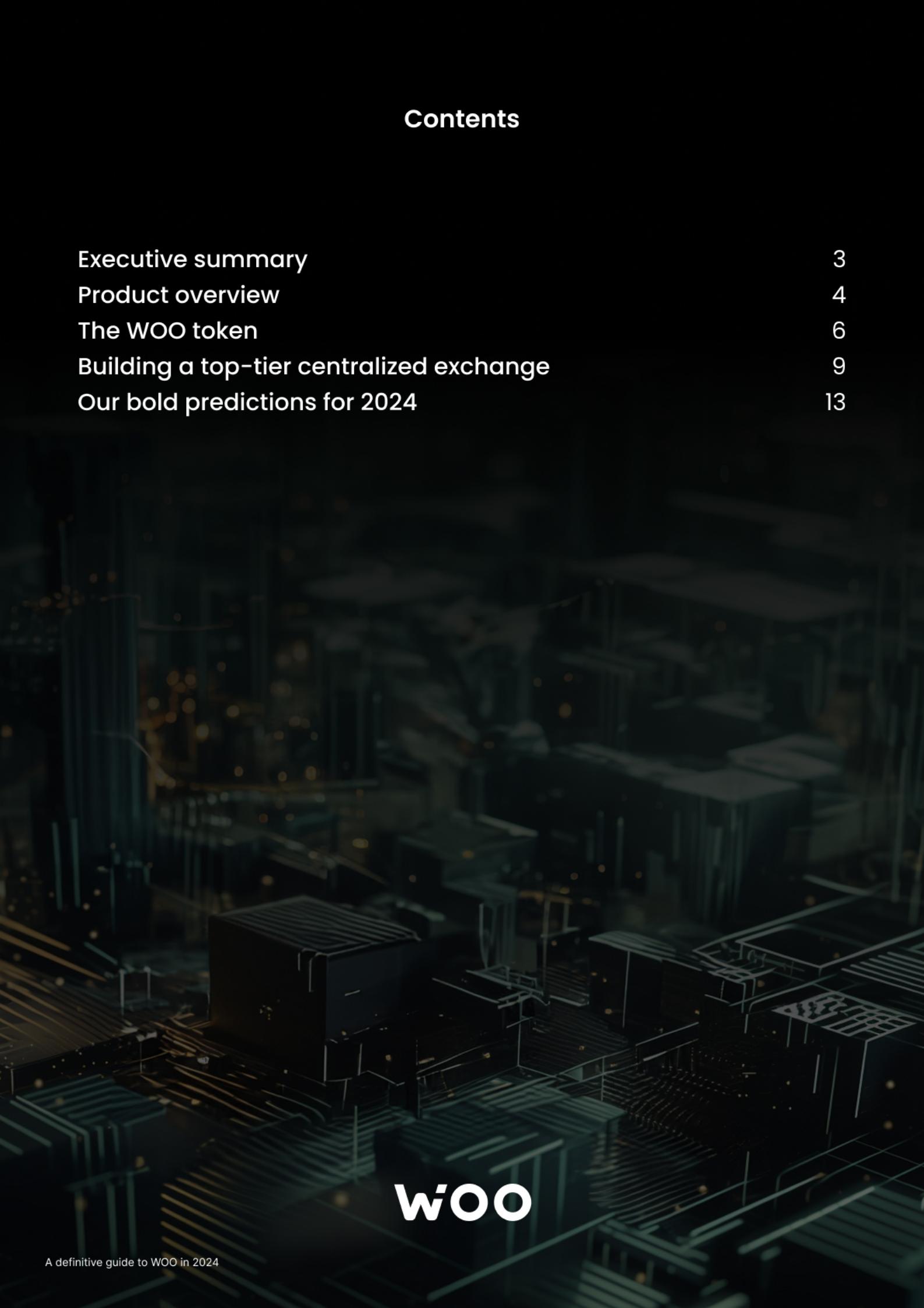


# A definitive guide to WOO in 2024

Projections, insights, and recaps from the WOO Ecosystem

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**WOO**

# Executive summary

We are no strangers to tough times, and indeed, it's often said that adversity builds character. The year 2023 tested our mettle, reinforcing our ability to adapt, be resourceful, and make decisive moves. We made remarkable progress in a lot of areas, but it's important to acknowledge that this is not a solo achievement. It's the collective effort of our dedicated team, supportive community, committed partners, expert advisors, and trustful investors. Your unwavering belief in our vision to inspire confidence, higher performance, and joy in every user has always been our foundation.

## Looking backward and into the future

From launching Multi-MM, the first transparent and live balance sheet, to WOO Turkey, WOOFI Swap, and orderbook dex, and securing multiple VASP registrations, our journey has been eventful and varied. As our frequent Twitter updates show, we've been incessantly building. Some projects yielded substantial benefits with minimal effort, while others demanded considerable resources but fell short in user engagement. In this industry, as in life, there's no prize for simply battling hardship. Instead, our focus now is on high-impact projects, where we're confident the results will be self-evident.

The past few years have been a crucible of learning, honing our ability to sidestep high-difficulty, low-impact scenarios. We're now dancing more skillfully towards our vision. Regulation in both CeFi and DeFi is intensifying, and we choose not to resist but to embrace these changes. WOO X aims to secure licensing in key local and global jurisdictions, targeting an IPO to compete with giants like Coinbase. Having excluded US users and implemented stringent KYC & AML policies from the outset, we're now well-positioned to accelerate our growth on the regulated path unfolding before us.

