

YIELD GUILD GAMES

Q2 2023 COMMUNITY UPDATE

AUGUST 2023

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DISCLAIMER

This Community Update and the information contained herein (collectively, this "Update") is for informational purposes only. It is not financial or legal advice. This Update is meant to describe the focus, plans, and general recent performance of Yield Guild Games ("YGG") to provide a more transparent picture of its operations to its members.

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This Update also does not constitute an offer for investment and should not be used to support any such claim. Moreover, this Update should not be used to support any claim or analysis stating that a person should purchase the YGG token or any other token or asset for investment purposes. The YGG token is to facilitate access to the YGG community and resources.

This Update further should not and may not be relied upon for any offer, purchase, or sale of securities or digital assets, and does not attempt to provide any conclusive information or recommendations about any other entity, token, or asset, whether in the metaverse, crypto community as a whole, or in traditional markets.

This Update attempts to be an accurate summary of YGG's activities during the second quarter (April 1 to June 30) of 2023 but is neither guaranteed to be current as of the time the recipient reviews this Update nor contains all material information.

No future-looking statement, expression of hope or excitement, or similar verbiage should be construed as a promise or a guarantee but should only be taken as aspirational.

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FOUNDERS' UPDATE

It has been great to see such a positive response to the new YGG brand that we launched at the end of last quarter. The rebrand was just the first step — the website got a major update in Q2 and serves as the basis for more product deployments planned for the remainder of 2023 aimed at better serving our players and providing launch support for gaming partners. The product underpinning YGG is becoming the platform that will support all members of the YGG ecosystem.

In Q2, YGG signed a Memorandum of Understanding (MOU) with the Web3 Games Collective (W3GC) alongside Game7, Magic Eden, Fenix Games, and Spindl. The mission of W3GC is to support the growth and proliferation of quality web3 games, a mission that is very much aligned with our mission here at YGG. We are looking forward to working closely with W3GC to support and educate the market on the best way for high-quality games to enter the world of web3.

In addition to the new W3GC relationship, YGG successfully launched a formal partnership with XPLA, while also engaging in discussions with other major partners such as Ronin, and Polygon. The ecosystem development team has been working overtime since GDC, and we are starting to see the fruits of that hard work.

It was also a very big quarter for events, with the warmth of the global web3 community reminding us that the crypto winter brings out the best in those who are focused on the future. Gabby spoke virtually at REDeFiNE Tomorrow, a top-tier event hosted by SCB 10X and Bloomberg. He also traveled to speak IRL at BUIDL Vietnam, as well as IVS Crypto and Non Fungible Tokyo in Japan. IVS, in particular, featured a wonderful panel about the evolution of web3 gaming guilds around the world, with regional guild partners YGG Japan, W3GG and IndiGG sharing their views on the future.

Meanwhile, Beryl spoke on an all-star panel at the sports, entertainment and gaming-focused SEG3 event in London, sharing notes with Manchester United's Director of Digital Innovation, Ronan Joyce, on how to build engaged web3 communities. She also participated in a fireside chat and audience AMA with Amy Nordrum, Executive Editor of MIT Technology Review, at EmTech Next, MIT's annual event for COOs, CIOs and IT leadership, to unpack the decentralized world of web3.

Finally, Mike Ovecka, our Head of Esports, traveled to Los Angeles to speak at the inaugural 3XP Web3 Gaming Expo. This event, which brought together some of our community's most notable builders, was a brilliant demonstration of how web3 gaming and esports continues to thrive even in the bear market.

As players, as a guild and as an industry, there is a lot for us to be excited about as we see new games getting deployed for us to play and support in Q3 and beyond.

#TogetherWePlay,

Gabby, Beryl and Owl



YGG LEADERSHIP TEAM

The YGG core team of 43 with an additional 10 esports team members and countless more community members to ensure the smooth operation of the guild and the YGG community at large.



YGG Leadership Update

The guild's deep focus on product build this quarter also led to some important updates to the organizational chart. The team's structure is now more reflective of YGG's product as the core business, with other functional groups, such as esports, community and marketing, in alignment with the overall product vision. With better insight into engagement analytics, the YGG team is employing a more strategic approach around the guild's social content calendar, creating greater visibility across the organization and reducing noise on social channels.

The team is placing greater emphasis on delivering content that resonates well with YGG's current audience and carefully balancing sponsored programming. Overall, Q2 was about streamlining efforts, particularly in finding more ways to dig into partner API and automate quest mechanics, as well as making way for an important product launch and partner campaign coming soon.

Since the start of Q2 2023, five new hires joined YGG's quest to amp up its product development:

- Jenny Ma joined as a technical PM to support product, design and engineering teams.
- David Bridgeman comes from the world of game design to support YGG SUPERQUESTS.
- Michal Janka is focused on UI, having formerly led UI design at MasterClass.
- Harsh contributes as Full Stack Developer with the Product Engineering Team.
- Kelly Chen supports product, growth and marketing efforts as a design lead.

