

**Disclaimer:** This opinion paper represents the professional understanding of Riwigo's token ecosystem and risks, based on economics principles and risk analysis. Opinions expressed by Economics Design are not a guarantee of a particular outcome.

## Riwigo Token Opinion Piece. Stage: Pre IEO



**Rating: BBB** | Recommendation: Buy and Hold for 12 Months

External Risk Profile	Internal Risk Profile					
	1 Minimal	2 Modest	3 Intermediate	4 Significant	5 Substantial	6 Aggressive
1 Excellent	aaa/aa+	aa	a+/a	a-	bbb	bbb-/bb+
2 Strong	aa/aa-	a+/a	a-/bbb+	bbb	bb+	bb
3 Satisfactory	a/a-	bbb+	bbb/bbb-	bbb-/bb+	bb	b+
4 Fair	bbb/bbb-	bbb-	bb+	bb	bb-	b
5 Weak	bb+	bb+	bb	bb-	b+	b/b-
6 Vulnerable	bb-	bb-	bb-/b+	b+	b	b-

## ECONOMICS DESIGN TOKEN OPINION

**Recommendation: Buy RIWI token and see significant growth in token prices in 12 months**

### Overall Opinion

Risk level for Riwi token now is a **BBB rating**. That means it is generally a safe bet and the current model is good to be of use, but might be a "nice to have" at the moment, instead of a "must have". However, since it is still the early stage of blockchain development, it is worth waiting to allow the development to be more mature and we will see a better result in the increase of value.

The token price is likely to increase in the long-run, looking at a **time horizon of 12-18 months**. Price value is **modestly likely to increase significantly**, when the value-add and use-case of blockchain technology is realised.

## RISK ANALYSIS

The analysis looks at 2 categories of risk profile to determine the current rating. It looks at the internal risk profile of token ecosystem design. It also looks at the external risk profile of the team, business idea and growth potential. The following section discusses the pros and cons, to determine the risk ratings.

### METHODOLOGY

The analysis uses both **fundamental** (internal) and **quantitative investment mechanisms** (external) to assess the risk level. The level of token engineering can be sophisticatedly designed for a specific outcome, that builds the internal risk. The external risk is based on investment 101 and success metrics of investors, VCs and funds.

## INTERNAL RISK PROFILE

*Evaluation of the economics of token ecosystem*

### Pros

- Current solution is to solve **cross-border payment**. Foreign exchange rates can be a hassle.
- **Existing business with clients and merchants** and a positive cash flow. This kickstarts the network effects to succeed.
- The only way to add new token supply is through the token "cashback" reward system. Users purchase services and receive a percentage back in RIWI tokens. The **small increase in supply** of tokens will **increase the value of tokens** as demand grows.
- As a result, tokens are **deflationary**, inferring the value of the tokens increase due to slow growing supply and fast growing demand.
- Tokens for advisors and founders are **locked up for 2 years**. This is a positive sign, as the business would have reached maturity in 24 months, including the stability of prices. Thus, the huge increase in supply in the market would affect the ecosystem less significantly. Token prices will be less affected.
- Lockup tokens will be **burned to maintain prices**, when necessary. That adds to a level of security for internal price stability of the ecosystem.

### Cons

- This problem **does not require DLT**. Success depends on the future development of the token economy, which requires DLT.
- Team is more traditional business-oriented and **less blockchain people**. But the team has blockchain advisors to advise the direction of the company.
- Simple use-case of cryptocurrency for now. There are many alternatives so to garner success, there must be more than just the currency function (medium of exchange).

## ABOUT RIWIGO

Riwigo is a platform in the wellness and health-care industry based in Thailand. It is an operating business with positive cash flow. Riwigo is now looking to explore blockchain technology to increase the value-add of users in the ecosystem, both customers and merchants.

## TOKEN INFO

Token Supply	150,000,000
Listing Price	USD 0.10
Listed Exchange	Exonium
Market Cap	NA
All Time High	NA
All Time Low	NA
24h Volume	NA

## CONCLUSION

The project has a positive cash flow and proven business model. The use-case of blockchain is limited now, but it is an important step towards moving to a tokenised business model, which is very important in the future.

My opinion is that there is a real potential to gain significant returns in the future but it will take 12 months for the returns to be realised. The risk level is a BBB, which is a "nice to have" solution for now. When the long-term plans are realised, the returns will be significant.

## EXTERNAL RISK PROFILE

*Evaluation of business and financial profile*

### Pros

- Business has a **positive cash flow**.
- Money is raised to **build the DLT project**, not to sustain existing business.
- Strong roadmap and hiring people to **develop the other token use-cases**, which is ownership of individual. This changes the scope of the existing road map and this has a huge potential.
- Industry is also strong with a focus on Chinese tourists going abroad. First step is to solve cross-border payment (done) and next is to add value via blockchain, to the users (in progress).
- Huge **addressable and real market**, especially since the business has many over 500 partners and 10,000 clients.
- General Asian clients are more time-intensive but price sensitive when it comes to leisure tourism, so that is a **good positioning in the market**

### Cons

- Success is **conditional on the tokenised aspect** of the business, beyond just cryptocurrency technology. A cryptocurrency use-case, this is just a nice to have. Many alternatives are available to solve the problem, e.g paying in other cryptocurrency or using a centralised ledger to manage payment. Technology can solve 80% of the problem, of which 20% of risk is due to changes in regulations with a risk of shut down.
- It takes **12-18 months to develop** a robust use-case and value add beyond cryptocurrency. Investors might not have such long patience and rather make smaller short-term gains.

## FUTURE CATALYST

1. Tokenise personal data generated and give ownership of data back to individual users
2. Data can be auctioned off by merchants who would like to purchase it
3. Connect health-based IoT devices into the ecosystem to generate data
4. Add oracles to verify credibility of data generated
5. Tokens will be used to reward verifiers of data generated