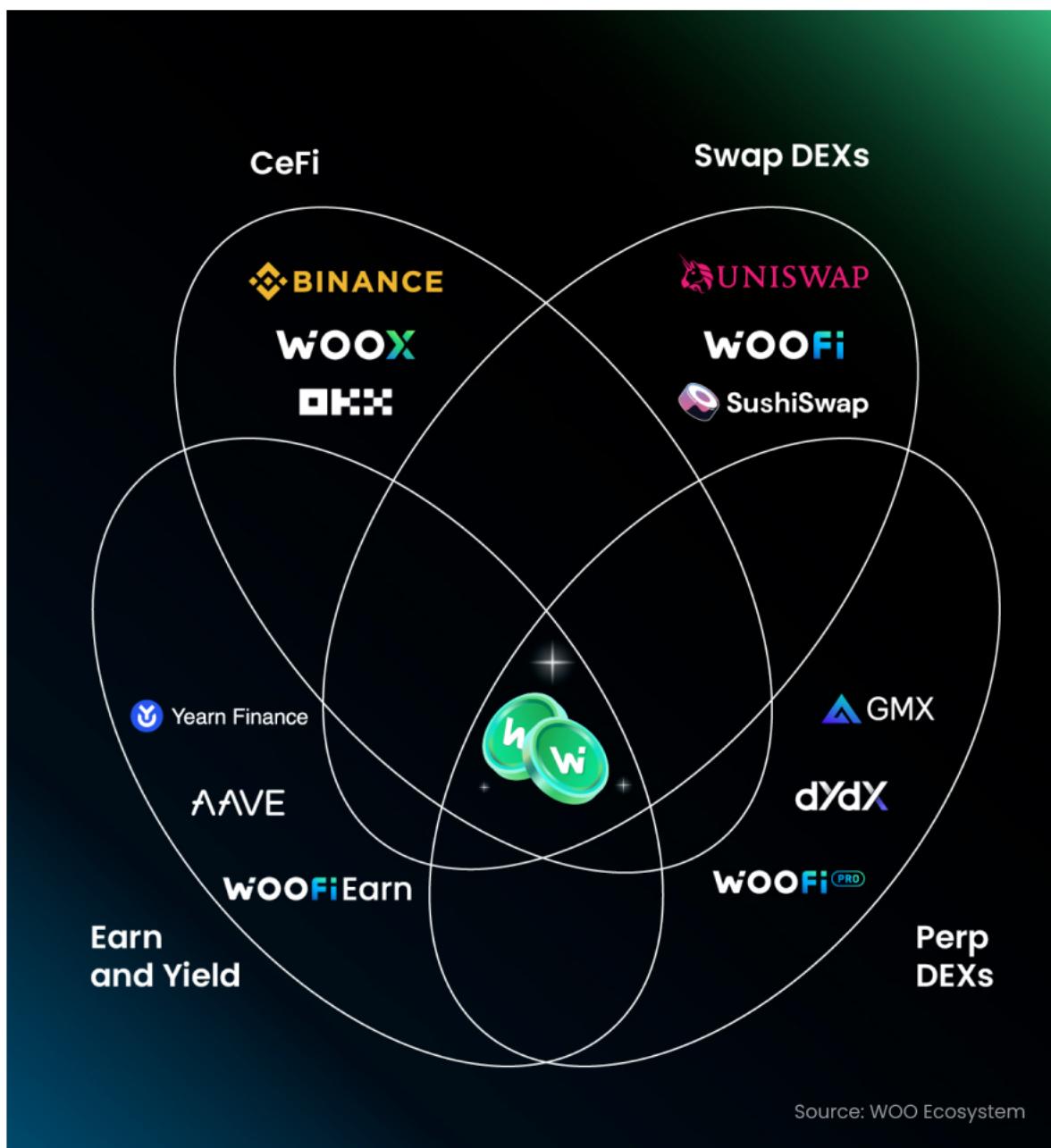
CeFi will continue to thrive for the foreseeable future, even as regulations become stricter. However, I firmly believe that the future belongs to DeFi. Its competitive nature is evident: WOOFI Swap, for instance, has captured roughly 2% of the overall market without resorting to WOO token incentives. This success is due to the absence of barriers in the DeFi swap market — the best price simply prevails. With a fast-improving user experience, we anticipate a significant shift in trading volume to DeFi in 2024 and beyond. Our focus is not on biases or hopes but on clear-sightedness and delivering unique value.

In this report, we take a comprehensive look at our range of products and give special focus to the WOO token, the cornerstone of our ecosystem. We take a moment to acknowledge the substantial progress of our CeFi and DeFi trading platforms. Our approach to assessing our past performance is rigorous and exacting, and as we gaze into the future, we do so humbly, fully aware of the unpredictable nature of this fast-changing industry. Recognizing the inherent unpredictability of outcomes in this dynamic industry, we chose long ago to embrace uncertainty, pack ample grit and determination, and most importantly, enjoy the journey!

Jack Tan,  
Co-founder

## Product overview

The WOO ecosystem consists of a suite of trading platforms, ranging from our centralized exchange, WOO X, to DeFi trading with WOOFi Swap for spot and WOOFi Pro for derivatives. Across these platforms, users are offered competitive liquidity at low fees to provide the best execution quality. The products enable our clients to earn yield through Earn Vaults on WOO X and Supercharger Vaults on WOOFi. Altogether, this suite of products enables WOO to cover many industry verticals while remaining under one token.



The core needs of any crypto user is the ability to trade liquid markets and to earn yield. The WOO ecosystem of products now thoroughly covers all these needs, with the WOO token providing utility to all of them, as depicted in this diagram.

