

Ownership of Digital Collectibles through NFTs

# NIFTY

# Investor Presentation

*March 2021*

# Executive Summary (1 / 2)

**NIFTY** is an **incubator** of cutting-edge technologies for traders of crypto assets with a focus on **NFTs** (“non-fungible tokens”) and support for **DeFi** (“decentralized finance”) tokens.

Our primary project **Flurbo** (<http://flurbo.com>) is an aggregator of decentralized exchanges which has recently introduced support for NFTs, including opportunities to use NFTs as **collateral** for lending purposes.

NFTs have gained popularity because they create **liquidity** for assets that would normally be tricky to trade or borrow against such as **collectibles, digital art, and video game characters**.

NFT marketplaces can be thought of as “**eBay Without Shipping**”; in the 1990s, collectors bought trading cards, Beanie Babies, and vinyl records on eBay and had them shipped. In the 2020s, collectors have the opportunity to buy and sell these assets **represented by NFTs** allowing for easier transactions without the hassles of shipping or physical custody.

**Example:** Instead of buying a \$5,000 vinyl album and having it shipped, a collector can purchase an NFT which *represents* that vinyl album for \$5,000 **without the cost or risk of shipping**. Then, if the collector wishes to sell or borrow against the vinyl album, they can do so by selling the NFT on an exchange or putting up the NFT as collateral for a lender.

# Executive Summary (2 / 2)

There are **two main disadvantages** when it comes to investing in collectibles as standalone objects:

- 1. Authenticity:** How do you know a trading card or a painting is authentic and not counterfeit? Unless you are an expert appraiser, historian, or curator, you may not be able to determine that such assets are genuine.
- 2. Liquidity:** Opportunities to borrow against collectible assets are extremely limited (e.g., pawn shops) which generally makes them less attractive as an investment, and nearly impossible to use as collateral for lending.

Flurbo takes an **“Expedia-Style”** approach to navigating the decentralized NFT exchanges that currently exist. Instead of combing these exchanges for hours on end, Flurbo will match you with NFT trading opportunities that best suit your objectives in the same way that aggregators such as Expedia will recommend flights and hotels that align with your search criteria. Likewise, Flurbo can match NFT owners with opportunities to borrow against them as collateral.

***Flurbo is designed for NFT owners who have an idea as to what they want to do (e.g., sell, borrow against, etc.), and wish to eliminate the legwork of manually researching opportunities.***



What are NFTs?



Digital assets that uniquely represent pieces of media, including art, music, collectible cards, memes, in-game items, and many more...

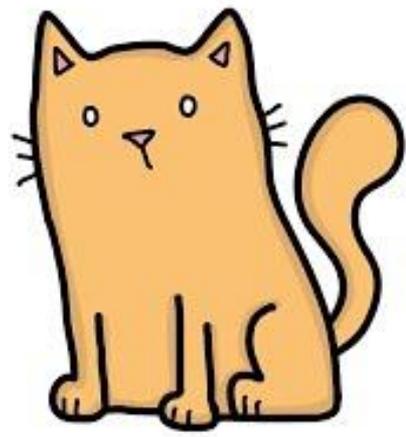


# How do NFTs work?

- 1 **Indivisible**: NFTs cannot be divided into smaller denominations like bitcoin. They exist exclusively as a whole item. **i.e., One NFT represents one painting**
- 2 **Indestructible**: Because all NFT data is stored on the blockchain via smart contracts, tokens cannot be destroyed, removed, or replicated. Ownership of these tokens is also immutable, which means gamers and collectors actually possess their NFTs, as opposed to the entities that create them.
- 3 **Verifiable**: Storing historical ownership data on the blockchain for items such as digital artwork creates an audit trail back to the original creator, allowing pieces to be authenticated without the need for third-party verification.



**NFTS** **DEFI**  
**EXPLAINED**



**\$73.5B**  
COMBINED DIGITAL  
GOODS

ADDRESSED  
MARKET

\$15B

Wordpress Sites

\$16B

Instagram Accounts

\$11B

TikTok Account

\$3B

Domain Names

\$3B

Dropship Commerce

\$5B

Stock Photos

\$1B

Gaming Assets

\$3B

Netflix, Disney & Rentals

# Massive Untapped TAM

\$14M

Virtual World

\$31M

Collectibles

\$7M

Utility

\$41M

Digital Art

# 7-Day Trading Volume

*Many more digital good markets coming....*



## Collectibles

CryptoKitties, Axie Infinity, Polyient Games

*Weekly Trading Volume*

**\$18.5m**



## Virtual World

Sandbox, Decentraland, CryptoVoxel

*Weekly Trading Volume*

**\$3.4m**



## Digital Art

Rarible, CryptoPunks, SuperRare

*Weekly Trading Volume*

**\$10.0m**



## Utility

ENS Domain, YInsure, NIFTEX

*Weekly Trading Volume*

**\$275.0k**



## Digital Goods

TikTok, Instagram, eCommerce, FBA Stores, etc...

