

Digital Assets
Beyond Growth and Bubbles:
The Age of Evolution Begins

BLOCKCHAIN TO THE MAINSTREAM

UDC 2025 Report



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The Age of Evolution Begins

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The Upbit D Conference(UDC) 2025 took place on September 9, 2025, in Seoul under the slogan 'Blockchain, to the Mainstream'. The 'UDC 2025 Report' was produced in both Korean and English by Digital Asset with the support of Dunamu.



Every transformative technology throughout history has undergone through its own rite of passage — marked by both speculation and bubbles. In the 1840s, Britain's railway industry experienced rapid growth alongside a massive speculative frenzy. Stock prices soared, then the bubble burst — wiping out fortunes and leaving investors with painful lessons. The same pattern repeated in the early days of the U.S. electrical industry at the turn of the 19th to 20th centuries.

In the 1990s, private internet services began large-scale adoption, primarily in the United States. The 'dot-com bubble' that emerged as internet-related companies proliferated and then collapsed became synonymous with stock market bubbles.

Yet the key point remains: after enduring waves of speculation, railroads, electricity, and the internet ultimately became the backbone of modern civilization. Railways transformed how people and goods moved across distances. Electricity powered a new era of reliable and universal energy. The internet connected the world, enabling the exchange of knowledge and communication at minimal cost.



Kyoungsuk Oh • CEO of Dunamu

Digital assets and blockchain technology have also faced significant criticism over the past decade, often labeled as speculative bubbles. Interestingly, debates over a “crypto bubble” peaked in 2018 when Bitcoin hit \$13,000, but by September 2025 — with prices more than eight times higher — that narrative had largely faded.

The total market capitalization of global digital assets now stands at roughly 5,400 trillion won — surpassing the combined value of Korea’s KOSPI and KOSDAQ, which together total about 3,000 trillion won. The number of global digital asset holders is around 560 million, a scale 11 times larger than Korea’s population. Bitcoin is showing rapid growth, ranking as the 7th largest asset globally by market cap.

Taken together, these shifts suggest that digital assets may have moved beyond their initial bubble phase and are now evolving into a new asset class — one that underpins future financial networks. Advanced economies, including the United States, are already accelerating efforts to secure a foothold in this new territory. It is time for Korea to look beyond the bubble — and recognize digital assets through the lens of evolution.

The ‘Upbit D Conference (UDC) 2025’, hosted by blockchain and fintech specialist Dunamu on September 9 at the Grand InterContinental Seoul Parnas in Gangnam-gu, Seoul, concluded successfully. Since 2018, UDC has annually gathered global experts and industry stakeholders to discuss the latest trends in digital assets and blockchain. This year, under the theme ‘Blockchain, to the Mainstream’, the conference featured 59 global experts examining the full-scale industrial expansion of blockchain currently occurring worldwide

The New Gateway for Digital Assets : Stablecoins and RWA



Dollar-Pegged Stablecoins: The 'Global Railroad'

Money is humanity's most universal and efficient system of mutual trust. Digital assets, built on blockchain technology, possess a structure that enables the transfer of wealth based on trust without intermediaries. In this sense, the two systems share fundamentally similar attributes.

Nevertheless, in the real world, digital assets have not yet been evaluated as equivalent financial assets. While we hoped digital assets would be perceived and used like 'money,' the path has never been easy. This is why "mass adoption" has remained a recurring theme across global crypto conferences in recent years.

This year, the situation has changed significantly. In his opening speech, Kyoungsuk Oh, CEO of Dunamu, explained that stablecoins are becoming gateways connecting blockchain and real-world finance, driving the evolution of finance integrated with digital assets into the future. This signifies that digital assets are evolving beyond merely being used like money to becoming an integral part of finance itself.



Kyoungsuk Oh • CEO of Dunamu

“As stablecoins become widely adopted, the supporting blockchain infrastructure—such as wallets and chains—will spread to the general public. This will transform existing financial services like payment settlements, deposits and loans, asset management, and capital markets into Web3.0-based services.

Particularly in the US, diverse Web3.0 services are already being offered across various financial sectors, enabling these services to expand their reach globally.”

- Kyongsuk Oh, CEO of Dunamu -

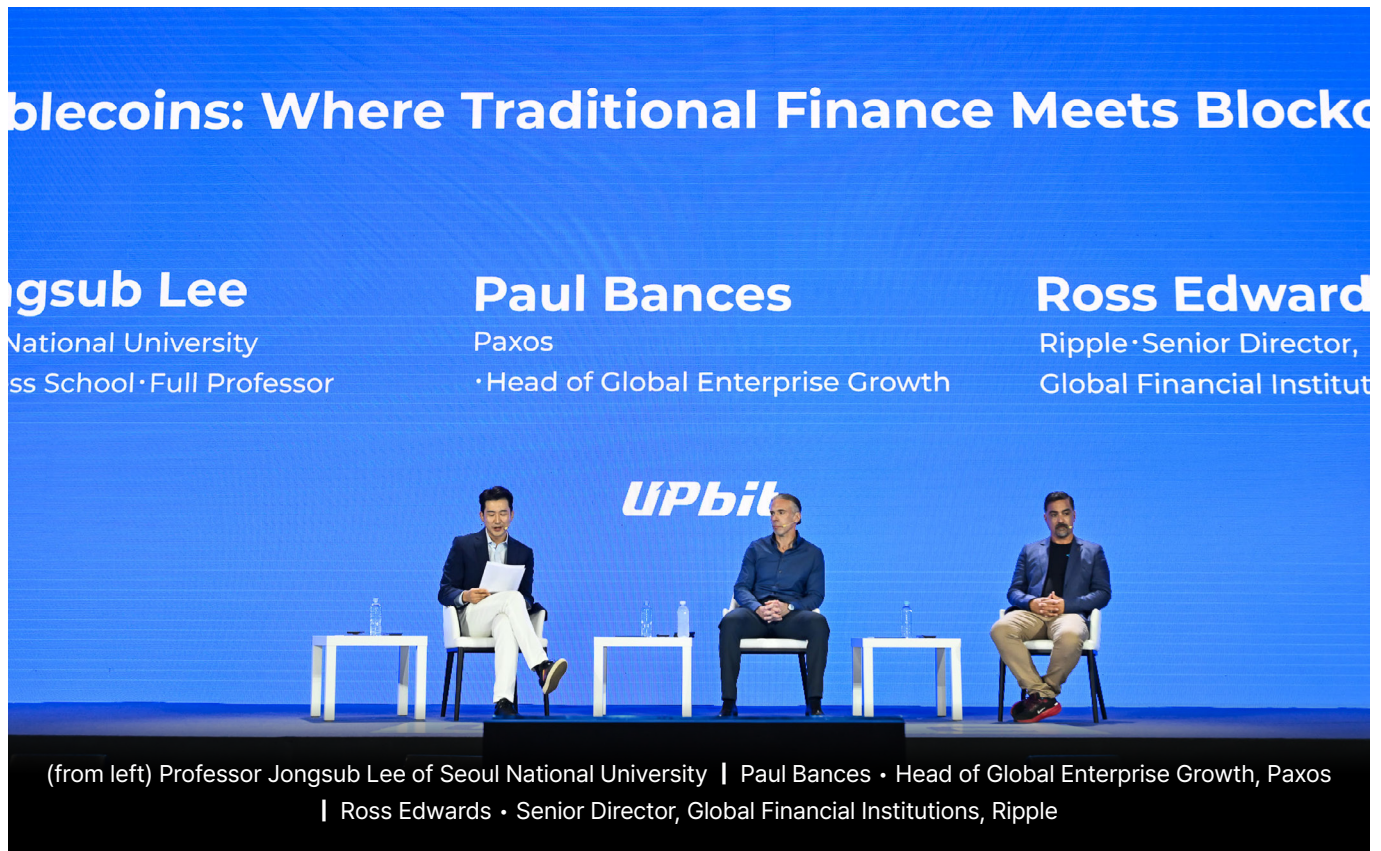
Stablecoins are digital assets designed to maintain a stable value pegged to a specific asset. Most are based on fiat currencies like the US dollar, but some stabilize their value using physical assets like gold, digital asset collateral, or algorithmic methods. Stablecoins first appeared in 2014, initially emerging as an attempt to mitigate the volatility of digital asset trading and serve as a payment method.