Product	Category	Description
<b>WOOX</b> Centralized exchange	<b>Spot and Futures</b>	Features customizable trading interface, powerful order management tools, and real-time proof of liabilities/reserves
	<b>Earn</b> Centralized earn vaults	Fixed-yield lending, RWA products coming soon, and full transparency on source of yield
	<b>Staking</b> WOO token staking platform	Access fee discounts, yield, higher referral rewards, free withdrawals, and other benefits
<b>WOOFI</b> Decentralized application	<b>Swap</b> Decentralized swap	Swap assets on or across 11 different EVM networks, integrated within all major wallets and aggregators
	<b>Earn</b> Decentralized earn vaults	Single-sided earn vaults give yield by providing liquidity to WOOFI Swap, without risk of impermanent loss
	<b>Stake</b> WOO token staking platform	Single-sided WOO staking with real yield paid daily in USDC, or auto-compounded with boosted multipliers
<b>WOOFI PRO</b>	Orderbook DEX	Self-custody perpetual swaps accessible with omnichain deposits from any EVM network

Source: WOO Ecosystem

## Products to watch for:

Looking ahead to 2024, the WOO X product suite is poised for expansion. Some new products and features to keep an eye out for include our version of Launchpad, which will enable WOO stakers to purchase tokens from early-stage projects. Additionally our copy-trading product will allow lead traders to attract capital and amplify their returns, while providing followers with returns based on the strategies of the lead traders. For CeFi users on the hunt for yield, we have plans to expand the different types of vaults users can deposit into. These vaults will vary in terms of the yields, risk profile and liquidity and enable users to choose how they want to enhance the yield on their portfolios. Some types of vaults may include Real World Assets (RWAs), DeFi, options and systematic strategies.

In DeFi, WOOFI now expands most elements of the trading vertical with perpetual futures live. Throughout 2024, WOOFI Pro will launch many features that rivals top CEXes in terms of both user experience and liquidity. WOOFI will launch in more vibrant ecosystems to continue expanding its trading market share.

## The WOO token

The WOO token lies at the center of each trading platform in its ecosystem. In CeFi, staking WOO offers many benefits for users on WOO X. Most notably, users get significantly reduced trading fees for both spot and perpetual futures markets as they stake more WOO. For earn vaults, stakers enjoy enhanced yields on their deposits and in the future staking WOO may be required to access vaults with limited size.

Centralized exchanges	Perp DEXs	Swap DEXs	Earn products
 Binance (BNB) 30d vol: 1,286b FDV: 36.7b	 dYdX (DYDX) 30d vol: 35.2b FDV: 2.6b	 Trader Joe (JOE) 30d vol: 2.7b FDV: 211m	 Convex Finance (CVX) TVL: 2.7b FDV: 376m
 KuCoin (KCS) 30d vol: 71b FDV: 1.6b	 GMX (GMX) 30d vol: 4.8b FDV: 446m	 SushiSwap (SUSHI) 30d vol: 810m FDV: 227m	 Yearn Finance (YFI) TVL: 350m FDV: 304m
 Crypto.com (CRO) 30d vol: 35b FDV: 2.8b	 Synthetix (SNX) 30d vol: 4.5b FDV: 1.4b	 Hashflow (HFT) 30d vol: 512m FDV: 307m	 Pendle (PENDLE) TVL: 253m FDV: 286m
 WOO X 30d vol: 10b FDV: 519m	 WOOFi Pro 30d vol: N/A FDV: 519m	 WOOFi Swap 30d vol: 1.2b FDV: 519m	 WOOFi Earn  WOOFi Stake WOOFi Stake & Earn TVL: 57m TVL FDV: 519m

Source: WOO Data Analytics

The largest existing vertical is the first column, which demonstrates that WOO X has a lot of market share and users to capture across the global CEX landscape. Given staking WOO lies at the center of WOO X's product suite, growing market share should correspond to increased staking on WOO X. Similarly in Column 2, Perp DEXs is a vertical that WOOFi Pro is anticipated to gain significant market share in 2024. Some supportive tailwinds include broader adoption of DeFi derivatives and the growing success of Orderly Network across EVM ecosystems. Just like WOOFi Swap, the majority of the trading fees from WOOFi Pro accrue directly to WOO stakers on WOOFi. As WOOFi Pro gains more adoption, the increased trading volume will translate to boosted yield in USDC for stakers. Column 3 represents swap DEXs, which has been a steadfast vertical for WOO over the past year. WOOFi has cemented itself as a top 10 DEX across all of DeFi and continues to grow with its suite of swapping and earning products and strategy of entering promising ecosystems early.

cont.

This progress has culminated in nearly \$700K USDC paid to WOOFi stakers. Lastly, WOOFi Earn and Stake compete with many top protocols by offering users real yields on stablecoins and large-cap assets, as well as double-digit yields in USDC on their WOO tokens. Altogether, this table demonstrates that WOO's suite of products spans multiple verticals across CeFi and DeFi, which uniquely positions the WOO token among many competitive projects. Furthermore, the growth of each product translates to more adoption of WOO through the staking programs on WOO X and WOOFi. As these existing products are improved and new features are launched, further utility in both CeFi and DeFi will be added for the WOO token. Some examples of enhanced utility include recent partnerships with PancakeSwap and TraderJoe for boosted yield for liquidity providers of WOO/ETH.

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## Major token stats in 2023

### 705m WOO

Burned in January to address token allocations that were underutilized

### 20m WOO

Repurchased from Three Arrows Capital bankruptcy creditors and burned

### \$21.7m

Average daily spot volume on global exchanges

### 114m WOO

Entered the circulating supply, an increase of just 8.6% on the previous year.

