



ZTX

Litepaper

01 SUMMARY

ZTX (ZepetoX) introduces a fresh take on what it means to build a decentralized metaverse. Designed with a worldwide game system that motivates, unites, and rewards users, ZTX leverages web3 technology and the achievements of ZEPETO, the largest metaverse platform in Asia, to empower users to go beyond what is possible in any existing metaverse.

Starting on Day 1, ZTX users will embark on a journey. First, they will receive a free plot of land. This plot of land serves as a medium for self-expression in addition to their very own economic engine. Users can further develop and improve their land through asset crafting and building via resources and materials. This extension of ZEPETO's avatar and cosmetic experiences, which has seen over 2.5B transactions, is just one aspect of what is in store.

ZTX is more than your home in the metaverse. ZTX will unite:

- Rich social features
- Powerful DeFi tools and experiences
- A multi-layered economy
- Multiple different themed Districts
- World and District level governance

Together, this will introduce an innovative opportunity for players, creators, and communities to interact and monetize.

This paper, intended for all, will provide a high-level overview of the upcoming ZTX. Its goal is to expand upon core gameplay concepts, economics, and governance. However, these concepts are only an initial set of opportunities that ZTX will offer. Committed to building an unrivaled experience, the ZTX team will continue to improve the platform, and this document will evolve. Through progressive decentralization, the world will ultimately be governed, maintained, and owned by the community.

02 INTRODUCTION

Decentralized metaverses and web3 initiatives are all the rage. In 2021, NFTs went mainstream, with sales reaching close to \$20B while numerous Play-2-Earn(P2E) and virtual worlds achieved record-high \$1B+ market caps with thousands of users interacting and trading daily. This new digital frontier is laying the foundation for digital ownership, communities, and the economy of the decentralized internet while onboarding the next generation of crypto users.

However, most metaverses & P2E games have fallen short and arguably have failed users. Virtual worlds lack substance and features. Web3 games have lost sight of what is fun, creating just another way to work online. Both struggle to find competitive advantages over their web2 counterparts, and even the most established projects struggle to capture a meaningful user base outside speculation.

ENTER ZTX.

03 WHAT IS ZEPETO, ZTX

“Build, Play, Earn”

ZTX will build upon the foundation and success of ZEPETO, the largest metaverse platform in Asia with over 400M+ registered users. With a focus on interoperability and scalability, ZTX will leverage blockchain technology to empower players, creators and communities.

ZEPETO is a thriving, avatar-centric social metaverse focusing on creators, cosmetic items, and various worlds to socialize in. With over 20M monthly active users, ZEPETO has had 2.5B+ virtual items transacted on its platform. With a heavy emphasis on supporting creators, ZEPETO has over 2M creators selling 3D fashion items and over 200 brands using marketing budgets to support such creators. The top-ranking creators generate six figures in revenue annually.

ZTX will embody the same aspects of social and creator development. However, ZTX differentiates itself by extending the avatar experience beyond what currently exists in ZEPETO. ZTX allows users to leverage their creativity and monetize their time through actual on-chain ownership of assets. ZTX introduces the concept of land, land improvement, and new asset categories as an extension of the cosmetics that users have come to know and love. ZTX will also introduce aspects of decentralized finance, a robust multi-tiered economy, and Districts that their residents govern.

Ultimately, ZTX empowers not only creators but players and communities to monetize through gameplay. ZTX focuses on delivering players an unrivaled, fun, and rewarding experience. For creators, ZTX is a new expressive medium in which they can grow their fan bases and monetize through asset and experience creation. For everyone - it is a playground for creativity and a platform for community, letting users of all backgrounds chart their journeys in a world beyond the physical.

ZTX will introduce this new immersive world to a mixed group of crypto natives and ZEPETO users. ZTX emphasizes education and empowerment, providing all users access to web3 tools and experiences regardless of their background. Additionally, by leveraging 1) existing ZEPETO software component architecture, 2) existing web2 user base, and 3) existing pipeline of partnerships with global companies/brands, ZTX will launch an unparalleled virtual experience that excites the market like few other projects.

04 GAMEPLAY

4.1 The World

ZTX will not have a predefined map with a limited amount of land. Our team felt this approach was too limiting and induced an unhealthy level of speculation that led to less organic user-driven development. Instead, ZTX will be comprised of community-owned Districts and user-owned lands. Thus, by combining aspects of an open world and player-controlled instance-based environments, ZTX unites two unique but familiar gaming experiences.