*Weekly Trading Volume*

**\$75.3b**



# CASE STUDY: DAPPER LABS

Dapper Labs is rumored to be raising \$250M+ at \$2B Valuation. Since inception, the firm has generated almost \$100 million in NFT sales, according to multiple sources.



# flow



ENDEAVOR



a16z

# Dapper

# NFTs are Making a Huge Buzz in Media

“

*Traditional brands like Nike, Louis Vuitton, and Formula 1 are already spearheading the first generation of commercial uses for NFTs*

-Nadya Ivanova,  
L'Atelier, COO

”

**A fan just paid \$270k for a LeBron James highlight — and it's just the tip of a \$2.3b iceberg**

**Mark Cuban is bullish on NFTs, and they're about to go more mainstream with an auction at Christie's**

Published Thu, Feb 18 2021 2:02 PM EST • Updated Mon, Feb 22 2021 4:07 PM EST

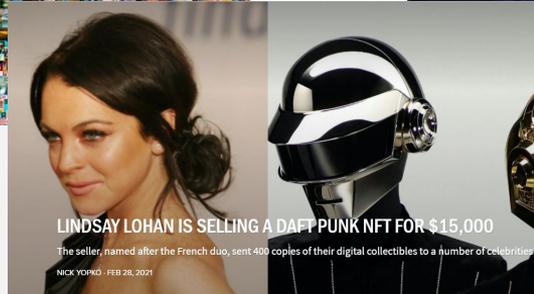
Taylor Locke  
@TSTAYLORLOCKE

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**Logan Paul NFTs sell \$3.5 million worth on first day of release**

Samuel Wan · February 23, 2021 at 2:00 am UTC · 2 min read



**LINDSAY LOHAN IS SELLING A DAFT PUNK NFT FOR \$15,000**

The seller, named after the French duo, sent 400 copies of their digital collectibles to a number of celebrities.

NICK YORKO · FEB 28, 2021

**Steve Aoki Joins Celebrities Dropping NFTs on Ethereum**

by Chris Williams

Yesterday

The superstar DJ is releasing a series of NFTs through Nifty Gateway on Sunday.