### 79.51%

Not a low-float coin: the circulating to FDV ratio is now 1.77b to 1.23B

### 120m WOO

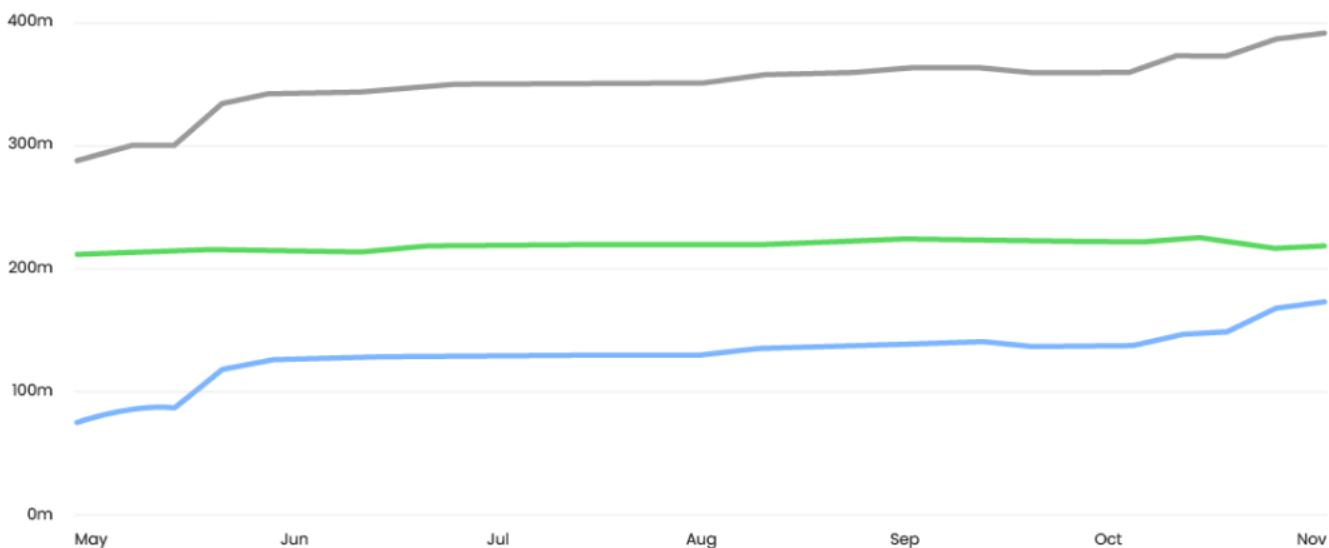
Net increase in staked WOO on both WOO X and WOOFi

Source: WOO Data Analytics

One metric for evaluating WOO can be defined as the share of the circulating supply that is staked. This metric has been increasing steadily throughout the year, even enduring several negative events, such as the Multichain bridge hack. This phenomenon highlights the long-term alignment WOO stakers have with the project. As mentioned, a primary driving factor for this metric is the increased fees going to WOOFi Stakers in the form of USDC, currently over 10% at the time of writing. WOO X staking is set to undergo a revamp in late Q1 of 2024, creating more utility and staking demand on the centralized exchange.

### WOO token staked amount

■ WOOFi ■ WOO X ■ Cumulative



Above: WOOFi staking has risen dramatically while WOO X has remained mostly flat, thanks in part to new users offsetting outflows of yield-seekers to WOOFi

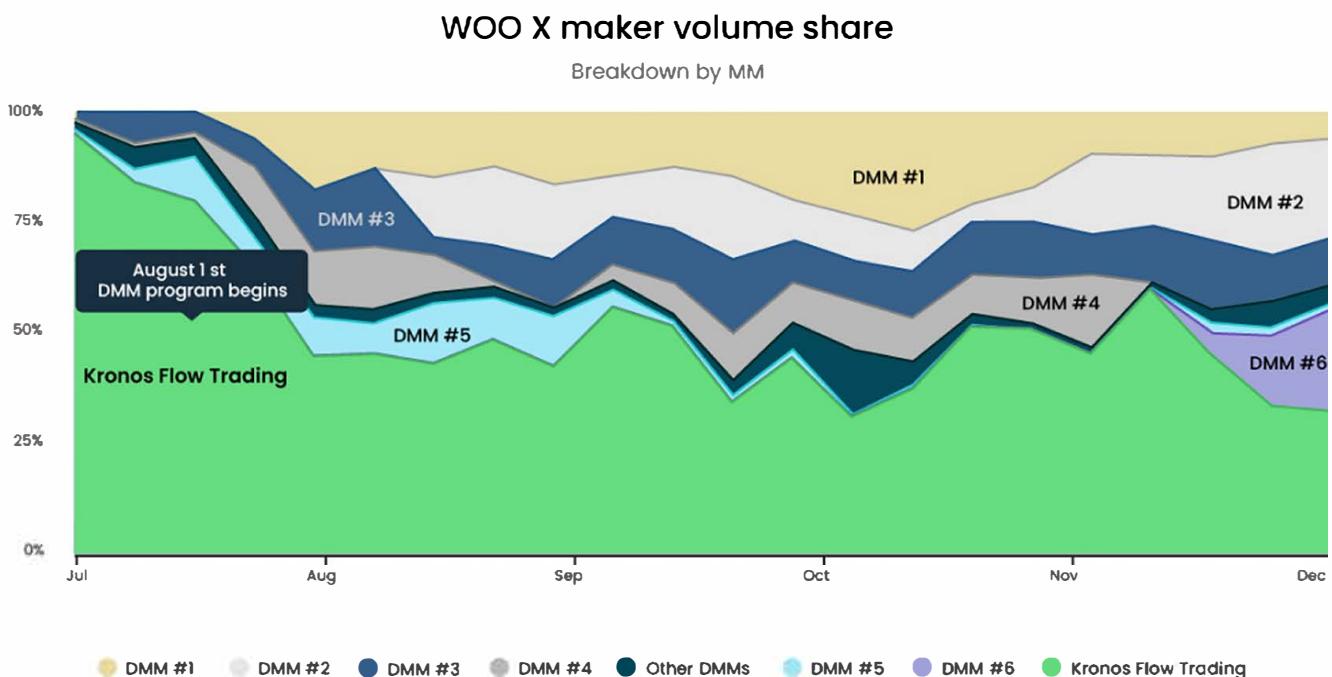
Source: WOO Data Analytics

## Building a top-tier centralized exchange

WOO X underwent substantial positive transformations in 2023, kicked off by a revamp of its staking program in July. The following month saw top-tier market makers joining WOO X through its designated market maker (DMM) program. The program engages many market makers to diversify and strengthen our bench of liquidity providers, and to continue deepening WOO X liquidity. To date, this program has been successful in diversifying approximately 70% of the total market share for maker volume across all perpetual futures markets on WOO X (the non-green region on the WOO X maker volume share graph).