Genesis Downtown — Beta

This will be the first experiential area and open-world concept ZTX offers. Giving a preview of what is to come, the Downtown will be divided into four previews, each paying homage to the four initial Districts through aesthetics and lightweight experiences.

Districts

Post Beta Districts are themed open-world areas where users can freely explore. They have streets, buildings, events, public spaces, and much more. Districts are also where a majority of the social and economic activity happens. Each District will be governed by members who own a District Home NFT.

Lands

Land is an instance-based environment owned and developed by individuals. They are free, can be customized and developed, and serve as a base for ZTX land assets. Such assets contribute to the user's ability to harvest materials and build more assets. Additionally, land is a medium of expression for users to design an extension of their social profile, and a place to hang out with friends.

The Downtown, Districts and land will be immersive 3D environments that users can explore as their ZTX Avatars.

4.2 Land

4.2a Why Is Land Free?

Until now, land in the metaverse has mainly been a speculative asset targeted toward investors and companies wishing to make a web3 appearance. However, digital real estate has become a prime asset based on scarcity and geography, much like the physical world. While this model may have its applications, at ZTX we felt it was too limiting both from a user and world-advancement perspective.

With price tags in the thousands, the barrier to entry for an average player is too high. However, land is the explorable space in such worlds. Owners can develop this land to contribute to the world's aesthetic, user experience, and economy. Limiting the average player also limits their ability to participate and contribute meaningfully. Regardless of whether land ownership is a requirement, we are left with underdeveloped and underpopulated worlds.

Ownership of land in the physical world is inaccessible to most of the population. Perpetuating the same limitations in the metaverse diminishes the users' experience instead of empowering them. This is counterintuitive for a project aiming to establish new frontiers in the digital world.

FOR THOSE REASONS, LAND IN ZTX IS UNLIMITED, EASY TO DEVELOP, AND FREE FOR ALL PLAYERS.

4.2b What is ZTX Land?

Land unlocks the core features of ZTX gameplay. By leveraging ZEPETO's customization tooling, land in ZTX will be easy to design and develop, serving as an extension of each player's social profile and a hub to socialize with friends.

- **Gameplay** - land unlocks the ability to plant, harvest, and sell materials that can be used to craft assets or sold for gold, one of ZTX's in-game currencies (discussed in 4.3). The land also serves as a base to place ZTX assets that improve users' ability to generate materials. It is the economic engine empowering users to build and earn.
- **Medium of Self-Expression** - due to its customizable nature, land is a creative medium for users to express themselves. Whether it's choosing a home that fits your style or hanging up your favorite NFT collection as a painting in your living room, land is a new way for users to create their digital identity.
- **Immersive Social Experience** - each plot of land is explorable by Avatars. So are the Structure Assets (i.e. a Home) and Experiential Assets (i.e. Pool). ZTX users can invite friends to explore their land and host events.

4.2c New Player Journey

Creating a ZTX account will be synonymous with receiving a plot of land. By connecting their Web3 wallet, users can create their accounts and receive a plot of ZTX land. This plot of land will come with a basic set of ZTX assets (base pack). These, and any previously purchased ZTX NFTs, can be placed on the land as the user wishes - starting the new player's journey into ZTX.

4.3 Crafting and Development

4.3a Materials

Materials are in-game resources that can be harvested, exchanged for gold, and used to craft assets. Once planted, materials begin the first phase of their material maturity life cycle.

After some amount of time, materials will go into a ready-for-harvest state. Players must return once the materials are ready for gathering and complete the harvest. This is known as the material-harvest lifecycle.

4.3b Gold

Gold is an in-game currency that users can swap for materials or purchase via **\$ZTX**. Exchanges occur via the materials exchange hub, an in-game center for buying and selling in-game currencies. Example utilities of gold include:

- Purchase materials and resources from other players
- Purchase blueprints and designs
- Purchase unique classes of gold-denominated items
- Purchase tickets to various portal games
- Participate in raffles and lotteries

As players progress through their journey within ZTX, different assets will become available for crafting. While specific assets might carry individual characteristics that enable the player to participate in certain activities or experiences, the totality of the players' assets on their land contributes to a Land Appraisal score. Scoring is used to encourage crafting, creativity, and highlight leading players while giving them access to special opportunities.

4.4 Assets

There will be a flourishing ecosystem of assets for users to interact with in ZTX. There are two broad categories of assets:

- **Platform Generated** - are assets designed and launched by ZTX.
- **User Generated** - are assets designed and launched by creators, both at the individual and community level.

