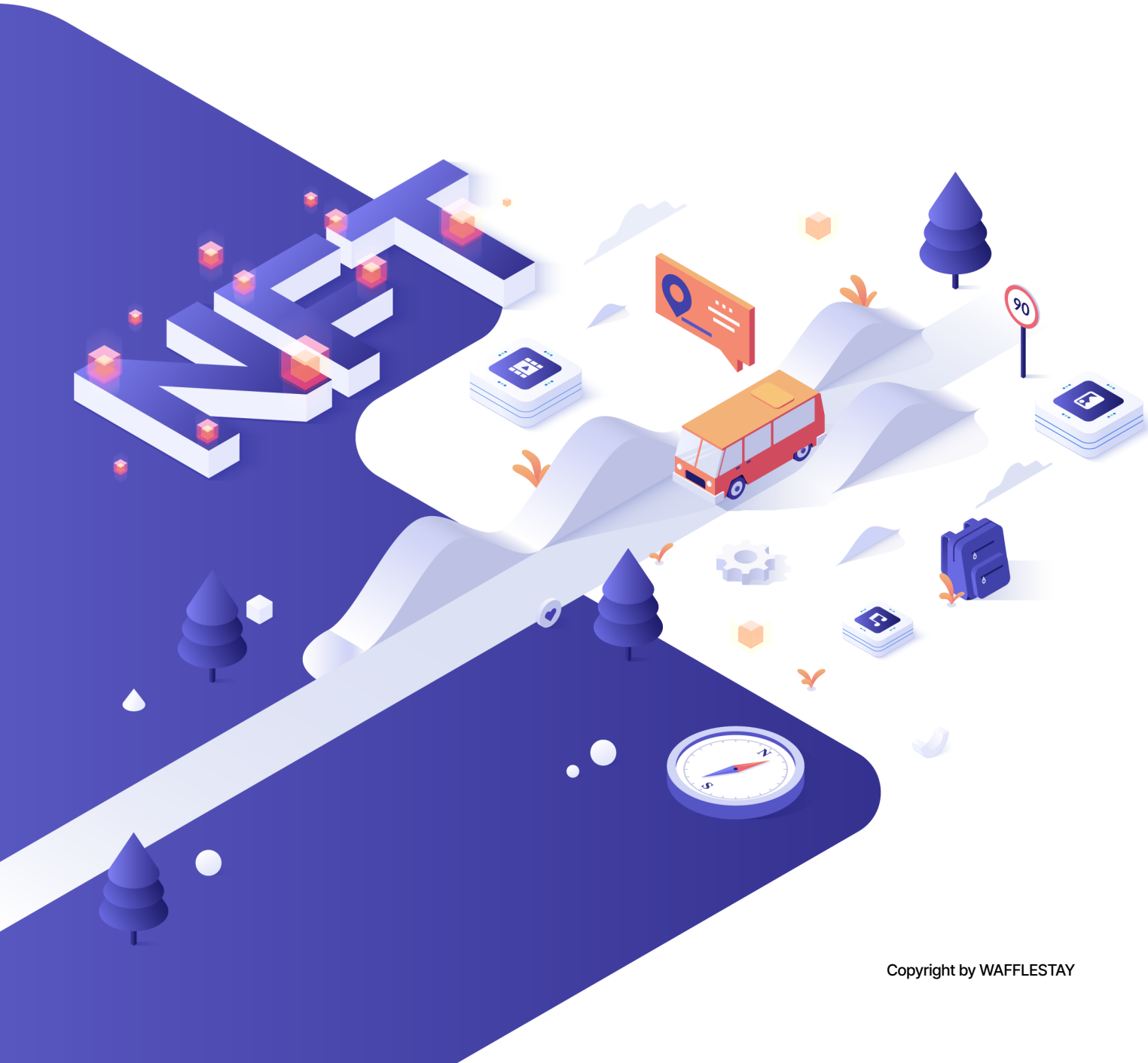
According to the findings, the MZ generation had no problem enjoying blockchain-based services with gamification elements. It was also confirmed that these blockchain technologies and gamification strategies could be combined to create various real-life services in the future.

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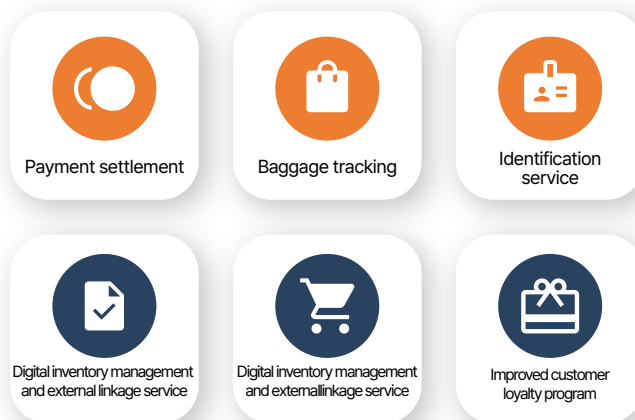
WaffleStay Blockchain Platform



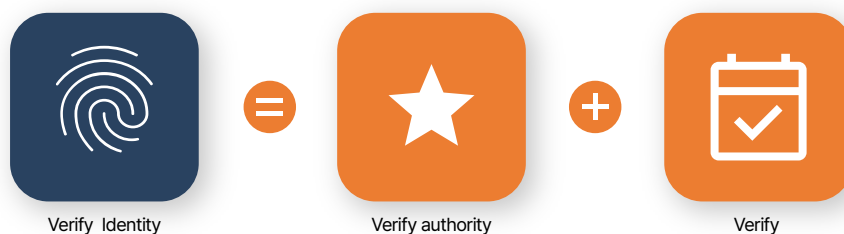
5. Waffle Stay Blockchain Platform

01 Blockchain Platform

The application of Blockchain in the Travel industry

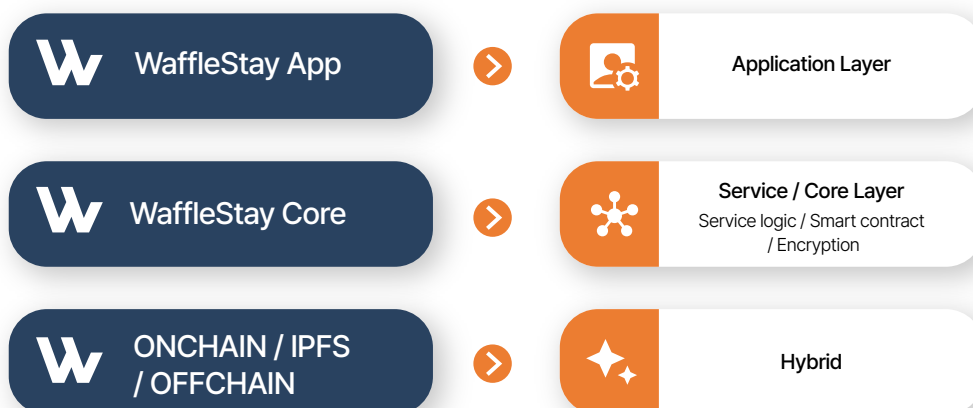


The WaffleStay blockchain verification system uses proprietary Proof of Usage. Proof of Usage is a consensus algorithm that combines the concept of social mining with Proof of Authority which is mainly used in a private blockchain. The core of the authority verification, which is the basis of the Proof of Usage of the Waffle network, is the certainty of the verifier's identity. This is not an easy process, but it is also something that can't be given up easily either. Filtering out malicious candidates and ensuring the integrity and reliability of the system through a fair and random procedure for all validators is essential to realize the goal.