The adjustment in fees has facilitated the provision of enduring maker rebates to be remunerated to the designated market makers (DMMs) in USDT instead of WOO. Furthermore, there are expectations to extend the DMM program to spot markets in early 2024, thereby contributing to increased diversity and depth of liquidity on WOO X. While the DMM program has been enabled through the slight adjustments in perp fees, our commitment to maintaining the highest standards of execution quality remains unchanged.

From a product perspective, WOO X has made substantial strides in boosting platform performance amidst the presence of numerous liquidity providers. These advancements involve optimizing latency and elevating the functionalities of WOO X's API.

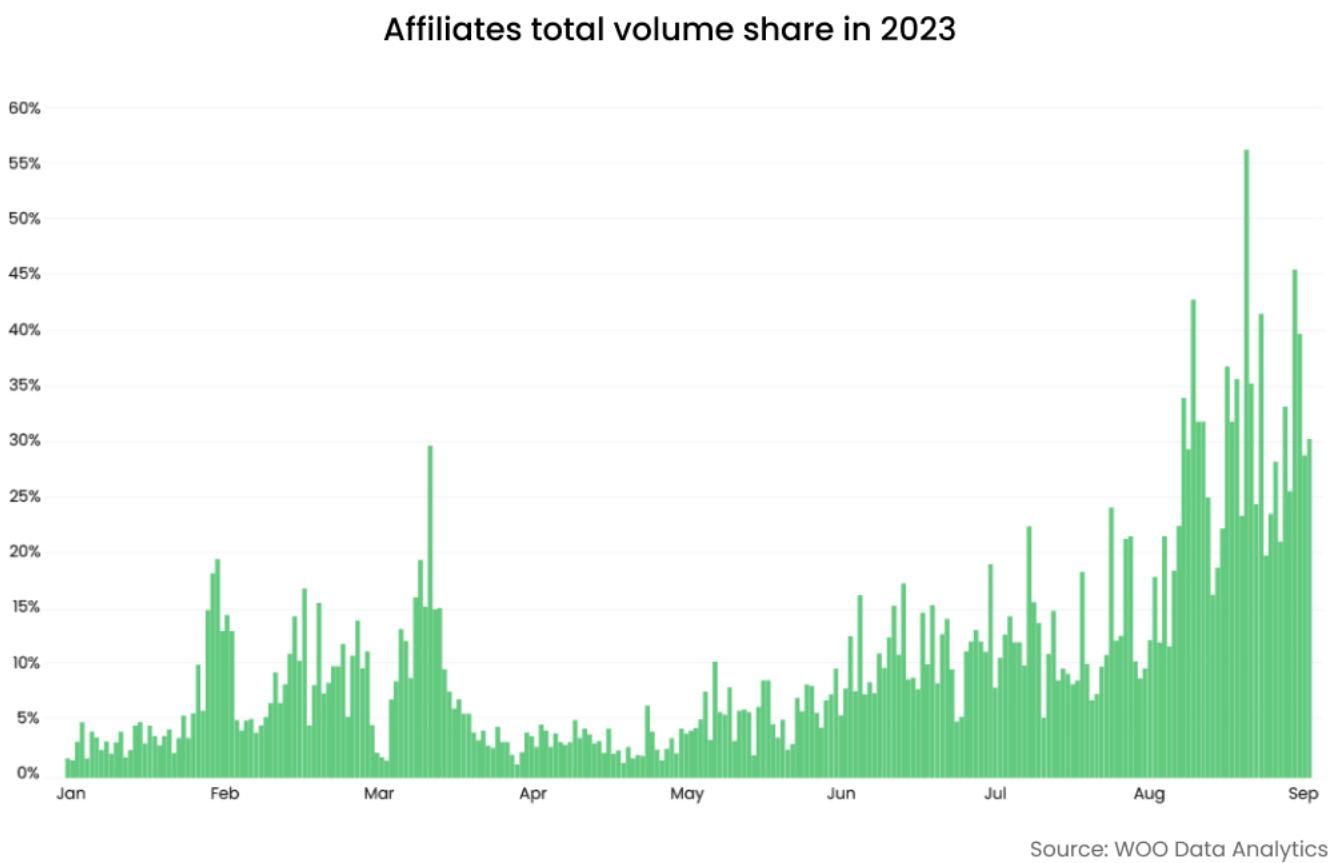


Above: Diversity of liquidity on WOO X has been on a sharp rise since August, with DMMs now contributing about 70% of all maker volume on perps

Source: WOO Data Analytics

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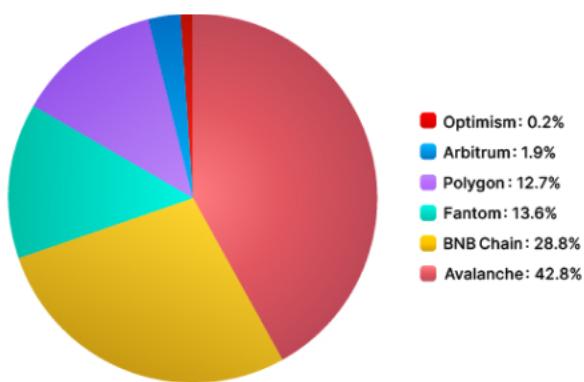
Another substantial area of growth for WOO X in 2023 is with the affiliate marketing program, which has increased almost 10-fold in market share on WOO X. Early on in the year, only around 5% of daily retail volume came from affiliated users. By early November, that market share was often around 50% each day. This tremendous growth has been driven by onboarding many global affiliates, ranging from leaders of trading groups and communities to well-respected global accounts like CryptoCred and DonAlt.