Subsequently, as cases emerged where they complemented foreign exchange regulations or payment infrastructure limitations in various countries, they gradually established themselves as a key intermediary connecting traditional finance and digital assets. Today, stablecoins have evolved beyond being just another type of digital asset; they are developing into a trust-based infrastructure bridging decentralized finance (DeFi) and traditional financial systems.

At this year’s UDC 2025, stablecoins were a major topic across numerous sessions. This signifies that stablecoins have emerged as one of the asset classes driving the most significant changes today. Interestingly, stablecoins, which first appeared a decade ago, are receiving renewed, intense attention in 2025. Why is this? It’s because they have begun functioning as core infrastructure connecting traditional finance and digital assets, moving beyond being mere price-stable assets.

Summarizing the participants’ remarks, the first major factor was their role in the global hegemonic landscape. Currently, most digital assets are traded using stablecoins as intermediaries. The total market capitalization of stablecoins reaches approximately 400 trillion won. Among these, dollar-based stablecoins dominate the market with a 99% share.

Considering that the US dollar accounts for about 50.2% of payments processed through SWIFT, a leading international financial network, as of January 2025, one can understand how powerful the ‘dollar hegemony’ is in the stablecoin market. U.S. President Donald Trump has clearly stated his intention since his presidential campaign to not relinquish hegemony in the new financial platform of digital assets. The goal is to cultivate and dominate this market to leverage it for maintaining U.S. dollar supremacy.



Since the start of President Trump's second term, the U.S. has pursued national-level policies to secure stablecoin platforms and promote dollar-pegged issuance. In particular, the GENIUS Act (U.S. Stablecoin National Innovation Act), passed this July, is considered a landmark law not just for stablecoins but for the entire blockchain sector. This legislation applies high standards to issuers, establishes investor and consumer protection regulations, and provides regulatory certainty. This regulatory clarity will accelerate the global expansion of stablecoins.

Ultimately, the U.S. demonstrates a strong commitment to actively promoting stablecoin adoption. Consequently, the spread of stablecoins increases the likelihood that other digital assets will also permeate traditional finance and society.

"By 2025, stablecoins are no longer merely a utility; they are emerging as strategic assets, policy priorities, and reliable global payment methods, now standing at a critical expansion juncture."

Furthermore, with the recent backing from the U.S. Securities and Exchange Commission (SEC), traditional financial institutions are now showing interest in this very global asset tokenization."

- Professor Jongsu Lee, Seoul National University -

Another aspect highlighting the strength of stablecoins is their inherently superior functionality. President Trump is also well-known for having founded a company directly handling digital assets with his two sons. His second son, Eric Trump, attended the conference as a speaker and cited the ability to use stablecoins 24/7 with low fees as their greatest advantage.