A lot of benefits using blockchain characteristics can be provided to those who travel between countries through this verification system. Blockchain can build an infrastructure without integrated data storage, and such systems can better respond to hardware malfunctions or malicious attacks, allowing travelers to feel safe when processing and managing their reservations.

In addition, the verification system can be also used to provide integrated reservation services to travelers by sharing reservation data generated by other travelers, which is much more reliable, through blockchain networks without an integrated system between various companies such as lodging companies and passenger carriers.



5. Waffle Stay Blockchain Platform

02 Service Layer

The service Layer is an area where the core logic of Waffle Stay is executed, and the core data is stored. The service layer consists of smart contracts, Data Storage (Blockchain, InterPlanetary File System) (hereinafter referred to as IPFS, Hybrid), and other service logic. Travel information data introduced from the API Layer is recorded in the blockchain after implementing the smart contract of the Waffle Stay core. Data handled in WaffleStay can be largely classified into content that is shared, such as travel destinations, courses, attractions, and restaurant information. To prevent a data breach, the writer and some of the data are encrypted and stored in distributed storage to prevent them from getting exposed publicly. In addition, to specify the ownership of the stored data, hash values are stored and mapped in the blockchain so that they cannot be falsified even by external entities including WaffleStay. Content data are stored in external storage such as the AWS S3 for the effective management of resources because they can contain data of a large capacity, such as images and videos. In the future, if "individuals' right to be forgotten" and user sovereignty on the blockchain are sufficiently secured, the goal is to use IPFS to pursue decentralization further.

Content and travel-related data shared in the community include various activities within the WaffleStay ecosystem. After the content and data are implemented in the service, if the terms of the smart contract are defined according to the degree of completeness and settlement (the degree of abusing response), the user is compensated or paid by an amount of token according to the predefined content.

03 Application Layer

The application layer provides web and mobile applications with convenient access to all users who plan or wish to travel. The application layer will provide the most suitable UI/UX for users and creates an environment where activities such as, sharing information and obtaining emotional support through communication with other users are naturally carried out. It also provides various services that can be used in the WaffleStay platform on top of the ecosystem.

One of the important elements of technology is location-based NFT, which verifies that you have visited the place by the means of GPS verification and/or QR code scanning. Then the NFT can be found in the wallet within the Application Layer's WaffleStay app. The user's NFT whose actual visit has been verified, can be used as a tool to facilitate user statistics, data analysis for revisit induction, and marketing activities.

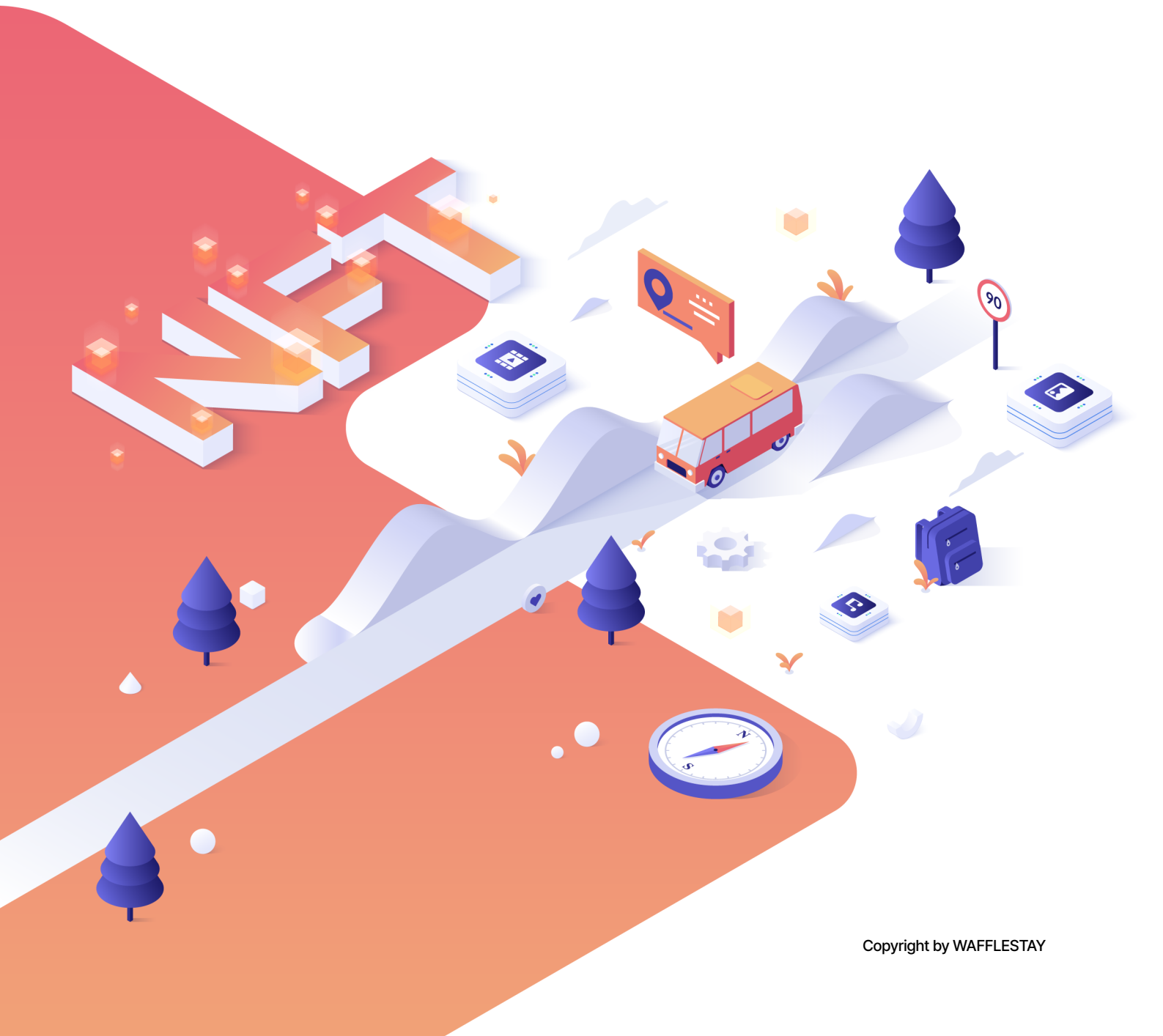
The NFT travel stamp is a certificate in the form of an NFT that bookmarks precious memories of a trip, complementing the existing paper-based travel stamp. Paper-based travel stamps cannot be verified for actual visits to the location, but Geo-Minted NFTs can be issued only when visiting the actual location for instance. This allows one to prove their experience by tagging photos and videos when registering them on SNS and when writing travel reviews on the WaffleStay app or other blogs. Users can easily revisit using the travel company's information hyperlinked to the NFT Travel Stamp, and the company may invite repeat visits by providing additional services or discounts to customers with NFT travel stamps issued by them when making a reservation through the WaffleStay App.