ENGAGEMENT

AMAs, Twitter Spaces & Community Content

The YGG team engaged the community with updates on the guild and games within the ecosystem.

DATE	PARTNER	DATE	PARTNER
01.05.23	Game Spotlight: Big Time	28.05.23	Game Spotlight: Illuvium
13.05.23	Community Stream: Thetan Arena	09.06.23	YGG Invades Massina ft. Champions Ascension
18.05.23	Game Spotlight: BLOCKLORDS	10.06.23	<u>Community Stream: League of</u> <u>Kingdoms</u>
26.05.23	Game Hunters ft. Superior	30.06.23	Game Hunters ft. Pixels

YGG TV

Hosted by John Sedano, YGG's Community Marketing Manager, YGG TV regularly invites guests from organizations and projects within the YGG ecosystem to share their insights on the trends, strategies and innovations driving the industry forward.

TOP YGG TV EPISODES - Q2 2023

27.04.2023	The Blockchain Game Alliance is on a mission to bridge the gap of Web2 and Web3 gaming!
04.05.2023	GCASH goes web3! Largest virtual wallet provider in the Philippines forays into blockchain
18.05.2023	What does the rise of AI projects mean for Blockchain technology? What is the future of AI?
25.05.2023	Powering the future of gaming in Southeast Asia, YGG SEA ft. Irene Umar! Latest updates
01.06.2023	Bringing Web3 games to Latin America! Biggest Spanish-speaking NFT gaming community!
22.06.2023	Get to know Een Mercado and hear about her journey as a cosplayer & creator in web3 gaming!

Top Podcast Appearances

The following includes some of the online sessions that featured YGG in Q2. To stay up to date with all shows highlighting YGG, you can follow YGG's <u>Substack</u>.



Global Media Coverage

Below are highlights of news and features covering YGG during Q2. See the appendix for the full list.



Events and Conferences

Below are highlights of events and conferences featuring the YGG team during Q2.



Mike at 3XP 9 June 2023 | Pasadena

Get your tickets now: www.3xp.gg

YGG at IVS Crypto 28-30 June 2023 | Kyoto

Siddesh Choudhary

YGG COMMUNITY

Guild Advancement Program (GAP)

In May 2023, YGG wrapped up Season 3 of its Guild Advancement Program (GAP), the token distribution system that rewards community members for bringing value to the guild. This season saw even more engaging quest content, as well as the program's migration to the new YGG dapp for an improved user experience.



Season 3 of the GAP introduced 90 achievements spanning nine games and a total of 1,635 achievements minted. <u>Crypto Unicorns</u> and <u>Pixels</u> were new additions to the program, with Pixels joining as a discovery game for members to trial throughout the season.

This season proved even more rewarding with a distribution of 488,000 YGG tokens, twice the amount from the previous season. The collaboration between the Pixels team and YGG led to the organization of several quests, significantly boosting the average participation rate within GAP by 1.8 times. A pivotal factor in the increased overall engagement was the implementation of the GAP Council and the emphasis on user-centric quests aligned with distinct role archetypes.



YGG Elite Esports Update

This quarter, the YGG Elite team, consisting of 10 players, participated in two major gaming tournaments: the Axie World Battle Bangkok 2023 and the Axie Tech Guild Battle.



W3GG, formerly known as YGG SEA, co-hosted Axie World Battle Bangkok 2023 alongside AxieTh and AmpGuild, with support from Axie Infinity. The event and its qualifying competitions were livestreamed in multiple languages, including English, Thai, Filipino and Spanish, attracting an audience of over 100,000 viewers worldwide. The competition saw 66 participants battling for a prize pool of 15,000 AXS.

After a thrilling final round, the tournament concluded with YGG Elite securing the top 8 spots on the leaderboard, winning a total of 3,175 AXS. The event was memorable for YGG Elite, with new recruit spamandrice sporting his YGG Elite jersey for the first time, Tersaik doxing himself online, and YGG Elite Captain Disi making his shoutcasting debut.

Coming off their first big win at a major LAN tournament, YGG Elite also competed in the Axie Tech Guild Battle, an online tournament featuring a double elimination bracket with participation from the top 16 guilds based on their matchmaking rating (MMR) at the end of the competition season. The tournament featured an experimental format where each guild could only send a fraction of their players to compete in a reverse King of the Hill match. Claiming third place in the tournament, the YGG Elite team is prepared to come back stronger than ever in the next guild battle.



<u>Get to know YGG Elite Captain, Disi! How does he</u> <u>manage leading a Web3 esports team? #YGGTV</u>

YGG TV featured an interview with Disi, who spoke about blockchain's impact on esports and its athletes, his leadership role in YGG Elite, and how the team quickly adapts to the ever-changing metagames of Axie Infinity.