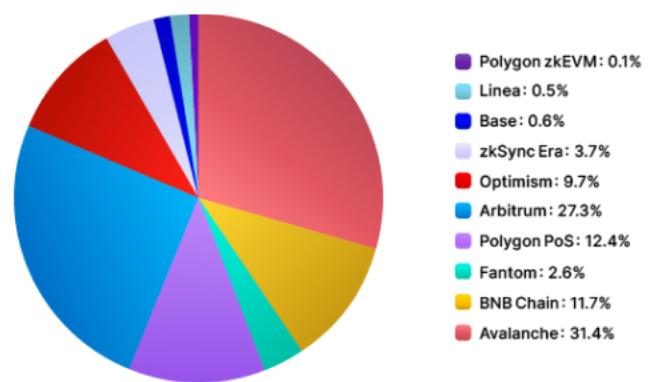
These affiliates provide many benefits to the WOO ecosystem, ranging from marketing new products and highlights to introducing clients and new users. Most importantly, our affiliates vocalize key messaging and help the broader community to cut through the noise and understand the real underlying trends for the WOO ecosystem. We aim to continue this strong approach to affiliate engagement in 2024.

## WOOFi volume 2022 vs 2023

2022 volume (\$2.39b total)



2023 volume (\$6.8b total)



Source: WOO Data Analytics

WOOFi cumulative volumes more than quadrupled from \$2.42B to \$9.2B in 2023. This growth was driven by 3.6M cross-chain swap transactions and an aggressive expansion strategy across L2s, which saw WOOFi deploy on zkSync Era, Polygon zkEVM, Linea, and Base. From just launching a single ETH-USDC pair in these new ecosystems, WOOFi captured over \$300M in trading volumes.

## Major WOOFi stats for 2023

**3.6m**

Number of cross-chain swap transactions processed

**1,533,309**

Number of total unique addresses that swapped through WOOFi

**\$840k USDC**

distributed to stakers since WOOFi Stake 2.0 went live in late May

**4,550**

Unique stakers on WOOFi Stake

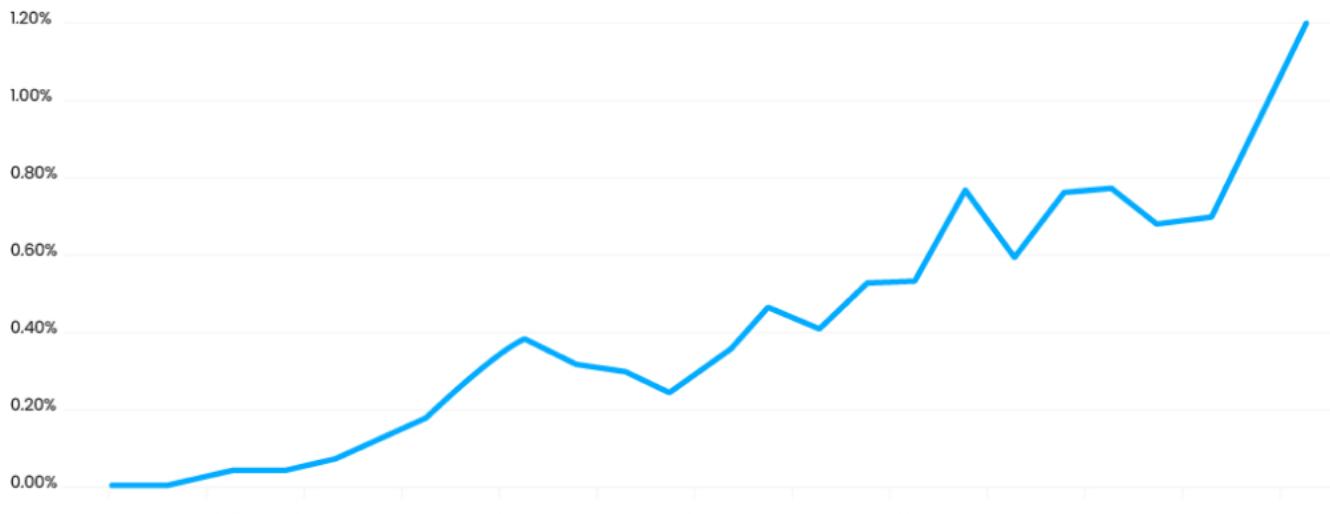
**77%**

Of all Tier One stakers and above, choosing to auto-compound USDC rewards into WOO