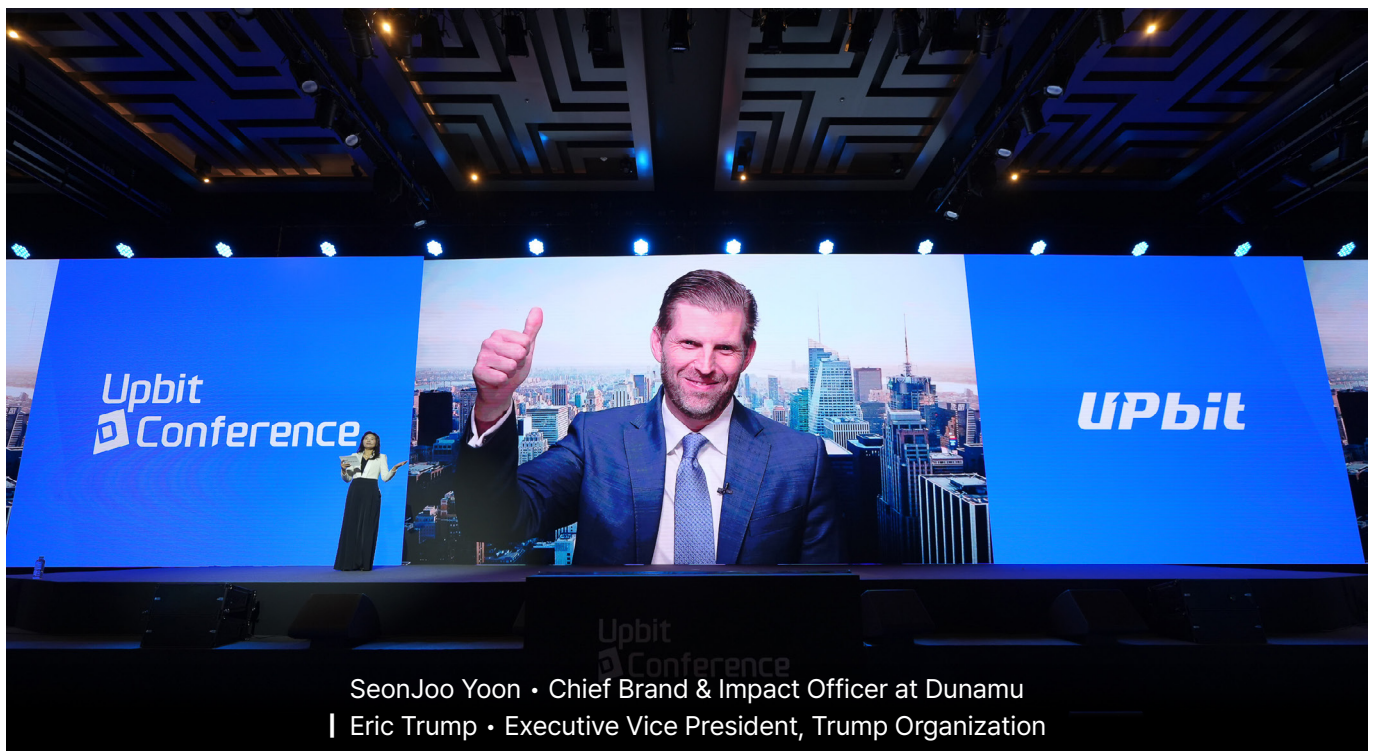
"We have a company we founded called 'American Bitcoin'. Currently, this company uses stablecoins to process transfers worth millions, even hundreds of millions of dollars in a matter of seconds, and it's no exaggeration to say the fees are practically nonexistent.

Could traditional financial institutions achieve this?

They would likely charge fees reaching 3%, require review by 200 lawyers, and only complete the transaction after two weeks.

This difference shows the new reality of finance created by innovation."

- Eric Trump, Executive Vice President, Trump Organization -



"Regardless of how one views other digital assets or digital currencies, we've been in the payments space for a very long time, and I believe the advantages of stablecoins are undeniable. Stablecoins are available 24/7.

They also have very low fees and high transparency. Ultimately, they are a much more efficient way to move value, so I believe they could completely replace existing systems in certain use cases."

- Paul Bances, Head of Global Enterprise Growth at Paxos -

Paul Bances, Head of Global Enterprise Growth at Paxos, expects this efficiency of stablecoins to resolve inefficiencies in traditional finance (e.g., weekend transfer delays). In some use cases, they could completely replace existing systems or enhance the efficiency of credit card or bank-based payment systems. Credit card companies like Visa and Mastercard are also actively and enthusiastically supporting stablecoins and working to improve payment and settlement systems.

As the US is aggressively pushing for stablecoin adoption, discussions on introducing a Korean won stablecoin are also progressing rapidly in Korea. Ross Edwards, Senior Director of Global Financial Institutions at Ripple, stated regarding this: "I understand Korea's domestic payment system is flawless and of very high quality." He projected that if a won-pegged stablecoin is needed in Korea, it could serve as a catalyst to enhance connectivity in foreign exchange (FX) trading and the business-to-business (B2B) sector, and boost the efficiency of tokenized assets, rather than focusing on domestic payments.



Paul Bances emphasized that when issuing a won-pegged stablecoin, two core principles—capital preservation and liquidity—must be considered regardless of the objectives pursued.

“First, the scale and liquidity level of the Korean government bond market, which is highly likely to be used as the reserve for a won-pegged stablecoin, must be carefully examined. If a large-scale cash redemption occurs, the extent to which the resulting liquidity demand can be met, and how the user management system operates, must also be considered.

Furthermore, even when designing a hybrid form of a won-pegged stablecoin—such as a structure reflecting both the won and U.S. Treasury bonds—it is crucial to meticulously examine whether the two principles mentioned earlier—namely, the stability of instant cash conversion and capital preservation—can be properly maintained.

Finally, the approach should differ depending on whether the stablecoin is intended for domestic use only or for expansion into global markets.

If global utilization is the goal, interoperability and compatibility between won-pegged stablecoins and dollar-pegged stablecoins will also be critical considerations.”

- Paul Bances, Head of Global Enterprise Growth at Paxos -

RWA, the Expansion of On-Chain Finance : Strategies for Securing Liquidity and Trust

While stablecoins are being utilized as strategic tools for digital asset adoption at the U.S. government level, RWA is an area that Wall Street financial institutions are focusing on as a next-generation core market. RWA refers to tokenizing real-world assets like stocks, bonds, ETFs, and gold on the blockchain to enhance transaction accessibility, transparency, and liquidity. This is not merely a market narrative but a substantive innovation field backed by actual demand from financial institutions and investors.

If stablecoins represent the first instance of converting fiat currency—a tangible asset—into digital form, then RWA can be seen as an evolved form that extends this concept to a broader range of real-world assets.

It may seem obvious, but the defining characteristic of the digital asset market is the absence of physical assets. To build a financial ecosystem in the digital realm that rivals traditional finance and achieve liquidity, it is essential to utilize physical collateral with relatively stable value. Currently, many projects are focusing on US Treasury bonds. This is because Treasury bonds are highly liquid, offer high yields, and are easy to verify, making them highly reliable. In fact, tokenized Treasury bonds have seen their Total Value Locked (TVL) nearly triple over the past year, with a current market capitalization reaching \$75 billion, demonstrating rapid growth.

Ondo Finance is one of the leading companies bridging traditional finance's massive market to on-chain RWA. As the largest issuer of tokenized US Treasuries, Ondo Finance currently holds \$15 billion in Total Value Locked (TVL). They emphasize that US Treasuries are highly liquid, offer high yields, and are highly reliable, making them a key asset for RWA.

"The RWA we create isn't a passive cash management Treasury solution that merely offers a safe 4.2% yield through U.S. Treasury investments. Treasury bonds tokenized as RWA can be used as a payment method on specific platforms and as collateral in certain lending protocols. Their utility is far greater. In the future, they will likely become the most liquid and simultaneously the most reliable products.

