Company	Saltwater Games (SWG) & $XR Token
Founders	Original Founders CEO - https://www.linkedin.com/in/lenfindlay/ CPO - https://www.linkedin.com/in/chrisabbottaus/ CCO - https://www.linkedin.com/in/ihowarth/ Head of Immersion - https://www.linkedin.com/in/david-ellis-5248012/ COO (Econ and InfoSec) - https://www.linkedin.com/in/david-plisek/ Chairman - https://www.linkedin.com/in/scott-fletcher-mbe-223795158/ Post Acquisition Additional Exec CEO - https://www.linkedin.com/in/outputian/ CCO - https://www.linkedin.com/in/russharding/ COO - https://www.linkedin.com/in/philwhite/ CFO - https://www.linkedin.com/in/neilbancroftjonesfinance/
Website	Saltwatergames.com acquired emergent-entertainment.com studios and assets - Maze Theory, Quantum Interactive & Nexus Labs (20 DEC 2023).
Round Details	SAFE / ASA (equity investment) $XR to be allocated based on size of equity investment in a token side letter
Terms	Type: SAFE / ASA Price: 25m or 20% discount (Pre-money GBP).
Other Committed Investors	4th Revolution Capital Deus X Capital Acacia Capital RAD Ventures Multiple Angels
TLDR	The bet is on experienced tech Founders who possess a novel IP licence in Airspeeder. There is a pathway for drone racing to become the next F1. Airspeeder are spearheading this endeavour with the Emirates leading the way to seed this new form of racing. Saltwater games are well positioned to build the digital value layer that links the verticals within the category - from AR race courses, to esports games and web3 communities designing content in a roblox / sims manner. The team have used their capital position and transient distress in the game industry to acquire a development studio. This provides them ready-made capabilities to build the vision,

<table>
<tr><td></td><td>while also diversifying their product line through capturing additional licences inc Peaky Blinders.</td></tr>
<tr><td>Team</td><td>Saltwater Games is a global game studio and technology ecosystem focused on eXtended-Reality experiences. The focus is on creating the highest quality, most immersive experiences where real-world and digital merge for competition, rewards, education and impact.

● Game development studio and technology innovator in web3
● Established 2022, 13 employee headcount, 47 post acquisition
● Tracking forecasted revenues of £5-7M in 2024
● ~£4M has been raised in SAFE/ASA
● Flagship projects: https://www.Celeros.gg
● Other projects: Maze Theory, Quantum Interactive & Nexus Labs https://www.emergent-entertainment.com/studios</td></tr>
<tr><td>Product</td><td>In the rapidly evolving landscape of digital gaming, Saltwater Games intends to push the boundaries of community engagement by integrating blockchain technology into immersive digital experiences leveraging real-world IP. The introduction of the $XR (eXtended Reality) token marks a significant milestone in this journey, signifying a paradigm shift in player interaction, asset ownership, and community governance and benefits within our extended ecosystem.

<u>Games</u>

Web3
● Celeros
● Resurgence

Traditional
● Pico - The Infinite Inside
● Rogue
● Thief
● Peaky Blinders
● Peaky Blinders Social VR
● Doctor Who Edge of Reality
● Doctor Who Edge of Time
● Doctor Who The Lonely Assassins
● Freerunner Championship
● Samurai Showdown
● Unannounced
● Apple Vision Pro title
● Netflix Games title</td></tr>
<tr><td>Market</td><td>The global games market will generate $184.0 billion in 2023, representing +0.6% year-on-year growth.</td></tr>
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<tr><td></td><td>The number of players worldwide will reach 3.38 billion in 2023, growing +6.3% year-on-year.

Worldwide player numbers will continue to grow with a CAGR (2021-2026) of +4.7% to reach 1.66 billion players by the end of 2026.