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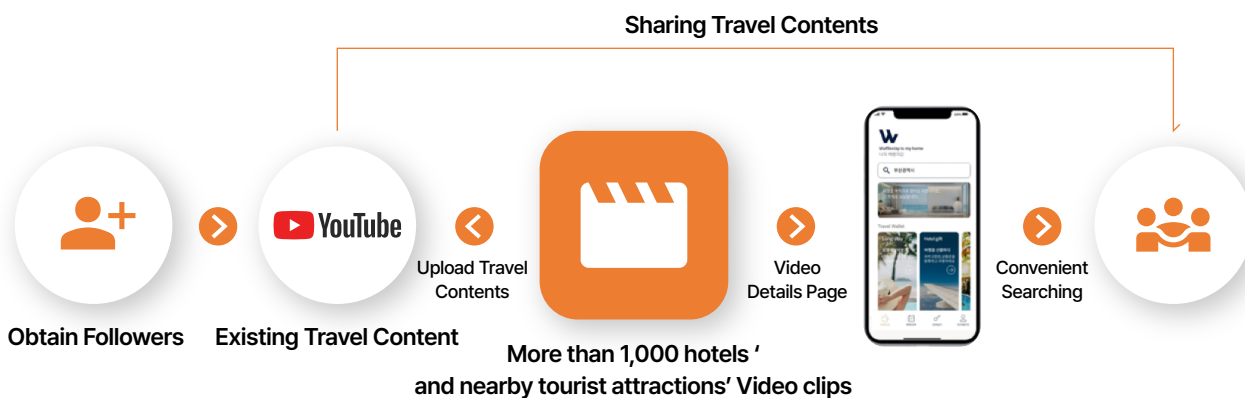
6. Proposed Services



6. Proposed Services

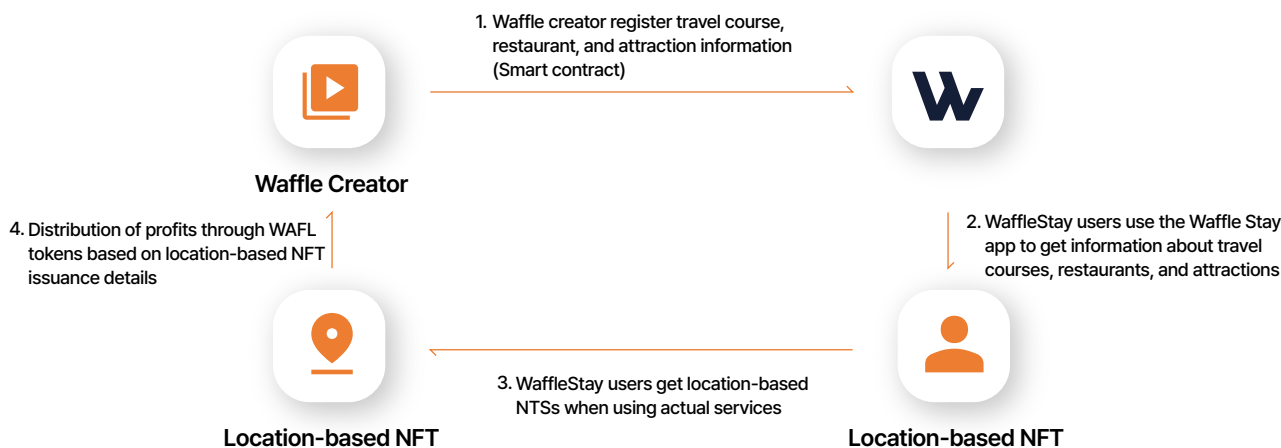
01 Video-based Blockchain Travel Community

The MZ generation, which has emerged as the mainstream of the travel industry, acquires travel information through YouTube and Instagram videos rather than simple explanations of existing OTA-oriented accommodations. However, as a lot of resources are invested in content production, it is inevitably insufficient for a single company to create all the content of the vast travel destinations by itself.



Accordingly, WaffleStay allows travelers to create and share videos on their own, and all customers can prepare for their travel by checking information about travel destinations through videos generated by other travelers. That is to say, any traveler who has issued an NFT using the WaffleStay's Geo-Minting function at a travel destination and is verified for his or her travel experience is eligible to become a Waffle creator who can then generate travel content. The travel destination video information created by a Waffle creator is distributed on various channels, in addition to Waffle Stay's own platform, allowing anyone to obtain travel destination information easily, flow into the WaffleStay ecosystem, and book an actual trip. To improve the quality of content generated by travelers, Waffle Stay plans to increase the exposure of videos by editing through a pool of video experts and then distributing them to various channels such as YouTube channels as well as Waffle Stay.

02 Travel to Earn(T2E) Rewarding System



Waffle Stay aims to establish a user compensation system with the concept of T2E (Travel to Earn) to vitalize the video-based community. Users in the WaffleStay ecosystem produce and share information such as travel courses, restaurants, and attractions they have experienced, and register on the Waffle Stay blockchain through a smart contract. Then they will become verified travelers of the travel destination and be promoted to become Waffle creators. Afterward, when other travelers visiting the destination receive discounts or receive NFTs to generate and certify new travel content, the amount of money the traveler spends at the destination will be accumulated in the reward pool.