**+5,000**

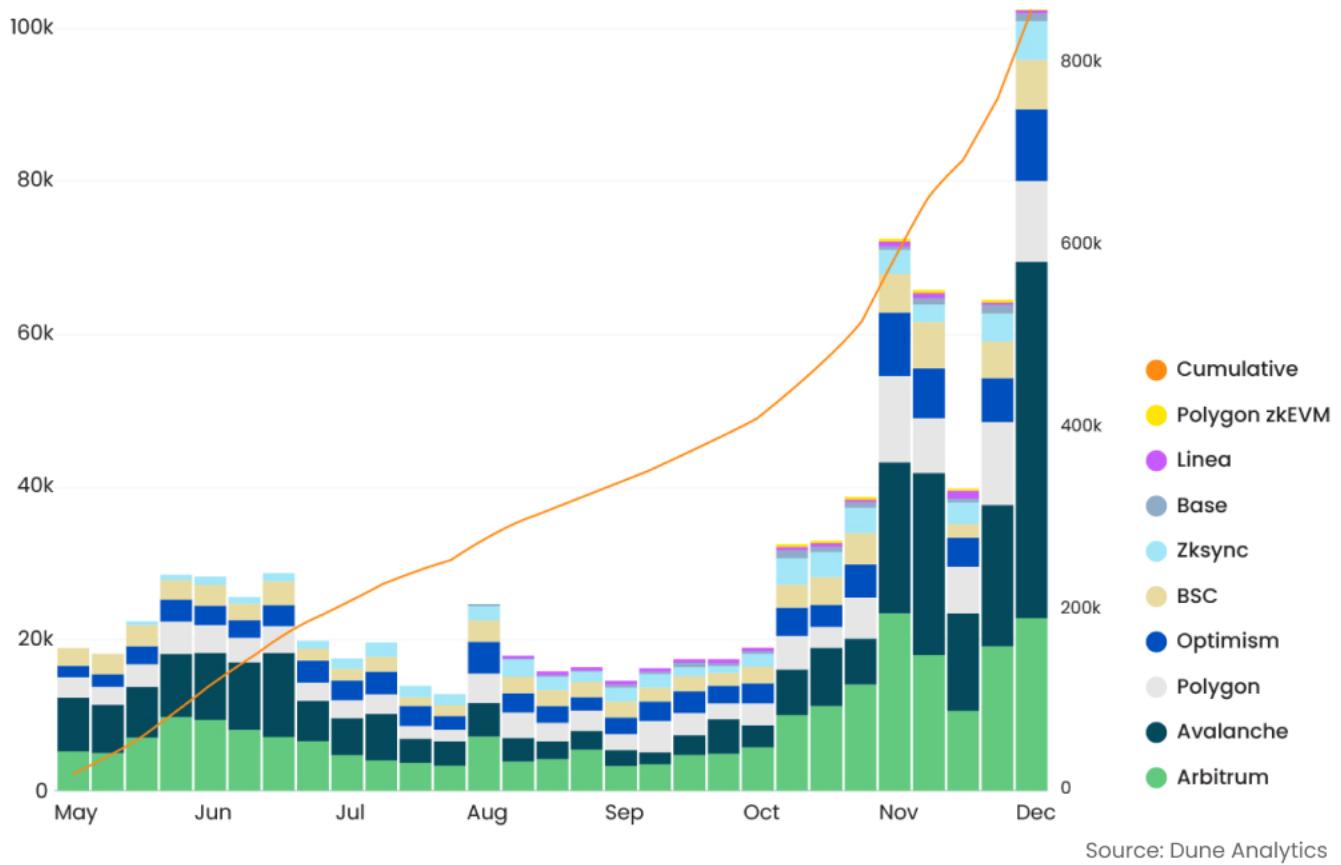
Unique traders trying out newly launched WOOFi Pro

## WOOFi Swap DEX market share



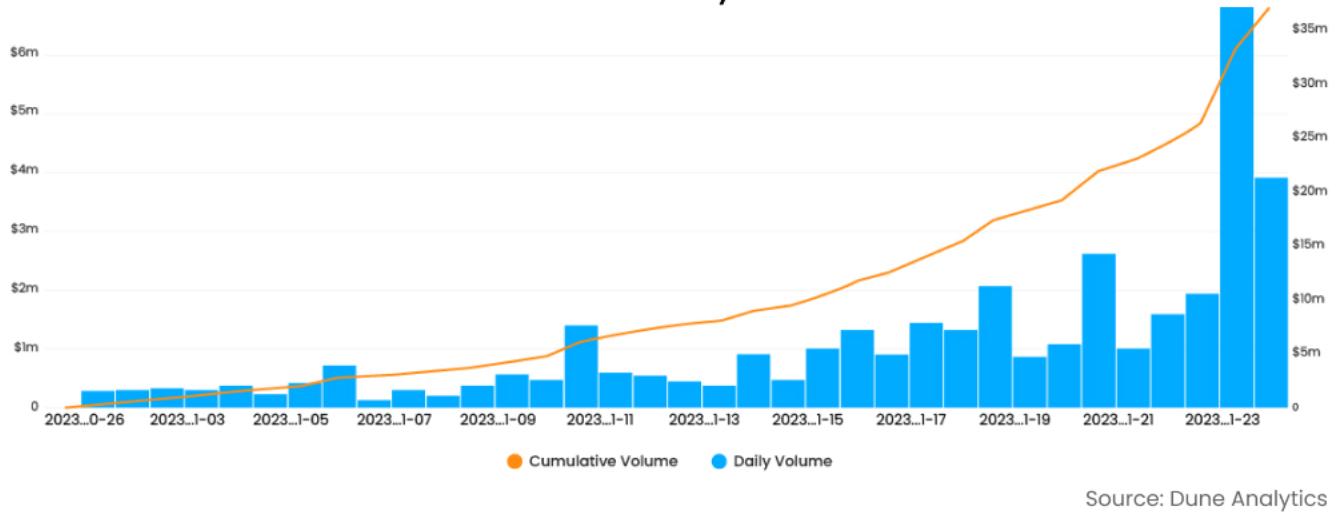
Source: WOO Data Analytics

## WOOFi staking fees by chain



Fee totals have grown consistently since the start of Q4, driven by higher volumes on Arbitrum and Avalanche. 80% of all fees on WOOFi Swap are distributed in the form of USDC to WOO stakers. Starting in Q1, WOOFi Pro fees will also be distributed to stakers, along with STIP incentives from the Arbitrum DAO.

## WOOFi Pro daily volume



WOOFi Pro volumes have begun increasing since launch on EVM networks in late Q3. For a deeper technical look at the entire WOOFi suite of products, check out the [report from ASXN](#), released in October.

## Our bold predictions for 2024

The year 2023 has set the crypto industry up for fireworks in 2024! Despite many years of claiming institutional adoption was around the corner, we are finally seeing growing interest across Asia and the issuance of spot ETFs in the United States.