YGG NETWORK UPDATE

The YGG network relies on the strength and vision of its regional guild partners as they develop strategies tailored to best serve their unique player communities. The YGG network consists of W3GG focusing on Southeast Asia, IndiGG supporting India's 500 million gamers, BAYZ in Brazil, Troy in Turkey, AMG DAO in Eastern Europe, YGG Japan, SKYGG in Korea and OLA GG tailoring their experience for the global Hispanic community.

Each guild partner, operating independently while collaborating with the YGG core team, provides specialized services and facilitates locally driven engagement within its region. The following are just some of the highlights from Q2.



This quarter, YGG SEA rebranded to W3GG. Pronounced "We GG," the name represents the guild's fundamental values of unity, togetherness and a strong community focus, nurturing a collaborative environment. To lead the way forward, Irene Umar has been appointed CEO, while a restructured leadership team spearheads growth and scalability efforts.

On Episode 9 of YGG TV, the OLA GG team shared their strategic plans for the crypto winter, their goal to organize more in-person events, and the future of gaming in Hispanic markets. OLA GG is also focusing on growing the esports ecosystem in partnership with Team Heretics, the world's largest Hispanic esports team. The guild plans to build an esports platform and host tournaments and competitions, creating opportunities for players to showcase their skills and compete for recognition and rewards.





YGG Japan (YGGJ) hosted SHAKE! KYOTO pitch contest at the IVS Crypto 2023 Conference. The contest specialized in web3 games and hosted a variety of projects, publishers, investors, and influencers, with 10 finalists pitching live in front of a panel of judges. StickeyGO, a joint venture involving YGGJ, also launched the Stickey Wallet, which simplifies the web3 gaming experience by categorizing game assets and will be integrated with YGGJ's GabeeTown, providing a path for web2 gamers to enter web3.



GAMING UPDATES

YGG found itself in a favorable position to engage in strategic purchases of gaming assets. The prevailing market conditions allowed YGG to focus on selective bids rather than bulk purchases.

In Q2 2023, YGG made bids on behalf of its community for the following in-game assets:



YGG game partners posted a lot of progress updates in Q2 with many launching playable games, expanding their gaming assets and introducing more governance options for token holders.

PROJECT	UPDATE
Aavegotchi	Released Gotchi Guardian, a tower defense game built on the Aavegotchi Gaming Protocol.
Avalon	Dropped four NFTs via the AtomicHub launchpad.
Axie Infinity	Origins now on iOS in select countries. Season 4 launched with a 50,000 AXS reward pool.
Big Time	Added daily and weekly quests called "Bounties" to the game.
BLOCKLORDS	5,000 players participated in NFT-gated Beta with 14,000 Heroes imported into the game.
Castaways	Now available on mobile in select countries — with more to follow soon!
Cometh	Launched Alembic, a platform that allows devs to easily build web3 games and dapps.
Crypto Raiders	Introduced new dungeons: Corrupted Roots, The Kraken's Fury and Tideborn Marauders.
Cryptoys	Dropped a Star Wars collection featuring Luke, Leia and Darth Vader.
Crypto Unicorns	E Launched Unicorn Party, a suite of real-time, skill-based PvP games for casual players.
CyBall	Launched "Community Events Reborn," a series of quizzes and game nights for players.
DigiDaigaku	Launched the Bitcoin NFTs & the Chibi BTC Ordinal Mint, free for those with the Genesis NFT.
Ember Sword	Opened the public Alpha Playtest in April to share progress with the community.
Fancy Birds	Launched the FNC Grants program to fund indie game developers in the Fancy community.
Genopets	Introduced crafting, in which habitat owners and renters can create new items to use.
Guild of Guardians	Renewed GOG NFT staking, with 2 million \$GOG available over the next six months.

PROJECT	UPDATE
Heroes of Mavia	Rolled out Beta Access to Mavia Land NFT holders for them to provide valuable feedback.
Illuvium	Collaborated with GameStop for a DISKs sale featuring GameStop-themed Illuvitar NFTs.
Influence	Game Dev process is underway and the team is closing in on launching Exploitation.
My Pet Hooligan	Launched Alpha 2.0 Turbo on Epic Games Store. Started a licensing program to extend its IP.
Nifty Island	Integrated web3-native IPs such as BAYC and CryptoPunks as avatars in their Beta launch.
Nitro League	Teased a new Nitro League Trailer and free-to-mint "Golden Plates Collection."
Nyan Heroes	Initiated pre-Alpha registration in anticipation of upcoming Alpha launching at EOY.
Phantom Galaxies	Launched Beta, accessible to owners of Planet Genesis Mintpass and The Hopeful NFTs.
RFOX	Upgraded the RFOX ecosystem's ID system so players can easily send and receive assets.
Sipher	Preparing for the launch of Sipher Odyssey and teased some gameplay clips on their blog.
Solarbots	Released improvements to gameplay in Q2 and continues to develop game-related manga.
Space Misfits	Teased the release of Fleet Alpha vl, a browser version of Space Misfits.
Splinterlands	Unveiled their long-awaited land expansion titled "The Secret of Praetoria."
Star Atlas	New Economy Report highlights the liberalization of the player resource economy.
Storyverse	Launched Fed Love, a Playable Story NFT that allows NFT owners to participate in stories.
Captain Tsubasa	Trading begins for governance token \$TSUGT, providing holders with unique benefits.
Synesis One	Completed the launch on Solana and began the move of Open Beta from Devnet to Mainnet.