6. Proposed Services

Waffle creators are compensated through a transaction record verification system, and the amount of compensation is determined according to WaffleStay's operation policy. It is calculated based on the moving average for a certain period to prevent sudden fluctuations in compensation value. In addition, the reward paid to the Waffle creator may vary according to the details of each activity.

$$A_t = \frac{\sum_{now-t}^{now} S_i}{i}$$

A_t : Compensation for location-based services for the period

S_i : Quantitative information on the use of traveler's services at that time

i : Average evaluation of Waffle creator information

All travelers participating in the ecosystem can receive compensation according to the activity index, which is an indicator of how actively the users used the Waffle Stay ecosystem. The activity index is aimed to encourage user's ecosystem activities and is judged comprehensively by weighting factors such as the number of hotel reservations within a certain period, the verification of travel information generated by Waffle creators, and the number of ecosystem community entries, and is reset at the end of each period.

$$G_t = \sum w_f \times f_t$$

G_t : Activity index for a certain time of period

w_f : Weight by Element

f_t : Index by Activity Element for the Period

The user receives compensation based on a compensation score that comprehensively reflects recent activities. The ratio of compensation given to encourage user activities is calculated by the following formula.

$$P_x = \frac{M_x^p}{\sum_i^n M_t^p}$$

P_x : Percentage of User x's Compensation

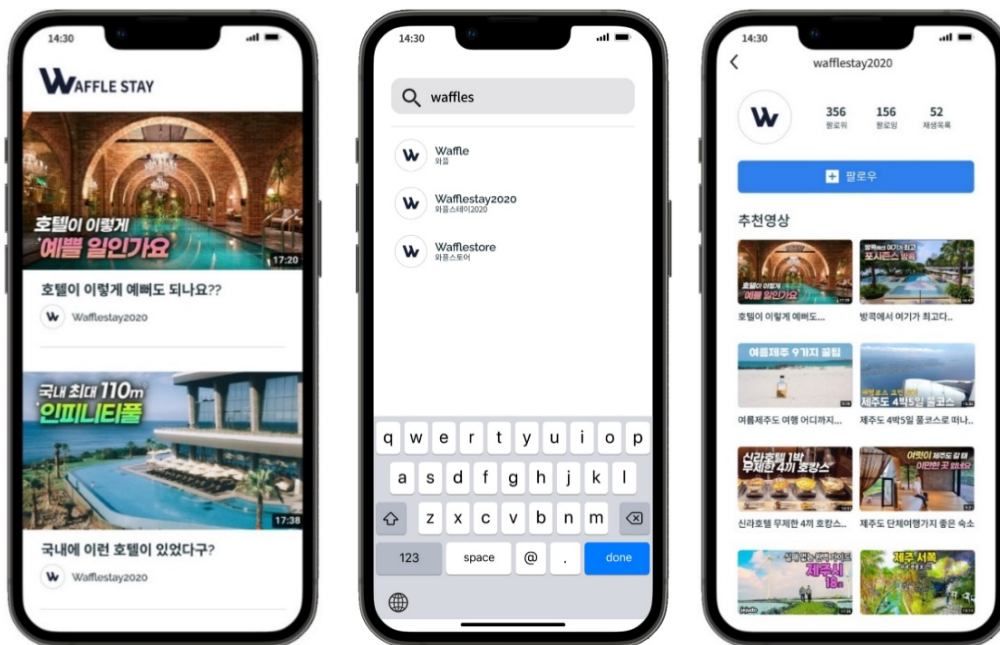
M_x : User x's Reward Score

P : Weighted Value (change depending on ecosystem activity)

03 Travel Video Sharing Hub

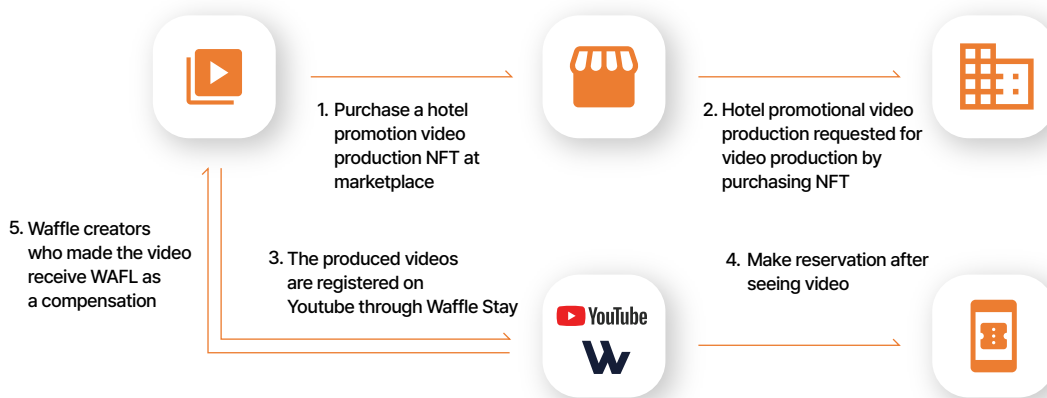
The MZ generation wants to deliver messages by sharing a specific video, and upload it to a group chat room, and sending it to many people. They want to be able to manage the contents they share, especially the videos they share with ease. However, until now, there is no tool to track and manage whom you shared the video with and easily archive and manage the video you shared. To address the needs of the MZ generation, WaffleStay intends to provide a tool that allows ecosystem users easily link travel-related videos they are interested in, to the Waffle Stay platform, curate them easily, share them with those around them, and conveniently manage the shared records. Through this process, individual users will have their curated video platform and will be able to build their followers. Waffle creators will also be able to promote more effectively and manage videos containing their travel experiences, generating more profits.

6. Proposed Services



04 Travel Creator Brokerage Service

WaffleStay provides matching services with travel agencies with Waffle creators when Waffle creators want to work as professional travel writers. If there is no voluntarily generated travel destination video registered by travelers, or if the travel company wants to produce the introduction video to enhance its video quality, they can procure NFT a Waffle creator registered on the WaffleStay marketplace to produce the video. The Waffle creator publishes an NFT containing information on their location information and available time. The video produced is uploaded to Waffle Stay and YouTube, and the company itself can use it as a promotional video on various channels.



05 Travel as a Gift

It was very difficult to present travel as a gift because travel has a wide range of options such as destination location, time, cost, personal preference, and purpose. However, as travel has become common and established as an important culture, gifting a trip can be a good choice in the era of work-life balance culture, in the sense of sharing one's experience and presenting relaxation to others.

6. Proposed Services

Accommodation vouchers are issued by specific hotels without the reservation date and the buyer himself or herself can use it or gift it to friends. The friend who received the voucher as a gift can register the voucher in the WaffleStay app, select the date to stay and make a reservation. The voucher can be used after paying the difference if additional charges are incurred, such as on weekends or during the peak season. Accommodation companies, which are the issuing entities of accommodation vouchers, can receive advance payments even before customers make actual reservations. They can also have promotional effects on accommodations through the distribution of the voucher. The number of hotel accommodation vouchers issued is determined in consideration of various factors such as the number of hotel rooms and the reservation rate. Then the voucher is issued in the form of NFTs.

The issued accommodation voucher NFT can be sold through the Waffle Stay NFT Marketplace or distributed through other sales channels.

Accommodation gift certificates can also be created on an amount basis, and they perform the same function as prepaid gift certificates of a specific amount. At this time, the information on gift certificates is stored in the blockchain to prevent forgery and alteration and to allow peer-to-peer transmission.



The exchange value of accommodation vouchers and accommodation gift certificates issued in the form of NFT remains unchanged. But additional NFT functions can be provided using dynamic NFT functions according to various marketing policies of the issuer or service provider.