Having a constant flow of new assets enriches the ZTX experience – powering its economy and therefore vital for growth. The majority of assets introduced in ZTX during the first year will be Platform Assets. As we streamline the ability for creators to design and launch assets in ZTX, our goal is to transition to a UGC metaverse.

4.4a Land Assets

Land assets can be classified as any ZTX asset that can be placed and utilized on one's land. A majority of these assets will be NFTs, however, the initial 'base pack' of objects a user receives to start developing their land, and the land itself, won't be.

There are 2 categories under which land assets fall, and different types of assets under those categories.

- **Utility** - land assets that aid one's ability to plant and harvest materials
- **Cosmetic** - aesthetic assets

That's not to say that a Utility Asset can't have aesthetic value for the owner. Additionally, both categories of land assets can be Experiential, meaning that users can interact with that Asset.

There are also different types of land assets:

- **Structures** - building assets that a user can enter
- **Decor & Furniture** - land assets that can be placed inside or around structures, like paintings, couches, or landscaping
- **Environmental** - natural landscaping assets such as plants, trees, and gardens.
- **Accessories** - land assets like outdoor furniture, fences, and fountains
- **Play** - land assets for interactive activities such as a pool, basketball court, or hammock

In general, most land assets should fall under one of these types. However, new ZTX assets whether platform or user-generated may break these conventional definitions and we will continue to introduce additional classes of assets over time.

4.4b Wearables

Wearables are cosmetic assets that ZTX Avatars can wear or hold. They let users freely express themselves. ZEPETO is a leader in avatar cosmetics and ZTX aims to bring the same experience to web3.

4.4c Experiential Assets

ZTX assets that enable an immersive/3D experience are considered experiential. Users can trigger this by clicking on the asset and choosing to participate in the experience/use it. This can be done solo or with friends.

Examples include:

- **Homes and other structures** - users can enter, explore, and decorate the interior
- **Badminton and basketball nets** - users can play the sport
- **Cars, bikes, and skateboards** - an alternative to walking around the District

Most experiential assets will need to be placed on the owner's land to be used, such as the badminton/basketball court. Some assets will also be required to participate in mini-games/activities. For example, the user will need to own a skateboard to use the public skatepark.

Since ZTX is a social metaverse, experiential assets will often enable multi-user experiences. Users can invite their friends over for a ride in their car, or to play 1-on-1 badminton. ZTX takes hosting social gatherings in the metaverse up a level.

4.4d User Generated Assets

ZTX aims to empower creators from all backgrounds and skill levels to design and create (mint) ZTX assets. These are known as User Generated Assets (UGAs). By providing a seamless experience for both beginners and advanced creators, ZTX will support an ecosystem of UGAs that can be incorporated into ZTX gameplay while paying dividends to their creators. This will be accomplished through:

- **Creator Products** - a suite of products for creators of different levels to design and mint assets
- **Creator SDKs** - tailored to advanced creators looking to build larger-scale assets and/or experiences
- **Smart Contracts** - to support revenue for the creator of assets and Districts that commission creators

Initially, the Creator Products will focus on using ZTX asset templates for customization. As we continue to build out our roadmap, the suite of creator-focused products, SDKs, and smart contracts will focus on more expansive design capabilities outside of just asset customization.

One of the Creator Products introduced after Beta will be the ZTX Wearable Studio where users can:

- Pick from wearable asset templates like hoodies, t-shirts, pants, hats, glasses, and shoes
- Design the wearable to their liking (color, text, images, emojis...)
- Create custom wearables that represent their NFT collections (i.e. Bored Ape Hoodies)

4.5 Minting, Buying & Selling Assets

ZTX aims to make the buying and selling of assets a seamless and fun virtual experience. This will be done through 3 primary channels:

- **ZTX Marketplace** - an in-browser marketplace, similar to OpenSea and Magic Eden, that allows users to trade NFTs. This will be tailored to ZTX users and will integrate with our Avatar Builder in the future (see next section).
- **3D Storefronts** - virtual shopping experiences where users can view and purchase wearables.

- **Crafting** - players can craft (mint) assets using their harvested materials or purchasing them with gold.

05 AVATARS & AVATAR BUILDER

Each player will have a customizable Avatar in ZTX. Avatar cosmetics are a major aspect of ZEPETO's core offering and ZTX will leverage existing tech to bring the same great user experience to its players. This will be accomplished through the ZTX Avatar Builder.