*Then what assets will be tokenized next after stablecoins and U.S. Treasuries?
I am focusing on U.S.-listed securities. The U.S. securities market is another trillion-dollar market, highly liquid, and demonstrating real-world, existing demand.*

*Therefore, we are considering tokenizing and bringing them on-chain,
and have already launched some proactively."*

- Rania Rahardja, Director of APAC, Ondo Finance -

RWA extends utility beyond passive holding — turning ownership into productive capital. Tokenized government bonds possess on-chain utility, such as being used as a means of payment or as collateral in DeFi pools. Ondo Finance recently launched tokenized stocks (Apple, Tesla, Amazon, etc.) and 100 ETFs on the Ethereum chain, achieving a TVL of \$50 million within just three days of launch.



"Stablecoins are not the final stage of blockchain development. Blockchain is so powerful that if stablecoins are the ultimate incentive for this blockchain and digital assets, then that shouldn't be the case.

I hope that around this time next year, we'll be talking more about the tokenization of financial products, stocks, bonds, funds, and real- world assets.

This market is far larger than the digital asset market.

The real-world asset market currently vastly exceeds the \$400 billion market cap of digital assets. The digital asset market itself is substantial, but it cannot compare to the quadrillions of dollars in the real asset market, which includes stocks, bonds, and financial products.

However, when compared to the stock market, just one company like NVIDIA is worth as much as the entire digital asset industry. Consider all the publicly traded companies worldwide and their stocks and bonds. The sheer size would be staggering. We must tokenize these assets to truly move forward."

- Peter Kerstens, Advisor to the European Commission -

What's interesting is that as traditional finance and Real-World Assets (RWA) develop in tandem, new changes are emerging within the digital asset industry as well. A prime example is the bankruptcy-remote design introduced by Ondo Finance. Until now, the digital asset industry has primarily relied on over-collateralization to prevent declines in collateral value. However, this approach alone does not sufficiently protect financial consumers. This is because it fails to guard against 'counterparty risk' – the risk of loss arising when a counterparty in a financial transaction fails to fulfill its contractual or settlement obligations.

"By adopting a bankruptcy-remote structure, Ondo Finance ensures investors retain direct claims on underlying assets even if the issuer defaults — aligning with TradFi standards of investor protection."

- Rania Rahardja, Director of APAC, Ondo Finance -

She added, "The success of RWA requires combining the protective mechanisms of traditional finance with on-chain utility."

Digital Asset Policy and Regulatory Clarity in the Trump Era

02

America's Great Shift : Deregulation and Institutional Capital Influx

As mentioned earlier, the dramatic reversal in U.S. digital asset policy following President Trump's inauguration in 2025 sent shockwaves globally. However, President Trump alone did not effect this change. Even before him, there were individuals who recognized the future potential of digital assets and sought to introduce reasonable regulations.

Former U.S. House Financial Services Committee Chairman Patrick McHenry, a speaker at UDC 2025, had previously helped pass the FIT21(Financial Innovation and Technology for the 21st Century Act) was passed by the U.S. House of Representatives in May 2024. He explained that its bipartisan passage during the Biden administration, which had been negative toward digital assets, was a major milestone for U.S. crypto.

The FIT21 Act primarily categorizes digital assets into limited digital assets, digital commodities, and permitted payment stablecoins, clarifying their legal status and regulatory scope. Its core aims are to reduce regulatory overlap by assigning distinct regulatory responsibilities to the SEC and CFTC, and to enhance regulatory clarity.

Former Chairman McHenry stated, "This bill was an effort to establish clear market structure rules, aiming to create an environment where innovators could continue to exist and receive investment." In other words, while President Trump's sudden action played a decisive role, the broader atmosphere within American society itself was gradually shifting towards recognizing and embracing digital assets.



“While the Biden administration has shown a tendency to legally regulate digital asset innovators, President Trump, in contrast, threw open the White House doors and actively welcomed them. This marked a complete reversal in approach becoming a catalyst that dramatically altered the overall atmosphere within American society.

As openness and acceptance of digital assets expanded significantly, the U.S. returned to the global stage of digital asset competition. While the road ahead remains long and challenges abound, it is noteworthy that President Trump’s inauguration alone signaled the U.S. beginning to rapidly catch up with other nations.

What is even more impressive is that all these changes occurred in just nine months.”

- Patrick McHenry, former Chair of the U.S. House Committee on Financial Services -

This atmosphere prompted major Wall Street investment banks like BlackRock, JPMorgan, and Goldman Sachs to focus early on plans to use blockchain to create future growth engines. The approval of the Bitcoin spot ETF in January 2024 symbolized the mainstream adoption of digital assets. One year on, institutional uptake now spans U.S. public pensions — with funds in Wisconsin and Michigan among those adding Bitcoin ETFs to their core portfolios.

Damien Schuler, Head of Sales for Europe, Middle East, Africa, and Asia-Pacific at Kaiko, explained that the launch of Bitcoin and Ethereum ETFs has also been a highly positive factor for the liquidity of Bitcoin and Ethereum themselves.

"First, spot trading volume for Bitcoin has increased substantially compared to before the ETF introduction, rising by about 7%. Currently, ETFs account for approximately 40% of total Bitcoin trading volume. This indicates the extent to which they are impacting market liquidity.

Looking at market trends, considering not only pro-digital asset regulations but also new ETF products like baskets or staking, as well as the potential for ETF approvals in other regions including Korea, we can anticipate further growth in the ETF sector as institutions participate more."

- Damien Schuler, Head of Sales for Europe, Middle East, Africa, and Asia Pacific at Kaiko -



Gene Fang, Associate Managing Director for Sovereign Ratings at Moody's Ratings Asia Pacific, projected that such cases of traditional financial firms contributing to the mainstreaming of digital assets will continue to increase. He stated, "Moody's is currently examining three major asset types and the tokenization of physical assets," citing digital bonds, tokenized funds, and digital cash including stablecoins. He added, "I believe the goal for these assets is the same. Our objective is to provide credit ratings to enable these digital assets to become mainstream."

Is the 'Innovation vs. Protection' Framework an Illusion?

How long will it take for digital assets to fully permeate traditional finance and everyday financial services? At first glance, it seems challenging. Most financial users have low digital literacy. Exposing these users to digital assets without safeguards significantly increases the risk of crime or fraud. This is a common concern shared by regulators worldwide.

However, former Chairman McHenry emphasized that "it is an illusion for regulators to view investor protection and encouraging innovation as mutually exclusive." He stressed, "Innovation is the best path for consumers in the long run, and we must break this dichotomous way of thinking."