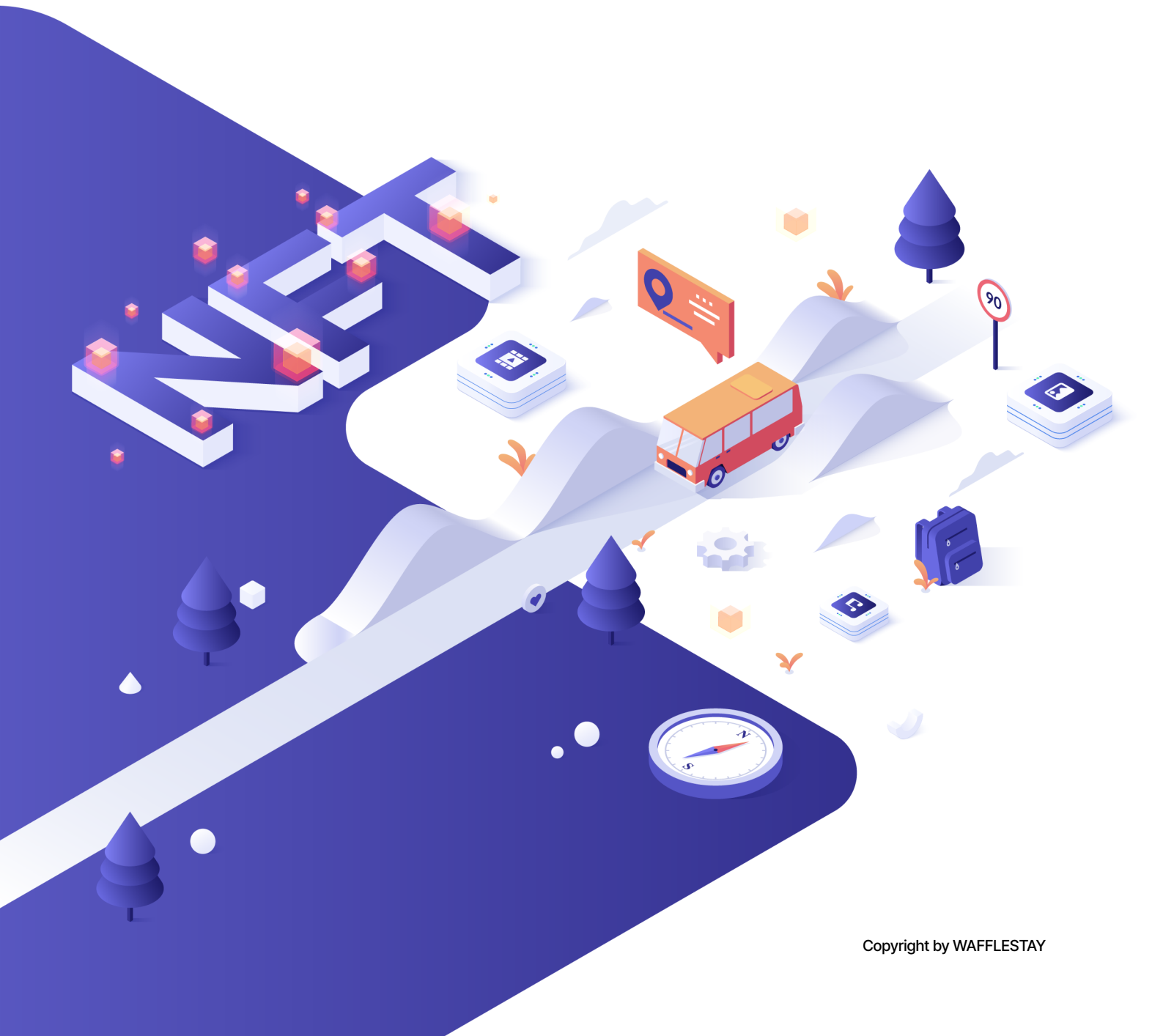
For instance, the issuing entity, the hotel, can send an event to the NFT to provide free breakfast when booking in July, to increase the reservation rate for holders who have purchased the accommodation vouchers in spring and have not yet used them. Those who own the NFT can check benefits that are added or changed and can use them when benefits meet the conditions they want. Holders of accommodation vouchers and gift certificates can check them in the WaffleStay app.

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7.

WaffleStay Token Model



7. WaffleStay Token Model

The Waffle Stay token (WAFL) functions as an ecosystem utility token used for various activities of ecosystem participants. The WAFL is based on the ERC-20, with a total issuance of 100,000,000 WAFL.

| | |
|--|-------------------|
| Name of Platform | Waffle Stay |
| Name of Cryptocurrency | Waffle Stay Token |
| Symbol | WAFL |
| Total Issuance | 100,000,000 |
| Initial Issuance | 15,000,000 |
| Initial Issuance/Total Issuance | 15% |

No additional issuance will be made after the initial issuance. WAFL is a medium for interaction between ecosystem participants and is used as an incentive for participants to voluntarily participate in the ecosystem, payment for data use, payment for dispute arbitration, payment for service provision, and collateral for guaranteeing contract performance. If there is a need for conversion to other protocols according to the requirements for achieving the roadmap, all the issued WAFL will be converted into tokens based on the new protocol.

| Category | Amount | Percentage |
|---|-------------|------------|
| Initial Supply and Investors/Contributors | 15,000,000 | 15% |
| Compensation for the Initial Waffle Creator | 10,000,000 | 10% |
| Transaction Record Verification System and Compensation | 75,000,000 | 75% |
| Total | 100,000,000 | 100% |

15,000,000 WAFL will be allocated to the initial investors/contributors for the initial liquidity, and the tokens allocated to the initial investors/contributors will be locked up for three months from the airdrop date. The amount raised through the initial supply will be utilized to cover the development cost and the initial marketing cost, and if there is a remaining after the private sale and the initial supply, a stock lock-up period shall be established for a year

To induce initial participation as a user content creator, the Waffle creator compensation will be temporarily operated in a way that compensates at the time of the creation for a limited time of one year. After a year the creator is compensated only for the amount of revenue generated from the created content.

The Waffle creator will also work as a validator and be compensated when the Waffle creator is selected as a validator and a transaction record is confirmed. The amount of compensation to be distributed will gradually be reduced as the transaction volume decrease.