The Avatar Builder will allow users to customize their Avatar's looks, cosmetics, and wearables. It will support 3D viewing and eventually be integrated with the ZTX Marketplace and 3D storefronts to let users try on wearables before buying.

06 DISTRICTS

Each District is a self-governing community within ZTX. If land empowers individual players, Districts empower communities to build, play, and earn together.

ZTX Districts will have their own style and aesthetic that compliments the experiences available. Initially, we will have 4 Districts: Games, Arts, Financial, and Fashion. Additional Districts will be added by ZTX and eventually voted in through governance.

Two key characteristics of Districts that differ from land are:

- **Downtowns** - are economic hubs of activity tied to each District. Exploring the unique design and style may be an adventure in itself, but the varying experiences will bring each Downtown to life.
- **Open-world** - each Downtown area will be a space where players can meet other players and participate in experiences together.

6.1 Community-Oriented Building

Just as land is a blank canvas for players to build, play and earn, each District's Downtown area is an opportunity to do the same as a community.

Districts are subDAOs made up of members who own a District Home NFT. Each District will have its own treasury whereby members of the DAO can vote and propose ways to allocate the funds. Districts should look to develop and improve their Downtown areas, through experiences and aesthetics, which will attract more users and can in return generate rewards back to the treasury. Rewards can be generated through multiple avenues, such as:

- **District Builds** - buildings and experiences associated with the District DAO that have economic output
- **Experiences** - subDAOs can build, commission, and host experiences like portal games, activities, or events and benefit from the rewards earned
- **District Contribution Fee** - another method for District DAOs is to add a small fee on all experiences within that District
- **Advertisement** - virtual billboards and branded facades/storefronts that are the subject of bids from brands, individuals, and DAOs

6.2 Joining a District

To join a District DAO, players must purchase a District Home NFT.

In ZTX there are two kinds of homes, a base set and the District Home NFTs. The base set of homes is free and users will attain one when they get a plot of land. Base Homes are not NFTs, but users can buy assets to customize their Home to their liking. District Homes are also customizable and offer the same immersive in-world experience as base Homes, however, each District Home is an NFT with a special trait that unlocks access to the District DAO. By placing the District Home on your land, you will be able to participate in your District's governance and get boosted gameplay perks.

07 EXPERIENCES

ZTX will have a diverse set of experiences available to users, with most of the activities taking place in the Downtown areas following a District theme.

- **Portal Games** - transport players away from the Downtown area and into a game environment where they can play with others to win tokens. Each portal game will have a presence in the Downtown area where a user can walk up to and enter the game. This storefront acts as a portal into the game. Games can be tournament-style or plot-based, whereby all the competing users will have the chance to win a number of tokens. Therefore, portal games offer free-2-play players another route to earning
- **Mini-Games** - unlike portals, mini-games take place in the Downtown area. They act like arcade games with leaderboards and minimal entry costs. Mini-games can also involve NPCs. For example, a player could walk up to a basketball court and be prompted to play 21 against an NPC, where the winner can win tokens.
- **Themed Activities** - each District will have a growing list of activities for users to experience. Activities will be themed and located in relative Districts.

Example experiences by District:

Games

- Portal games such as hovercraft racing
- A convention center for hosting events and virtual versions of IRL conferences
- An eSports tournament arena and storefronts
- A University for players to earn skills (and eventually get jobs in ZTX)

Arts

- A gallery where users can view and purchase NFTs, and artists can showcase their work
- NFT community clubhouses and hangout spots
- A graffiti experience
- A movie theater to host premiers and film festivals
- A street lined with cafes for users to chat over coffee
- An auction house that lets users enter raffles to earn expensive pieces of art
- A museum for both NFT art and crypto education
- A venue that allows celebrities and IPs that we work with have gated fan meetings and virtual press conferences

Fashion

- Storefronts where users can try on and purchase wearables
- Avatar self-care experiences such as a nail salon or gym
- High-end restaurants and nightclubs
- A red carpet venue for fashion shows

Financial

- Immersive ways to experience DeFi such as:
 - A market for exploring tokens
 - A center for digital savings
- Educational kiosks where users can learn about protocols and earn

7.1 A Note on DeFi

The Financial District will serve as the hub for all types of DeFi activity. The District is an immersive frontend for integrations/partnerships with leading DeFi protocols. Additionally, it is where users can explore financial opportunities special to ZTX, such as collateralizing their ZTX assets. To encourage in-world DeFi, we will have an incentive structure for **\$ZTX** boosts on the DeFi activities that take place in the Financial District.