- Institutions come to the forefront: We will see the largest institutional investors by AUM, including pension funds, endowments, and sovereign wealth funds make direct allocations to crypto assets. One central bank may even add BTC or ETH to its reserves alongside gold and FX. CME's market share for futures open interest will continue to rise and remain comparable to global offshore CEXes.
- Bullishness emanating from the East: The last cycle had significant participation driven from the West, whether it was Saylor stuffing BTC into Microstrategy's balance sheet or PayPal slinging shitcoins to millions of retail. However, we believe the next cycle will be driven from the East, with a resurgence of retail participation led by major geographies like Korea, Hong Kong, and Japan. Regions like Korea, Japan, and Singapore remain strict and localized, while Hong Kong has proceeded with a formal licensing regime, which suggests a shift in attitude toward Beijing's view of the industry. For Taiwan, the regulatory direction is transitioning from a self-regulated industry association to licensed entities supervised by financial watchdogs - all of which points to a growing emphasis on DeFi, as builders will choose to be more compliant with emerging global policies.
- DeFi continuing to gain market share: We anticipate DeFi will continue to eat into CeFi's market share, especially as unfavorable CeFi regulations continue to emerge and innovative solutions in DeFi continue to improve user experience. We have seen a large share of spot volumes move from CeFi to DeFi in 2022 and 2023. We anticipate that perp volumes will follow suit and DeFi perp exchanges will have more than 30% of global daily trading volumes by the end of 2024.
- Bitcoin becomes safe haven asset: We targeted \$75K for BTC in early 2024 and believe demand will increase heavily as the ETF and halving narratives combine, leading BTC to develop an additional narrative as a safe haven asset. This could lead to important changes in perception towards crypto assets from both traditional and retail investors.

cont.

Within WOO, we are highly optimistic about 2024. Here are four things to look out for across the ecosystem:

1. Blistering growth in DeFi: WOOFi Swap has seen exceptional growth in 2023, largely driven by establishing partnerships with many dapps and aggregators. Additionally, WOOFi has aggressively expanded to new ecosystems like zkSync and Base. This playbook will expand in 2024, capitalizing on activity related to airdrop hunters, MEV bots, and DeFi degens on the hunt for yields. On the derivatives side, 2024 is expected to be a banner year as WOOFi Pro launches many features required to compete with the top perp dexes like dYdX and GMX. **We anticipate that WOOFi Swap and WOOFi Pro will have over \$25B in aggregate trading volume in 2024.**

## WOOFi milestones in H1 2024

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WOOFi Swap v3	More networks	More DeFi listings
Direct swaps as both a DEX and bridge, eliminating reliance on Stargate	Support from both WOOFi Swap and Pro for more high volume networks	30+ popular altcoin listings on WOOFi Pro, more assets native on WOOFi Swap

Source: WOO Ecosystem

2. Institutionalization of WOO X: Many improvements have been made to the platform throughout 2023 to accommodate institutional traders. By engaging more stakeholders, particularly liquidity providers, we aim to maintain top execution quality on WOO X while improving operational resilience. We believe that the combination of WOO X pushing forward with licensing to better serve its users, plus growing regulatory pressure on offshore exchanges, will enable WOO X to grow market share as users seek a new home on an institutional-grade trading platform. **We anticipate that WOO X will capture more than 10% of global spot and perp trading volumes by the end of 2024.**

## Institutional milestones on WOO X in H1

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Top brokers and liquidity providers	Innovative products	100% Custody ratio
Onboard more institutions to improve overall liquidity and increase volumes	Unique listings, RWA vaults, prediction markets, and launchpads	Complete transition to DMM model for both spot and perps

Source: WOO Ecosystem

cont.

3. WOO staking remains up-only: Throughout 2023, the total amount of WOO staked on WOO X and WOOFi has increased by over 50%, which outpaced the total inflation for the WOO token. This staking demand has largely been driven by increased utility on WOO X through the new staking program and Earn vaults, as well as the consistent yield in USDC earned by WOOFi stakers. **We anticipate the share of circulating supply that is staked on WOO X or WOOFi to exceed 45% by the end of 2024.**

### Staking milestones in H1 2024

WOO X staking revamp	WOOFi NFTs	More volume, more rev share
Reward active participants, better align stakeholders, provide real yield, and connect volumes to tokenomics	Multi-tiered consumable boosts that gamify and increase yield for stakers	Add referral benefits and other growth hacks to increase volumes on WOOFi Pro

Source: WOO Ecosystem

4. The sun will not set on WOO's empire: WOO has found traction all over the world, evolving into a global brand in the past few years. However, WOO X still has many countries it can deeper into, growing our community and user base. **We anticipate welcoming users from new markets, with users from Korea, Chinese-speaking regions, and Southeast Asia contributing more than 50% to all WOO X volumes.**

### WOO X growth milestones in H1 2024

More top affiliates	Copy trading on WOO X	Global events
Continued emphasis on new top trading affiliates, paired with copy trading and content creation	Work with top lead traders to reach followers and retail copy trading users around the world	Community and VIP meetups around the world, alongside key partners and brands

Source: WOO Ecosystem

## Appendix - Key assumptions about crypto assets in 2024

### Sustained decline in inflation:

Central banks effectively quelled upward price trends by hiking interest rates, resulting in a deceleration of inflation to mid-to-low single digits in 2023. As we approach 2024, the outlook points to a sustained decline in inflation.

Given the current market's inclination towards a soft landing scenario, it's anticipated that the US Federal Reserve and other central banks will lean towards accommodative policies, foreseeing potential rate cuts. Alongside the impending Bitcoin halving and critical decisions on ETFs, 2024 holds promise as a significant year for the cryptocurrency market.

### DeFi hangs on feature improvement in L2s:

Composability has the potential to be a driving force in DeFi, bringing widespread benefits to the ecosystem through interoperability. This creates a hidden network effect that consistently improves the DeFi space.

### Resurgence in L1 activity as retail returns:

Retail users will drive activity on low-cost networks like Solana and Avalanche, creating an increase in NFT and GameFi applications.

### Bitcoin's rally is backed by liquidity:

The BTC price increase is backed by the liquidity increase as shown in Bitcoin Market Depth [See graph below]. Institutional and retail investors put the pains of the past behind them, buoyed by key court settlements for industry-leading exchanges. This continues the trend of more liquid markets, particularly on BTC and ETH.



Exchanges: WOO X, Binance, Okx, Bybit, Coinbase, Crypto.com, Kraken

Source: WOO Data Analytics

## **Disclaimer and Important Information**

*This report provides an overview of WOO Network's key achievements, developments, and performance over the past year. It is intended solely for informational and educational purposes and should not be interpreted as an investment recommendation, offer, or solicitation for any products or services.*

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