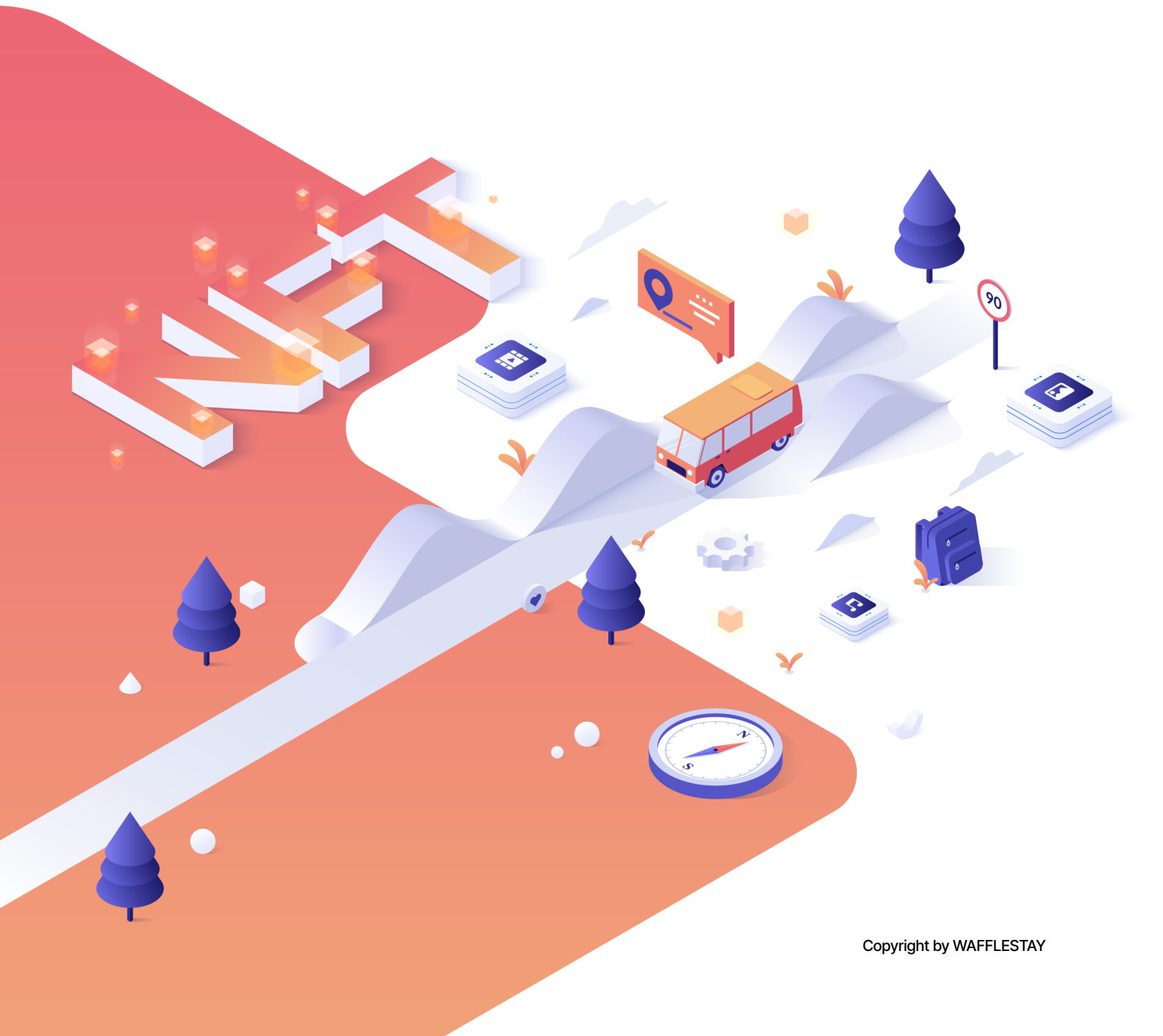


8.

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ROADMAP



8. ROADMAP

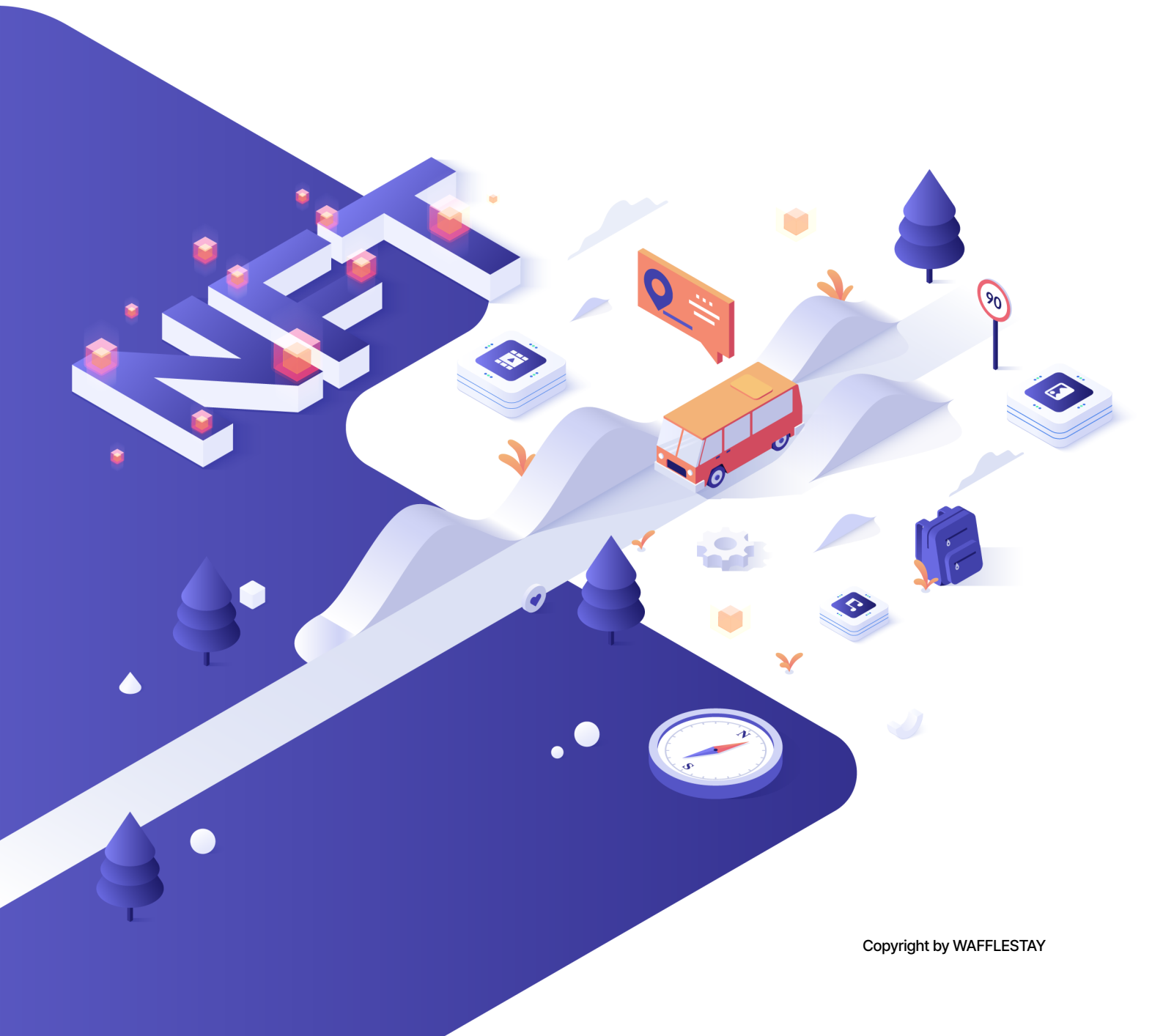
| 시점 | 활동 | 비고 |
|---------|--|---|
| 2022 2Q | WaffleStay Service (ver1.0) opens | Reservation services for S. Korea's Hotels |
| 2022 3Q | Start of app chain development | |
| 2022 4Q | App chain development (Ver. 0.8) Geo-Minting NFT Waffle creator Platform BWB Geo-Minting NFT service Linked to BEXCO accommodation reservation service | Reservation services for hotels in Japan WAFL Token Issuance Listed on the central exchange |
| 2023 1Q | App chain development (ver 0.9) WaffleStay Service (Ver. 2.0) WaffleStay Wallet Waffle creator support system | Southeast Asia hotel reservation starts US hotel reservation starts |
| 2023 2Q | Accommodation voucher, gift certificate NFT service starts Time-Minting NFT service Hotel Management System | Hotels in other regions reservation starts Additional listing on the central exchange |
| 2023 3Q | Deploy hotel management system Ticket reservation service starts Rental car reservation service starts | Video service expansion (more than 20,000) |
| 2023 4Q | Travel stamp NFT expansion Reservation services for restaurants/shops around hotels | Additional listing on the exchange |
| 2024 1Q | Development of Hotel Reservation Open API Development of direct Hotel registration management system | Video service expansion (more than 50,000) |

