

# Everex

## P2P payments and aggregated micro-financing on the blockchain

### Overview

Everex is Singapore based company with a goal to penetrate the P2P payments space using an Ethereum based platform.

The company has two main goals:

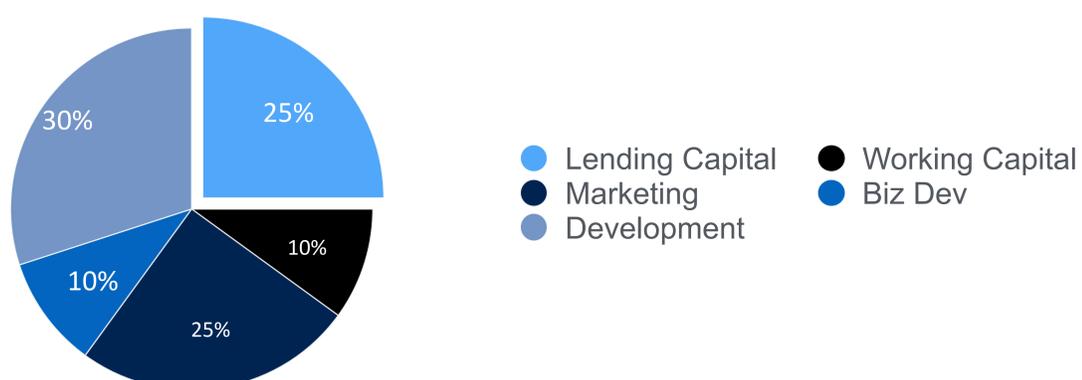
- 1) to establish a cross-border and global P2P payment system which is pegged to fiat currency
- 2) offer the ability for micro-financing for individuals who are seeking credit but do not currently have the appropriate history

Everex has been established for approximately two years and has released a number of initiatives in the payment space such as Chainy, Ethplorer, Cryptocash and the Everex Wallet.

### Token Sale

Under the code EVX, Everex will be issuing roughly USD\$16m of tokens as part of their main crowdsale. As of today, Everex has also received a capital injection of US\$400k in seed and a pre-sale of US\$3.5m.

Allocation of funds for the main ICO is heavily geared towards lending capital for the micro-financing aspect as well as ongoing technical development. Marketing and business development also account for ~35% of funds raised.



## SPEC BUY



### General

|                |                            |
|----------------|----------------------------|
| Incorporation: | Singapore                  |
| Team:          | Transparent                |
| White Paper:   | <a href="#">Available</a>  |
| Stage:         | MVP established            |
| Sale Period:   | 24 July 2017               |
| Website:       | <a href="#">Click here</a> |

### Sale Info

|           |                           |
|-----------|---------------------------|
| Pricing:  | .0724/\$1USD              |
| Accepted: | ETH                       |
| Min Goal: | N/A                       |
| Cap:      | 70,000 ETH                |
| Escrow:   | Everex Wallet             |
| Bonus:    | <a href="#">View here</a> |

### Bonus structure

|          |                   |
|----------|-------------------|
| Stage 1: | 5% referral bonus |
|----------|-------------------|

### Checklist

|                       |   |
|-----------------------|---|
| Management team:      | ✓ |
| Product definition:   | ✓ |
| Commercial viability: | ✓ |
| Volume/interest:      | ✓ |
| Fulfilment:           | — |

## Tokens for Investors

The EVX tokens will predominantly be used as a credit mechanism for the use of micro-financing. The company estimates that the ROI on these tokens through payday loans is anywhere between 50%-250% with low default rates. Company profits that are not reinvested into operations will be used to buy more EVX from the open market, therefore providing a capital gain and liquidity for token holders.

## Commercial Strategy & Roadmap

The main focus of strategic growth for Everex is Crypto-cash, an Ethereum based P2P transfer network pegged to fiat currency. The idea is that such transfers (which usually take days by other means) will take seconds or minutes. It has been reported that trials have already occurred in Thailand to the value of +800,000 Baht, however such volumes don't appear to be significant in the scheme of things (US\$25,000).

The funds raised are expected to contribute to further development of the technology, marketing awareness and penetration of the P2P market. Following this, it is the intention of the company to use ~25% of the capital raised to establish the micro-lending presence through the use of auto credit-scoring and KYC (know your client) for fast approvals.

## Management

The team are quite active and transparent in the market with a significant amount of articles, blog posts and Q&A already established. The core team consists of 9 personnel with a further four advisors providing input and consulting.



Alexi Land - CEO and Founder

15+ years of capital markets and lending experience including high risk and payday loans



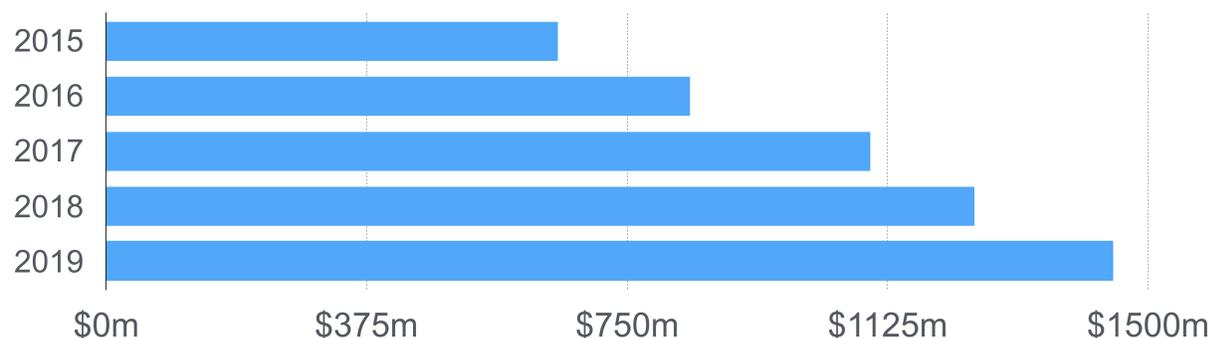
Alexander Kakunov - CTO and Co Founder

15+ years of development experience in high load systems and 3 years of blockchain experience