Patrick McHenry • former Chair of the U.S. House Committee on Financial Services

"From a consumer protection perspective, strengthening resilience is crucial. Ensuring investors' legitimately acquired assets are securely protected is key, which is why Upbit prioritizes cyber security. While cyber security is undoubtedly vital, innovation is equally essential. It is also vital to enable companies to grow on a regulatory foundation that is both advanced and robust."

However, viewing these two as conflicting values makes achieving desirable outcomes difficult. We must clearly recognize that innovation is the path that ultimately delivers the greatest value and benefits to consumers in the long term. Therefore, we must avoid the dichotomous thinking that forces a choice between innovation and consumer protection. This question is meaningful precisely because it offers an opportunity to correct a common misconception held by regulatory authorities worldwide—namely, the perception that risk and benefit are in a trade-off relationship. We must break the stereotype that pursuing innovation harms consumers."

- Patrick McHenry, former Chair of the U.S. House Committee on Financial Services -

Of course, former Chairman McHenry's argument is unlikely to gain broad consensus among global regulators. Regulatory experts attending this year's UDC assessed that harmonizing global regulations is difficult due to differing national interests and institutional frameworks, requiring significant time and effort to materialize. Just as it took nearly a century to properly establish banking regulations, projections indicate that digital asset regulation will inevitably require at least a decade-long transition period.

Peter Kerstens, Advisor to the European Commission, emphasized, "Policies and laws inherently possess regional characteristics; regulations must be tailored to each country's priorities and institutional structures."



He added, "Business activities may be global and borderless, but policy and law are ultimately local. Countries and regions compare, reference, and sometimes even emulate each other's regulations. I view this as a positive phenomenon. Ultimately, each country must design regulations based on its own economic structure and policy priorities. Establishing a single set of norms applicable worldwide—a global regulatory system—is an extremely difficult task."

"There is no global government or parliament that can enact laws or pass norms representing the entire world. Since we are all human, national preferences and value systems inevitably differ.

I have experience supporting the Financial Stability Board (FSB) under the G20 while working at the European Commission. The G20 is an international consultative body involving more than 20 countries, but their perspectives vary over time.

However, the fundamental objectives—such as financial stability, market integrity, and anti-money laundering—are shared. The differences lie in the approaches and methodologies used to achieve these goals."

- Peter Kerstens, Advisor at the European Commission -

The European Union's MiCA (Markets in Crypto-Assets Regulation) is recognized as the world's first comprehensive digital asset regulatory framework. This legislation aims to provide legal clarity to individuals, corporations, and institutions conducting digital asset activities within the EU, while simultaneously fostering the growth of the digital asset industry across the region.

In contrast, the U.S. digital asset regulatory framework, while somewhat delayed in its legislative timeline, adopts a more unconventional and permissive approach while strongly incorporating U.S.-centric elements. Observing the direction other nations' digital asset legislation takes will be a highly intriguing vantage point for understanding shifts in the global regulatory landscape.

Building a Secure Future of Financial Infrastructure

03

The Evolution of Decentralized Infrastructure : The Convergence of TradFi and Web3.0

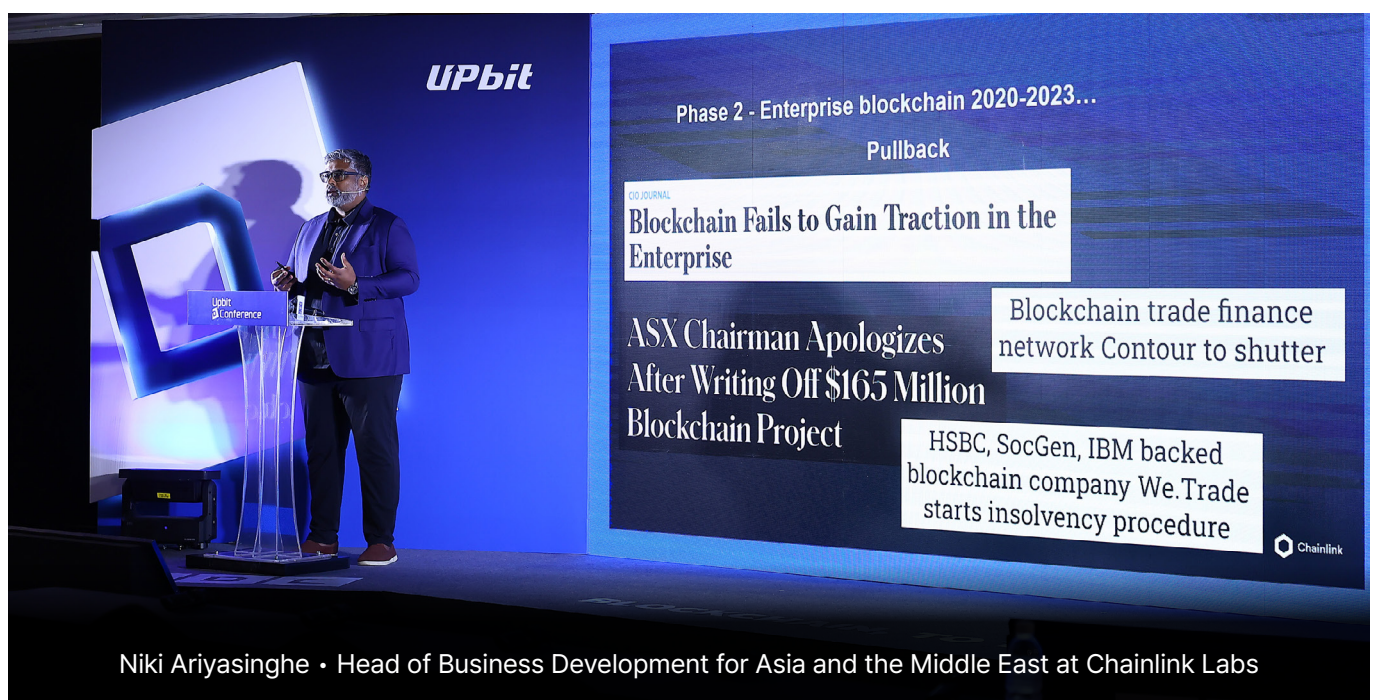
Recent years have seen various attempts to merge physical assets with digital assets. Entering 2025, these two domains are advancing into a phase of full-fledged integration, centered around the previously mentioned stablecoins and RWA sectors.