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9.

Waffle Stay Members



9. Waffle Stay Members

Strategy Lead



Synaptic Wave CEO

Waffle Stay Co-founder and Bahamas CBDC Chief Architect

- Previously worked at Dell Computer (USA) and Dell APCC (Malaysia)
- Lead of frictionless payment system co-develop with City bank.
- Developed the Tokenized Payment System on a distributed ledger and edge computing, supplied to more than 20 underdeveloped countries.

CMO



Cortech Co., Ltd. / Daeyang Co., Ltd. General Manager

Key Developers



17 years of experience in developing SW



27 years of various experience



20 years of field experience

Advisory



CEO of Raon Hotel & Resort

10. PARTNERS

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10. PARTNERS

Our Partners

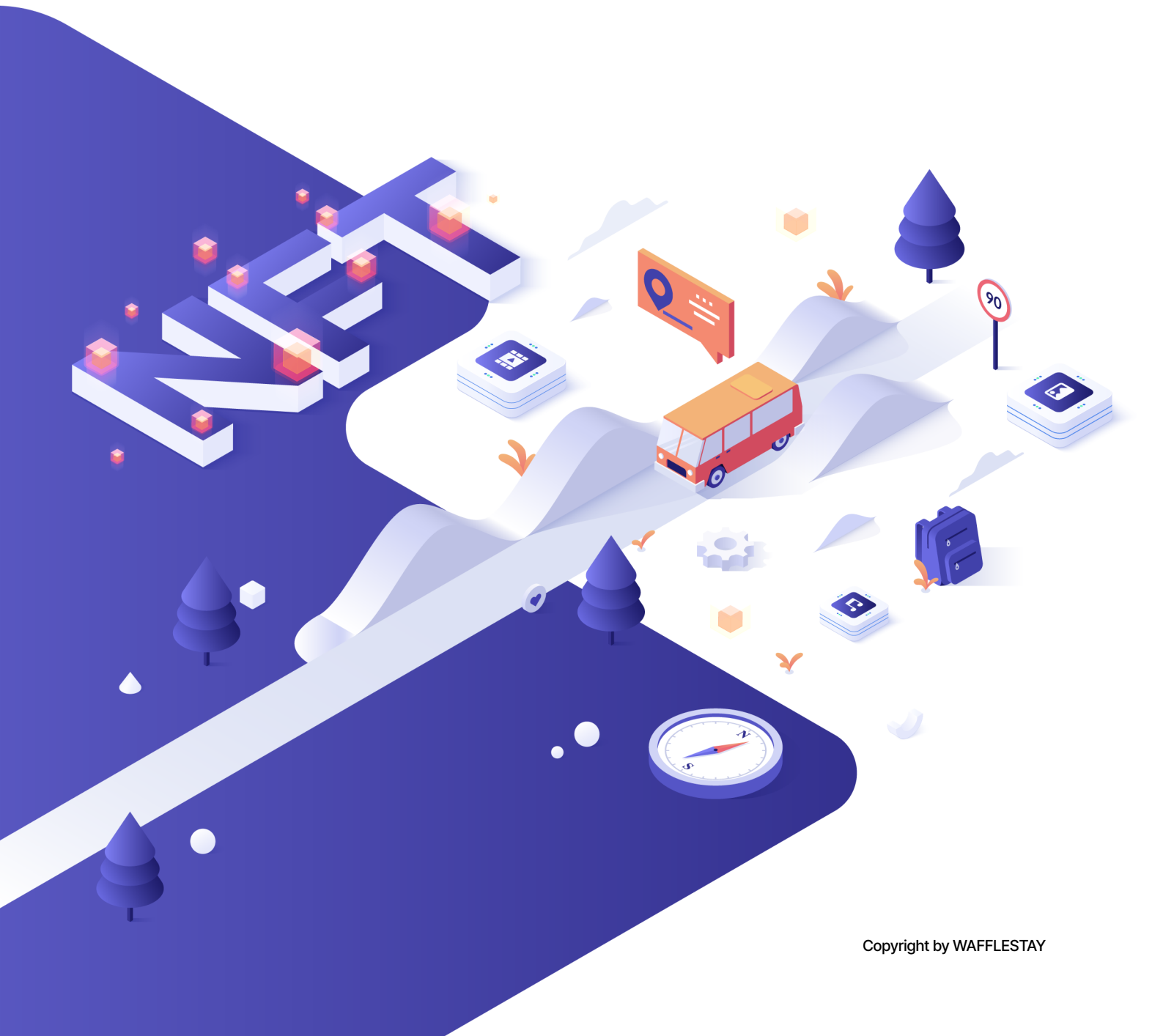


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11.

Legal Disclaimer and others



11. ETC(Legal Notices, etc)

Please read carefully and refer to the notice below before participating in the token transaction. Please note that this notice applies to everyone who reads this white paper and that the notice may be changed or updated. If you are unsure about your future decisions regarding this project, we recommend consulting other experts, including legal, financial, and tax. The information provided in the white paper and on the homepage is for reference only and does not provide advice regarding the purchase of Waffle Stay tokens. (hereinafter referred to as 'WAFL') In addition, all transactions, including purchases and sales of WAFL, and decisions concerning them shall be made at the responsibility of each party.