08 SOCIAL

Complementing every aspect of ZTX will be the platform's rich social features:

- **Friends** - users can manage a friends list by adding or removing other users. Once friends, users can invite each other to join the same instances and experiences, or chat via text or voice.
- **Hosting Friends** - land owners can invite friends over to their property to hang out. All of the visiting users can chat with each other and experience activities like swimming in the pool or having a BBQ.
- **Events** - a great way to meet similar-minded users, events in each District will have social features that empower users to become friends.
- **Chat** - in open-world areas like Downtowns, users can communicate with other players in that instance. It will be up to users if they want to enable this feature and strict security measures will be taken. Each Portal Game will give players an opportunity to chat with other players. This feature is easily turned off/on by individual users.

- **Share to Social Media** - a feature that allows users to take a screenshot of their ZTX experience - be it during a game, walking around Downtown, or hanging out in their Homes - and share it on popular social media platforms.

09 ECONOMICS

ZTX will have a multi-layered approach to world economics. **\$ZTX** will serve as the hard currency of the broader ZTX. There will also be assets such as gold coins and materials, which can be used in-game to craft NFTs and enter games.

In order to align and empower community members, **\$ZTX** will enable governance at multiple levels. Additionally, a portion of the economic activity that happens in ZTX, and across products such as the ZTX Marketplace, will be distributed to stakeholders.

More information regarding **\$ZTX** and its utility, distribution, and world economics will be shared in the coming months.

9.1 Materials

Materials are soft currencies that are earned via gameplay. They can be used to:

- Craft ZTX assets
- Sold for gold - which can be used to buy assets and enter games
- Used to further develop land

The Material -> Asset Lifecycle

- Some initial material is planted (i.e. seeds)
- Materials are harvested (tree) and replanted (seeds)

- Materials are used to build new assets or sold for gold

The land and the set of objects that users receive will help them kickstart this process. By continuously harvesting and developing their land, players can improve their gameplay or monetize their time and creativity. In both circumstances, as a player, you must make strategic decisions over the assets you build.

10 GOVERNANCE

ZTX is a community-first project that aims to transition decision-making from the core development team to the community. ZTX governance will take place on two levels - World and District.

- **World Governance** - stakers can propose and vote on community treasury expenditures and world parameters like tax. For example, stakers could propose to book a world-famous celebrity to perform a concert inside ZTX.
- **District Governance** - District members (District Home NFT owners) can propose and vote on District treasury expenditures and District parameters like the District contributions rate. For example, a District's community could propose building a new casino that requires commissioning a designer, which may consume \$ZTX and materials, but could drive District revenue.

Only World governance will be available at Beta launch. District governance will be rolled out after the individual District Downtowns are created. Additionally, Councils can be established to help guide governance at both levels. Councils are made up of nominated members who propose and execute ideas that help grow ZTX or Districts.

The exact mechanics and parameters around governance have yet to be established, but will likely evolve over time as more community members join.

11

PRODUCT ROADMAP

This Litepaper presents a competitive alternative to today's web3 metaverses and popular web2 games. It is also a base upon which future modes of gameplay and web3 experiences can be built. The ZTX team will take a user-focused approach to its product roadmap post Beta, using feedback from the community to help shape it. However, there are already a few key areas of interest worth exploring:

- **Quests** - daily, weekly, or monthly quests set out by ZTX initially and then the community. Quests will range from beginner to advanced.
- **The ZTX Games** - our take on the Olympics. Each District selects players to represent them at the annual ZTX Games. Such competitions could include sports, like skiing or basketball, or more 'only in the metaverse' possible games like hover-craft racing.
- **Home Party** - a bespoke ZTX social feature that makes it easier to host social gatherings. Easily set up a 'Home Party' such as a backyard BBQ or dance party by inviting your friends ahead of time, and purchasing or renting experiential NFTs for the occasion. A new way to socialize online.
- **Calendar Integrations** - make it so that users can easily one-click add to their favorite calendar services when they are invited to ZTX events, social gatherings, or portal tournaments.
- **Creator Studio & SDK** - as mentioned above, we plan to establish a ZTX Creator Studio and SDK that will equip creators with more advanced tools to build things like shopping malls, sporting arenas, outdoor parks and mini-games.
- **Creator Launchpad** - an extension of the NFT Marketplace where ZTX creators can feature their upcoming drops, whitelist users, and host mints.