Niki Ariyasinghe, Head of Business Development for Asia-Middle East at Chainlink Labs, emphasized in his UDC 2025 speech that for these attempts to succeed, three challenges must be addressed: on-chain connectivity, off-chain connectivity, and regulatory compliance.

1. On-chain Connectivity

On-chain connectivity addresses the disconnect between different blockchains. The core challenge is to connect liquidity trapped within each blockchain and build infrastructure enabling the free trading of tokenized assets and cash.

Chainlink began as a decentralized oracle network securely connecting real-world data to blockchain smart contracts. Recently, it has actively addressed on-chain connectivity issues by introducing the Cross-Chain Interoperability Protocol (CCIP).



In 2024, Chainlink utilized CCIP to complete a proof-of-concept transaction between Australia's ANZ Bank and Singapore's ADDX, enabling the secure exchange of tokenized commercial paper and stablecoins across different private blockchains. Subsequently, in early 2025, it successfully demonstrated tokenized government bond transactions between JPMorgan's private blockchain and a public blockchain, proving the practical feasibility of on-chain connectivity.

2. Off-chain Connectivity

The second challenge, off-chain connectivity, addresses the problem of linking blockchain (on-chain) with traditional financial systems (off-chain). Since regulated financial institutions cannot process all transactions on the blockchain, a hybrid transaction model combining on-chain and off-chain is essential. Ariyasinghe cited the collaborative project between SWIFT and UBS Wealth Management as a prime example.

"This project aimed to automate subscriptions and settlements for UBS's tokenized fund (uMINT Money Market Fund) operating on blockchains like Ethereum, leveraging SWIFT's financial messaging infrastructure. Chainlink's CCIP and Digital Transfer Agent (DTA) smart contracts handled the real-time issuance and redemption of UBS fund tokens, as well as the recording of investor order data.

The outcome demonstrated that the 11,500 financial institutions worldwide connected to SWIFT via Chainlink oracles and CCIP could execute swift tokenized asset transactions without requiring separate system modifications.

Additional benefits, such as resolving settlement delays and reducing costs, were also confirmed."

- Niki Ariyasinghe, Head of Business Development for Asia and the Middle East at Chainlink Labs -

3. Compliance

Ariyasinghe identified legal and regulatory compliance as the final challenge. Regulated financial institutions must always meet obligations like Anti-Money Laundering (AML) and Know Your Customer (KYC), but securely sharing complex identity information is difficult in a blockchain environment. He explained that Chainlink's Automated Compliance Engine is addressing this limitation.

"For example, if Australian investors want to participate in a tokenized fund issued in Hong Kong, investor identity information must be shared between ANZ Bank and Fidelity International. While this was possible with existing systems, the off-chain approach would have taken days or weeks to process.

However, by leveraging Chainlink's Automated Compliance Engine, this complex identity information can be shared securely and swiftly. This model enables interaction between traditional financial institutions in the Web 2.0 world and DeFi pools in Web 3.0.

Ultimately, automating this compliance will allow vast capital, previously confined to traditional finance, to flow into the Web3.0 ecosystem."

- Niki Ariyasinghe, Head of Business Development for Asia and the Middle East at Chainlink Labs -

The Shadow of the AI Era : Sophisticated Attacks and Building Cyber Immunity

The convergence of traditional finance and Web3.0 has opened new possibilities in terms of efficiency and connectivity, but it has also significantly expanded the scope and intensity of security threats.

The Web3.0 ecosystem handles digital assets, including cryptocurrencies, on a massive scale, making it highly liquid. This allows hackers to steal and monetize funds in real-time, significantly reducing the time required to profit from a successful hack. Centralized exchanges (CEX) and decentralized exchanges (DEX), where massive assets are deposited, are particularly attractive targets for hackers.

New Security Threats Created by Artificial Intelligence

Tommy Jung, Chief Information Security Officer (CISO) at Dunamu, introduced the evolving landscape of cyberattacks leveraging artificial intelligence (AI) during a session at UDC 2025. He stated, "The most notable recent change is that social engineering-based scams are becoming increasingly sophisticated," adding, "Cases of deception using fake personas and videos created with AI technologies like voice spoofing (Vishing) and deepfakes are rapidly increasing."



Tommy Jung • Chief Information Security Officer at Dunamu

"At the UK architecture firm 'Arup,' hackers actually hijacked the CFO's email. They then used deepfake and voice cloning technology to replicate the CFO's and employees' faces and voices. An emergency meeting video was then created, and employees, believing it to be genuine instructions from the CFO, transferred funds totaling 34 billion won across 13 transactions to five Hong Kong accounts."

"This incident is recorded as a prime example where AI-based forgery technology combined with simple email hijacking led to the theft of massive assets."

- Tommy Jung, Chief Information Security Officer at Dunamu -

The Evolution of AI-Generated Phishing and Malware

Chief Information Security Officer Tommy Jung pointed out that AI has expanded beyond merely enhancing the 'realism' of fraud methods, now permeating all areas of traditional hacking. Among these, AI's influence is most pronounced in email phishing and malware creation.

“Phishing emails written by AI now feature natural sentence structures and persuasive language unlike in the past. Internal simulation training at Dunamu showed AI-based phishing attacks had a success rate approximately four times higher than conventional methods. We have now entered an era where even individuals with zero coding knowledge can easily create malware.”

- Tommy Jung, Chief Information Security Officer at Dunamu -

He further explained that AI is being used to cleverly modify existing malware to evade detection by security solutions.

“Using LLM, existing malware can be automatically modified by slightly altering spacing or variable names. Malware generated this way bypasses existing security detection systems. It’s essentially at the level where security solutions are being ‘outwitted’.”

- Tommy Jung, Chief Information Security Officer at Dunamu -

The Future of Web3.0 and the Value of Sharing

04

Fandom is Now a Partner : The Era of IP Ownership and Collaborative Creation

As digital asset regulations ease, particularly in the US, positive outlooks are spreading that the Web 3.0 era is truly taking off. Yet, regardless of these environmental shifts, projects that proved their practical viability even during the market downturn over the past year exist.

A prime example is Session 11 of UDC 2025, titled “Fandom-Driven IP in the Web 3.0 Era.” Moderated by Paul Kim, COO of Levvels (a Dunamu subsidiary), this session featured in-depth discussions on Web3.0 fandom culture across three sectors: gaming, sports, and animation.

The transition from Web 2.0 to Web 3.0 has brought blockchain, non- fungible tokens (NFTs), and token economies. As a result, fandoms no longer seem to be passive participants in intellectual property but have become active owners and driving forces behind these movements. How should we respond to this shift?