# Consistent Hypergrowth in NFT Market

**+303%**

FY20 Total NFT Transactions Growth

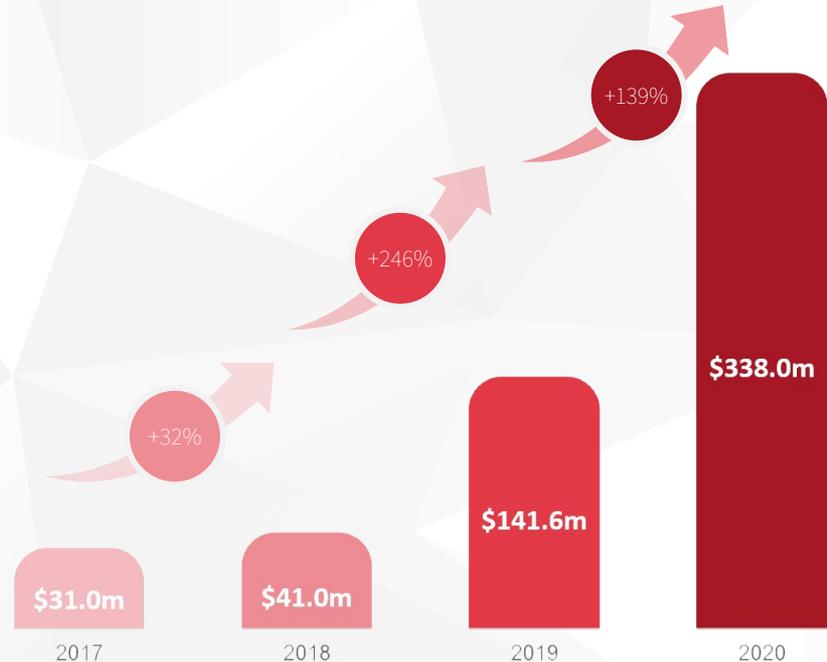
**+2,800%**

FY20 NFT Art Transaction Volume Growth

**+97%**

No. of Active Wallets Transacting NFTs

## NFT Market Capitalization



# Unprecedented Surge in Demand for NFTs

	Product	Sales	Change (30d)	Buyers	Txns
1	 NBA Top Shot	 \$237,229,037.00	▲ 434.23%	85,149	1,252,647
2	 CryptoPunks	 \$82,435,796.33	▲ 1,055.99%	733	2,116
3	 Hashmasks	 \$28,621,112.46	▲ 260.21%	1,663	6,429
4	 Sorare	 \$10,040,979.15	▲ 343.29%	4,754	38,636
5	 Art Blocks	 \$7,321,873.24	▲ 866.11%	858	3,810
6	 CryptoKitties	 \$2,475,237.55	▲ 1,937.86%	2,206	6,064
7	 Axie Infinity	 \$1,788,662.08	▲ 110.37%	2,267	6,667
8	 Street Fighter	 \$1,330,089.17	▲ 0.00%	4,584	189,945
9	 F1 Delta Time	 \$500,463.71	▲ 119.76%	64	167
10	 Bitcoin Origins	 \$351,252.58	▲ 60.18%	418	1,937

**\$350m+**  
NFT Sales Volume (30 Days)

# Recent M&A by Marquee VCs



Rari

*Create and Sell Digital Collectibles on the Blockchain*

**\$1.75m** Seed Raise; Investors: Coinbase



Sorare

*Fantasy Football Gaming with digital collectibles*

**\$50m** Series A; Investors: Benchmark & Accel Partners



Flow by Dapper Labs

*Purpose built blockchain for NFTs*

**\$18m** Public Sale; Investors: a16z & Union Square Ventures



Gods Unchained

*Digital Trading Card Game with ownership through NFTs*

**\$15m** Series B; Investors: Naspers & Galaxy Digital

# Flurbo: An aggregator merging DeFi & NFTs

## What Flurbo is

Flurbo is an **aggregator** of exchanges on which NFTs can be **traded** or **used as collateral**

Flurbo stays on top of the latest NFT, DeFi, and crypto trends to provide the **most relevant recommendations** at all times

Flurbo offers **simplicity** and **peace of mind** to NFT owners who desire new opportunities in this dynamic space

## What Flurbo is not

Flurbo **is not** an NFT, crypto asset, or issuer thereof.

Flurbo **is not** an exchange, broker/dealer, or investment advisor. Data and recommendations conveyed through Flurbo search results are for informational purposes only.

Flurbo **is not** a custodian of crypto assets; users of Flurbo can use their own hardware or software wallets

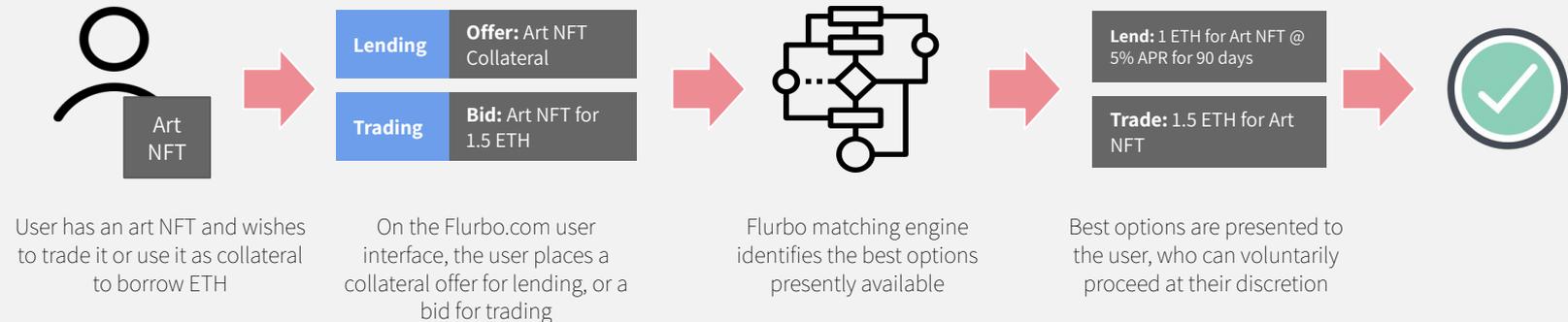
***If Expedia changed how you book travel, Flurbo can change how you trade and borrow against NFTs, creating new potential for this asset class***

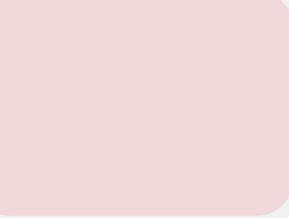
# Flurbo: How Does it Work?

For **trading**, Flurbo takes a proposed buy/sell transaction and recommends the **most efficient option** based on what is available on the market.

Similarly, for **lending**, Flurbo takes a proposed collateral and identifies the **most favourable** borrowing options based on collateral as well as other factors specified by the lender.

For clarity, this process is **identical** for all crypto assets supported by Flurbo, including NFTs.





# Thank You For Your Time!

For more information please email:

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