Legal Statement

- A.** This white paper has been prepared for the purpose of providing information on the current general status of the WaffleStay platform (hereinafter referred to as the 'Platform'). Project information may change after the date of creation.
- B.** Tokens issued by the Platform are applicable to payment tokens and utility tokens but not applicable to asset tokens or financial investment instruments under Capital Markets Act. Therefore, it is considered that Tokens issued by the Platform are not classified as security tokens under Korean law.
- C.** Virtual assets or tokens issued by the Platform are not issued as securities, bonds, or collective investment products stipulated in domestic and foreign securities laws. Therefore, this white paper does not correspond to the prospectus for financial investment products such as securities stipulated in each country. In addition, virtual assets or tokens issued by the Platform do not guarantee participation in the revenue generated in relation to the Platform.
- D.** This White Paper has not been reviewed or approved by supervisory authorities in domestic and foreign countries.

Precautions for the contents of the white paper

- A.** The content of this white paper contains forward-looking information about the future of the project, and forward-looking information includes various potential risk factors and uncertainties.
- B.** All unpredictable factors such as fluctuations in the global market and economic conditions, the emergence of competitive platforms, fluctuations in token prices, system errors and hacking, and loss of encryption keys are included.
- C.** The contents of this white paper do not include full contents of the Platform, virtual assets or tokens issued by the Platform, and audit opinions on laws, accounting, and taxation for practitioners.

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The scope of the disclaimer for this white paper and the Platform will include but is not limited to:

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11. ETC(Legal Notices, etc)

- B.** Please consult your professional financial, investment, and tax advisers before making any investment in WaffleStay Token(hereinafter referred to as the 'WAFL Token'). This white paper does not provide investment or financial advice, and does not constitute any relations between the buyer and the seller;
- C.** WAFL Token are not an official or legally binding investment of any kind. Due to unforeseen circumstances, the objectives outlined in this white paper may be altered. Despite the fact that the Company intends to implement all the points outlined in this white paper, all persons and parties involved in the purchase of tokens do so at their own risk;
- D.** This white paper includes certain estimates with respect to the future performance of the Platform. Such estimates reflect various assumptions by the directors concerning the future performance of the Company. These assumptions may or may not prove to be correct. No representations are made as to the accuracy of such assumptions or the estimates based thereon;
- E.** Virtual assets, Blockchain technologies have been the subject of scrutiny by various regulatory bodies around the world. The functioning of the Platform could be impacted by one or more regulatory inquiries or actions, including but not limited to restrictions on the use of cryptocurrencies;
- F.** This white paper shall not legally bind the Company. The directors, officers, employees, and advisors of the Company shall neither warrant the accuracy and reliability of this white papers nor hold any responsibility thereof;
- G.** WAFL Token does not provide the right to receive profit, income, or other payments or revenues attributable to the acquisition, holding, management, disposal, or redemption. Any right, interest, ownership, or privileges on the Platform or any other property on the Company can expire in whole or in part;
- H.** The risk of loss in trading or holding virtual assets or tokens can be substantial. Therefore, you should carefully consider whether trading or holding virtual assets is suitable for you in light of your financial condition. Forks and changes in the relevant network may result in significant and sudden changes to the value and/or usability of Virtual assets or tokens. The Company is not responsible for such loss of value of Virtual assets or tokens and bears no responsibility for any loss incurred by you while using the Platform or in any direct or indirect connection to the Platform;
- I.** WAFL Token is issued on the Ethereum blockchain ERC-20. In this regard, any failure or incorrect operation of the Ethereum Protocol may disrupt the transaction network in unexpected ways;
- J.** Technologies related to blockchain networks are the subject of supervision and control by various regulatory bodies across the globe. WAFL Token may become subject to their regulation policy, including restrictions on the use or ownership of WAFL Token, slow or limit the functionality or limit possibilities of WAFL Token redemption in the future;

11. 기타 (법적 고지사항 등)

- K.** Virtual assets including WAFL Token and other associated and related technologies are new and untested and may become outside of your or the Company's control. As such the Company shall be excused and non-liable for the nonperformance by the Company including temporary interruption or permanent termination of your access to the Platform Services due to adverse changes in the market or related technology;
- L.** Hackers or other groups or organizations may attempt to interfere with your account or the Platform performance in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks;
- M.** There is a risk that the Platform may unintentionally include weaknesses or bugs in the source code interfering with the use of or causing the loss of token;
- N.** No person is bound to enter into any contract or binding legal commitment in relation to the sale and purchase of the WAFL Token or other form of payment is to be accepted on the basis of this white paper;
- O.** Any agreement between the distributor and you as a purchaser, and in relation to any sale and purchase, of the WAFL Token is to be governed by only a separate document setting out the terms and conditions (the "T&Cs") of such agreement. In the event of any inconsistencies between the T&Cs and this white paper, the former shall prevail;
- P.** You are not eligible and you will not be able to purchase any WAFL Token through its token sale if you are a citizen or resident (tax or otherwise) of any country or state where the purchase of WAFL Token or similar Virtual asset and tokens may be prohibited or the token sale is deemed to be not compliant with the applicable laws and regulations of your country. Citizens or residents of countries where coin sales are restricted may be subject to penalties for the purchase of coins;
- Q.** The publication, distribution, or dissemination of this white paper does not imply that the applicable laws of any jurisdiction, regulatory requirements, or rules have complied. The Company and its respective past, present, and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and will not be liable for any damages of any kind, including, but not limited to, direct, consequential, incidental, special or indirect damages (including, but not limited to, lost profits, loss of revenue or third-party loss whether foreseeable or otherwise, trading losses or damages that result from use or loss of use of the website) in tort, contract or otherwise, arising out of or in connection with any acceptance of, or reliance on, the white paper or any part thereof by purchasers of WAFL Token;
- R.** The Company may amend, add, or delete any part of this white paper for any reason or at any time, and will make it public, as the case may be, on its website, blog, or otherwise, where any amendment, addition or deletion is made;
- S.** The Company may at any time, refuse the request of token purchase where the participant, who wishes to involve in the token transactions in connection with this white paper, provides insufficient, inaccurate, or misleading identity information or the participant is suspected of being a restricted participant;

11. 기타 (법적 고지사항 등)

- T.** There shall not be allowed any transactions of Virtual assets or tokens, with the fund attained from criminal gains such as drug dealing or for the purpose of money laundering or terrorism financing. Where any of the Restricted Participants purchase tokens or makes a purchase with the illegal and unauthorized fund and purpose, such transactions may be prohibited or restricted at any time and the purchase of such tokens may be canceled or invalidated;
- U.** This white paper and related documents may be translated into other languages, and the white paper in English shall be given priority in the event of conflicting its interpretation;
- V.** This whitepaper, any part thereof, or any copy thereof must not be taken or transmitted to any country where distribution or dissemination of this white paper is prohibited or restricted;
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