- Paul Kim, Chief Operating Officer, Levvels -

Keith Kim, Chief Operating Officer (COO) of Nexspace, shared experiences from transitioning MapleStory—one of Korea’s leading game IPs—from Web 2.0 to Web 3.0. MapleStory is a massive IP with a 22-year history, boasting 200 million accounts and an economic ecosystem valued at approximately \$5 billion.

COO Keith Kim explained, “Operating the game on Web 2.0 required immense time and effort, which fostered an enormous fandom. We adopted Web 3.0 and blockchain technology to convert this invested effort into sustainable value.”

“Thanks to blockchain technology and this enduring value, the fandom’s behavior itself has changed. It’s the same fans, but they act differently. In other words, they’re no longer just chasing momentary achievements; they’re looking at things very strategically.”

- Keith Kim, Chief Operating Officer, Nexspace -



"For example, they now consider scarcity, time, and value. Consequently, they approach things far more strategically than in the past. Because they own what they acquire through this game, they are no longer just consumers. Ultimately, they are co-creating with us in Web3.0."

"In Web 2.0, our relationship was one-way. We created and provided, while the fandom was merely consumers. Web 3.0 changes this entirely. They build alongside us. They co-create on top of the protocol, building the products they envision. Often, these turn out better than what we create. I believe this model will become increasingly common in the future. So now, they are no longer just consumers; they are our partners."

- Keith Kim, Chief Operating Officer, Nexpace -

In the past, roles were clearly divided: game companies provided the service, and gamers consumed the game. However, MapleStory chose to build its ecosystem by placing the game on a protocol and collaborating with gamers. Chief Operating Officer Keith Kim highlighted pricing policy as the most significant change from the Web 2.0 era. In large-scale multiplayer online role-playing games (MMORPGs) like MapleStory, costs for activities like item enhancement are no longer unilaterally set by the game company but are instead determined by market principles.

"During Web 2.0, we set prices and kept them fixed for a long time. But in MapleStory M, our Web 3.0 version, prices automatically adjust based on user behavior patterns. It's a market structure where prices rise when demand is high and fall when it's low. Sometimes, the capital power of certain 'whale' players can also influence prices."

- Keith Kim, Chief Operating Officer of Nexspace -

MapleStory also provides a platform by opening its Application Programming Interface (API), allowing game users to develop other games or content using the MapleStory IP. It's a structure where the game company shares profits with users who create ingenious content using the MapleStory IP. COO Kim explained that a developer recently launched a Move-to-Earn project using the game's existing pets as material. He stated, "We also have healthcare-related projects in preparation, along with new projects utilizing our interoperable NFTs," adding, "This too is a community-led initiative."

Pär Helgesson, Head of Paris Saint-Germain Labs (PSG Labs), began by explaining the unique circumstances surrounding the PSG football team. He noted that while PSG is a prestigious football club with the caliber to win this year's European Championship, a change in team ownership around 2012 resulted in approximately 90% of its current fanbase residing outside France.

"We are a team with a large fanbase outside France. And about 80% of them are under 34 years old. We also have the highest proportion of fans in their 20s among French clubs. In summary, our fandom is global and young, yet they are hard to see at the stadium; we have to go to them to meet them. That's why we started thinking about Web3.0."

- Pär Helgesson, Head of PSG Labs -

PSG Labs is currently focused on analyzing the behavioral and reaction data demonstrated by fans as they engage with the club's store and various platforms. Pär Helgesson explained, "We primarily engage with fans in an on-chain environment, and reward them with Fan Tokens based on their engagement activities." He assessed that this system is "highly effective in boosting global fan participation and loyalty."

"PSG has a potential fan and customer base of approximately 500 million people worldwide. We possess rich content intellectual property (IP), distribution networks, and an actively engaged fan community. We believe we must build a structure to create and deliver services together with these fans."

Going forward, we will enter an era where broadcasts and content are not limited to exposure in only some markets, but where fans themselves participate as streamers and content creators. By quantifying fan activity and contributions as on-chain data and rewarding them through this structure, we believe we can create a completely new form of fan engagement ecosystem."

Broadcasting is also an important business model, it will evolve beyond us unilaterally providing streaming. but one where fans actively participate as players."

- Pär Helgesson, Head of PSG Labs -

Looking back, projects emphasizing Web3.0 values have significantly decreased in crypto lately. As the COVID-19 aftermath subsided, offline interactions became more active again, and the metaverse discourse lost momentum proportionally.

Azuki is a representative Web3.0 generative avatar NFT project originating from crypto-native culture. Combining the aesthetics of hipster culture like animation, streetwear, and skateboarding, it ignited the NFT market in 2022. Yet, with the NFT fervor now subsiding, Azuki is exploring expansion into the Web2 realm. Does this signal a retreat for Web3.0?

Steve Chung, Azuki's Chief Operating Officer (COO), emphasized that this dichotomous distinction itself is no longer significant.

"Today's topic is 'Web3.0 Goes Mainstream,' but I believe the distinction between Web2.0 and Web3.0 no longer holds significant meaning. What matters is whether the products we create hold value that people genuinely want to use and own. Providing users with a seamless experience is far more important than the technology itself."

We are producing animations and short-form content using the Azuki IP, and we've issued our own coin. The core challenge is designing how fans of the animation we'll unveil in 2025 can engage with this world."

The real challenge now isn't distinguishing between Web3.0 and Web2.0, but whether we can elevate the quality of experiences offered in this space to the highest level and expand it into the mainstream."

- Steve Chung, Chief Operating Officer, Azuki -

The Evolution of Decentralized Infrastructure : Restaking and Shared Security

The Evolution of Decentralized Infrastructure: Restaking and Shared Security

Restaking is one of the most prominent concepts in the Ethereum ecosystem recently. It refers to the practice of re-staking digital assets that have already been staked once into other blockchain networks or protocols, thereby simultaneously enhancing capital efficiency and security efficiency.

The Concept and Background of Restaking

For example, suppose a user stakes ETH on the Ethereum network. They typically receive an annual staking reward of around 3%. However, if they restake the same ETH on another blockchain network, they can earn additional rewards from that network. When the concept of restaking was first introduced in 2022, the crypto industry was enthusiastic precisely because of this potential for additional returns.

Where existing staked assets were relatively inefficiently locked up, restaking presented a structure to re-utilize that capital and maximize returns. As a result, by 2025, restaking has grown into a multi-billion dollar ecosystem.