The popularity of virtual reality (VR) gaming has mirrored the general games market. VR experienced a boost in popularity during the lockdown periods, as it offered consumers a way to escape the confines of the home and explore immersive, vibrant virtual worlds. Also, like with the general games market, VR faced challenges when people left lockdown and took up pre-pandemic activities in the physical world. Players started spending less time and money on playing VR games and purchasing new content. Overall, we expect a lot from the future of VR, including a clearer path toward more widespread adoption of augmented reality (AR) devices with the entrance of Apple.</td></tr>
<tr><td>Customers</td><td>Traditional and web3 gamers (Attention creators)

Sponsors and advertisers (Attention seekers)

Game Studios (other creators)</td></tr>
<tr><td>Business Model</td><td>Traditional
Game sales
Production support for other game studios
Game development for partner studios/Realworld IP
In-game monetisation
Web3
NFT access to premium content
NFT items sales
Transaction fees
Primary marketplace fees
Sponsorship / in-game advertising</td></tr>
<tr><td>Why Now?</td><td>$22B of capital went into the Web3 gaming in 2020-2021. This will result in significant labels being released in the coming years, re-defining how the economics of gaming works. For the first time, stakeholders will become</td></tr>
</table>

	shareholders recognising their contribution to IP. Users will also be able to own the assets they buy in games, rather than pay to license them. Composability between games will also allow value to be retained by users when they finish playing a game, and want to move on to another. Or alternatively, they can sell the assets they bought, earnt and/or developed. Saltwater games is accelerating their movement into this wave by purchasing a distressed game studio with assets ready for the market, and contracts and skills to bring many more to market in the decade/s to come. This is a rare opportunity to purchase equity / tokens in this new ecosystem riding on the coattails of a significant amount of capital and narrative due.
Go-to-Market	Saltwater Games' go-to-market strategy recognises the diverse landscape of the gaming industry and is designed to be adaptable to the different policies of various gaming platforms, particularly those under the Maze Theory arm that focuses on traditional gaming experiences. While the $XR token is central to the strategy, its integration into gaming experiences is done thoughtfully, in compliance with platform policies, and only where it enhances the gameplay and is permissible. Maze Theory develops games that stand on their own merits both for Saltwater Games and project-financed collaborations with other game studios in the traditional gaming space. While the $XR token offers significant benefits within blockchain-enabled environments, its incorporation into Maze Theory titles will be strategically evaluated and implemented only when it aligns with user expectations and platform regulations. This cautious approach ensures that traditional games can continue to thrive on all platforms, regardless of their current stance on web3 elements. For Nexus Labs, where web3 games and projects are nurtured, the $XR token's integration is full-fledged, driving player engagement through token economics that reward participation, skill, and community governance. Meanwhile, Quantum Interactive continues to push the envelope in technology development, ensuring that the entire Saltwater Games portfolio benefits from the latest innovations, whether they are used internally or offered as services to other studios. This ensures that Saltwater Games remains agile and responsive to the evolving tech landscape and player preferences.

Competition	● Platforms like Mythical games, Gala Games, REVV, Moxy ● All other web3 games with a token economy - Iluvium, Shrapnel, Civitas ● All other traditional game studios (VR/XR) - nDreams
Unique Insight / Secret Sauce	● Serial entrepreneurs ● Established Game studio acquisition ● Play2impact Treasury (narrative) ● eXtended Reality partnerships across real-world IP ● Well capitalised
Use of Funds	● Development, Testing and Publishing 75% ● Legal & Compliance 5% ● Sales 10% ● Marketing 10%
SWOT	Strength ● Previous success as Founders. ● Global industry network - entertainment and financing. ● IP licences, particularly Airspeeder. ● Game studio. ● Established pipeline of projects (approx 4-5m pound rev in 2024). ● Partnerships - Senna Racing and E1 Racing. Weakness ● Merging cultures - start-up of SWG meets established game studio acquired. ● Playing 'catch-up' with regards to Web3 labels in the market. Opportunities ● $22B of capital went into the Web3 gaming in 2020-2021 - narrative distribution. ● Airspeeder as the future of racing - high potential in Dubai / MENA region. ● Partnerships with other Web3 ecosystems i.e. Futureverse, Immutable and Animoca. ● Combining body shop and unique game creation. Threats ● Failure of Airspeeder Drones to commercialise.

	• Gaming industry struggling with many closures and lack of funding. • Web3 gaming not taking off. • Broader crypto issues i.e. regulation and tax.