## Strengths

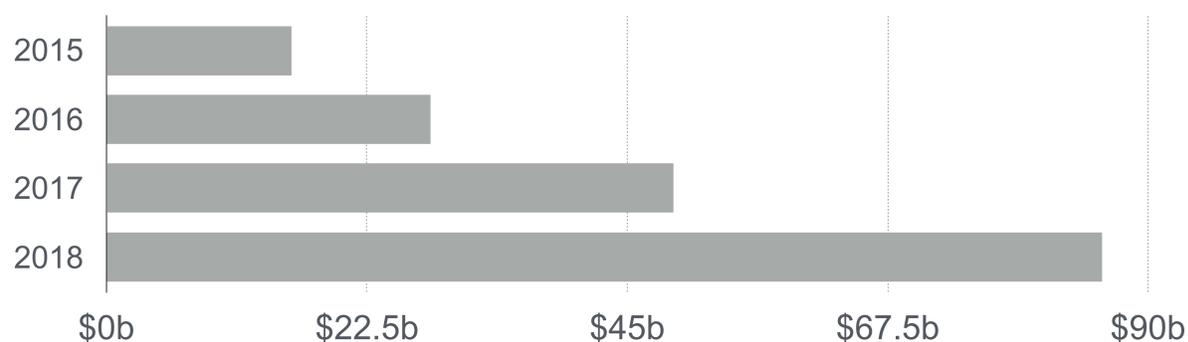
- Whilst the model of the Everex financing solution is not considered to be P2P, the growth in payday and micro financing for personal use is expected to boom in the coming years.

P2P Lending growth (IBIS WORLD)



- P2P transaction growth is also tipped to become a US\$86bn industry by 2018 based on forecasts by BI Intelligence.

P2P transaction growth (IBI Intelligence)



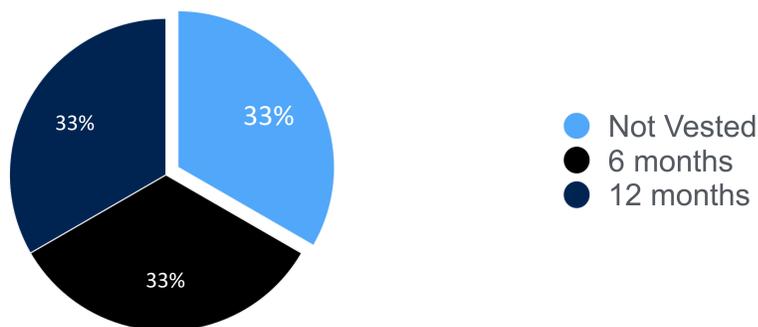
- The company shows a track record of commercialization in the fintech space with various MVP and launched products accessible in the market.
- The use of blockchain and the combination of a fixed peg to Fiat currency can alleviate a significant amount of inefficiencies in cross border transactions for retail participants.
- The team appear to be transparent in their history and show a firm capability of technical development.

## Weaknesses

- Whilst a number of products have already been launched by Everex, none of them show a significant amount of volume to confirm stable commercialization (yet).
- It is unclear how the ROI indicated by the firm of 50-250% on micro financing has been calculated. In saying this, rates of this degree are common in the payday loan industry.

- The team allocation of tokens is currently at 15% for the ICO, with a further 4% allocated to advisors. Furthermore, 5% of tokens (US\$800,000) are not vested at all.

Vesting schedule for Everex team allocation (15%)



- The time it will take for both technical deployment (as per the roadmap), as well as market penetration should not be understated. With advancements in the market and the amount of interest in the P2P transactional and lending space, Everex will need to keep ahead of the curve for successful commercialization.

## Conclusion

Everex presents a speculative and long term opportunity for investors seeking exposure to the retail fin-tech market.

The roadmap of commercialization and market penetration will be challenging, with a substantial amount of capital needed to successfully develop, deploy and onboard potential users.

The micro-financing initiative will also face some considerable competition from P2P lending platforms and telecommunications companies who are currently offering finance solutions through mobile Sim-card credit.

With this being said, a successful partnership with a major distribution firm of finance solutions (or a large retail database) will likely boost the chances of market success.

We see the opportunity for short term capital gain and monetization derived from the ROI on micro-finance via the token, however those participating in the ICO should consider a longer term hold awaiting clear signs of commercial growth and market adoption of the company's solutions.

Piccolo Research therefore recommend a **speculative buy** on Everex, for those seeking **medium - long term exposure** in the fintech segment of blockchain.

## Ratings Overview



Either at concept stage, lack of commercialization/conviction or bordering a Scam.



The company/tokens have merit, however there are questionable attributes and involves significant risk.



An investment worthy opportunity that should be considered and a healthy balance of risk vs return.



A good opportunity with no significant weaknesses and a clear path of commercialization.



A high conviction opportunity of investment with no visible weaknesses.

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### **SCAM**

A fraudulent initiative to be avoided at all costs.

### **AVOID**

Participation will likely result in all capital lost.

### **RISKY**

Due to a variety of factors, investment is associated with high risk of losing capital.

### **HOLD**

Usually occurring in an updated release of coverage to advise maintaining current levels of position sizing.

### **SPEC BUY**

A speculative opportunity for investors with a higher risk tolerance.

### **BUY**

A high conviction buying opportunity.

## Disclaimer

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