(from left) Professor Chulho Lee of the Korea Advanced Institute of Science and Technology (KAIST)
| Amir Forouzani • Co-Founder and CEO of Puffer Finance | Joshua Sum • Chief Product Officer at Solayer Labs

The Appeal of Restaking: Capital Efficiency and Yield Diversification

Previously, Liquid Staking Tokens (LSTs) offered a base yield of around 3%, and most users were satisfied with that level. However, the market landscape shifted dramatically when new protocols emerged, proposing, "If you take on additional risk, we'll offer an extra 4.5% or 50 basis points (bps) in returns."

"Restaking is more than just a means to increase returns; it is a mechanism that fundamentally improves capital efficiency. Over time, users will navigate across different risk and yield spectra, directly experiencing the value of higher base yields and shared security."

- Amir Forouzani, CEO of Puffer -

Shared security is the concept of repurposing already staked assets as security assets for other networks or applications. This enables multiple networks to share the same economic security foundation. For example, middleware or Layer 2 solutions serving as core infrastructure within the Ethereum ecosystem often require high security level but are frequently unprofitable on their own.

In the past, these networks had to invest new capital separately to secure their security. However, by utilizing restaking, they can reuse ETH already staked on Ethereum to enhance their security. In other words, it creates a structure where the capital accumulated by Ethereum is shared and utilized collectively by ecosystem participants.

The Future of Decentralized Infrastructure Unlocked by Restaking

Amir Forouzan, CEO of Puffer, stated, "What is particularly lacking in Ethereum today is scale, speed, and connectivity," and predicted that staking-based decentralized applications (dApps) could solve this problem.

Restaking is establishing itself as a core infrastructure that redefines the balance between scalability and security in the Web3.0 ecosystem, going beyond mere profitability improvements. By introducing a new paradigm of 'Shared' while preserving the value of decentralization, it presents a crucial direction for the infrastructure of the Web 3.0 era.

Dunamu and the Future of Korea's Digital Asset Market

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1. Dunamu's Infrastructure Strategy

UDC is Dunamu's major external event. However, Dunamu has historically refrained from publicly disclosing specific future strategies or plans at UDC. In this context, CEO Kyoungsuk Oh's unveiling of GIWA(Global Infrastructure for Web3 Access) surprised everyone.

GIWA Chain is a finance-friendly Ethereum Layer 2 blockchain designed with Know Your Customer (KYC) and Anti-Money Laundering (AML) compliance in mind. It employs an Optimistic Rollup structure to enhance scalability, speed, and reduce transaction fees.

Dunamu stated it will stably support stablecoin issuance and distribution based on GIWA Chain. The market interprets this as a signal that Dunamu is formally launching its DeFi expansion strategy centered around Upbit. This is seen as a similar strategic direction to Coinbase's push to expand its Web3.0 infrastructure in the US through its own Layer 2 chain, Base.

The GIWA Wallet, unveiled alongside this announcement, also drew significant attention.

This wallet breaks down the barriers between existing Web 2.0 and Web 3.0 services, providing a development environment that enables developers to easily implement decentralized applications (DApps). Through this, Dunamu has clearly defined its integrated platform strategy encompassing infrastructure, services, and the development ecosystem.

2. The Current State and Challenges of the Korean Market

Upbit, operated by Dunamu, is a global exchange that surpassed domestic leadership to rank among the top four globally by trading volume as of 2024, recording KRW 1,740 trillion in domestic spot trading volume and 12 million cumulative subscribers. However, a closer look reveals limitations. Upbit does not support derivatives trading, only allows domestic users to register, and its corporate trading remains in a pilot phase.

CEO Kyoungsuk Oh emphasized this point as follows:



"If digital asset businesses permitted in the U.S. were also institutionally allowed in Korea, Korea could confidently compete as a national representative on the global stage."

- Kyongsuk Oh, CEO of Dunamu -

This statement suggests that the regulatory environment determines the pace of innovation. Korea is a market with high technological capabilities and investment enthusiasm, but institutional uncertainty prevents it from fully realizing its potential in global competition.

3. The Korean Digital Asset Market from a Global Perspective

Damien Schuler, Head of Sales for Europe, Middle East, Africa, and Asia Pacific at Kaiko, described the scale and characteristics of the Korean market as follows:

"Korea holds the world's second-largest digital asset market. Over the past five years, approximately 35% of global digital asset spot trading occurred in the Korean Won (KRW) market, trailing only the US Dollar (USD, 45%)."

- Damien Schuler, Head of Sales for Europe, Middle East, Africa and Asia-Pacific at Kaiko -

He added, "The trading volume on Korean exchanges in 2024 is expected to reach approximately \$700 billion, approaching the trading volume in the US (approximately \$800 billion) during the same period," adding, and noted, "Upbit ranks 5th globally by trading volume and 2nd by liquidity metrics." Despite this remarkable achievement, Director Schuler pointed to the lack of institutional investor liquidity as a structural limitation of the Korean market.

"The Korean market's high demand centered on individual investors can also cause price gaps (Kimchi Premium) or short-term volatility. Looking at the Volume-to-Liquidity Ratio, Korean exchanges are approximately 150 to 250 times higher than the global average of 50 times for Bitcoin. This indicates limited market liquidity, and expanding institutional participation is absolutely essential going forward."

- Damien Schuler, Head of Sales for Europe, Middle East, Africa, and Asia-Pacific at Kaiko -

He also analyzed, "Korean investors have a high risk appetite, and the rapid trend diffusion within a single cultural sphere gives the market unique dynamism," assessing that these characteristics demonstrate the potential for the Korean market to function as a testbed for global innovation.

4. Dunamu's Future Vision

Dunamu is building a next-generation Web3.0 financial platform centered around GIWA Chain, integrating infrastructure, exchanges, wallets, and the developer ecosystem into one cohesive whole. At the core of this direction lies the value of 'safe innovation'. Enabling the Korean digital asset market to leap forward as a global financial hub through a regulation-friendly, trust-based infrastructure—that is Dunamu's next step.

"True technological innovation is built on trust. Dunamu is building that trust as its core infrastructure."

- Kyoungsuk Oh, CEO of Dunamu -

This report is an informational document summarizing key presentations and industry trends from 'UDC 2025'. It is not intended to solicit investment or recommend the purchase or sale of any specific digital asset. Investors bear sole responsibility for investment decisions made based on this material and any resulting outcomes.

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