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PROJECT	UPDATE
Tatsumeeko	Previewed the Tatsumeeko Sandbox milestone, character interfaces and combat concepts.
The Sandbox	Hosted a LAND sale raffle for the upcoming Mega City 3, designed as a metaverse hub of art.
Thetan Arena	Partnered with HyperPlay, making Thetan Arena and Thetan Rivals available on the app.
Trial Xtreme	Players logged over 3,100 hours in the closed Alpha and completed over 50,000 races.
Vulcan Verse	Made onboarding easier by allowing players to set up an account without a crypto wallet.
Walken	Launched Walken Duels, a PVP mode to compete against other online players.
War Riders	War Riders v.0.19.0 launched, bringing in lots of significant graphical improvements.
Zed Run	Worked with UFC Champion Henry Cejudo to launch a ticket giveaway for his next fight.

FINANCIAL UPDATE

YGG has forged 83 partnerships since inception at a total cost of US\$18.37 million, with the majority of those partnerships being web3 gaming assets as well as tokens. The 83 partnerships were valued at US\$27,247,536 as of June 30, 2023.

TOTAL PARTNERSHIP SUMMARY						
	GAMES (TOKEN)	GAMES (NFT)	GAMES TOTAL	GUILDS	P2E INFRA	TOTAL
Partnerships	41	35	57	9	17	83
Cost	\$5,667,581	\$5,482,018	\$11,149,599	\$4,925,000	\$2,295,000	\$18,369,599
% of Total	30.85%	29.84%	60.70%	26.81%	12.49%	100%
30.06.2023	\$6,763,031	\$4,499,962	\$11,262,993	\$13,576,430	\$2,408,113	\$27,247,536
% of Total	24.82%	16.52%	41.34%	49.83%	8.84%	100%
Disc. at 30.06.2023	16.20%	-21.82%	1.01%	63.72%	4.27%	32.58%

Since mid-2022, the YGG team has focused on making fewer new partnerships to prioritize higher-value, higher-touch partnerships while supporting existing game partners in getting to market. With a steady flow of game launches by YGG game partners scheduled for Q3 and Q4 2023, this strategy is likely to continue and will be continually assessed and reviewed by the YGG team in response to market conditions.

APPENDIX

Compilation Notes

Yield Guild Games takes transparency very seriously as we are accountable to our community of players, YGG token holders and those who have backed YGG since its inception. All efforts have been made to best represent accurate data in this Update, although as stated at the top, this Update should not be relied upon to take or not take any action.

For a full analysis of YGG token holdings, YGG provides the public wallet addresses below:

YGG WALLET	EXPLORER	DEFI	NFTS
0xe30ED74c6633a1B0D34a71c50889f9F0fDb7D68A	<u>Etherscan</u>	Zerion	<u>OpenSea</u>
0xF0103243F4d22B5696588646b21313d85916A16A	<u>Etherscan</u>	Zerion	<u>OpenSea</u>
0x16b281438C5984A46D94acc6C4b31e252A03DFCf	<u>Etherscan</u>	Zerion	<u>OpenSea</u>
0x2662A2d03695C80ca3C5645cbC2E7547842dA6bC	<u>Etherscan</u>	Zerion	<u>OpenSea</u>
Ox1af5478e25BC877d27f794962696211eac474FcE	<u>N/A</u>	<u>N/A</u>	<u>OpenSea</u>
0x12eca18aac6db2470e000c0688cf11b9d8ea1d31	<u>Etherscan</u>	N/A	N/A
Oxcafeacdadd29f55ce935492e20f1f982df3fb51d	<u>Etherscan</u>	Ronin	<u>OpenSea</u>
ronin:4b18cebeb9797ea594b5977109cc07b21c37e8c3	N/A	Ronin	N/A
0x6e7f09aa3d151b932de2e7846e8341902d0fbeef	N/A	N/A	<u>OpenSea</u>
Oxf6dcc7aed1efecee267542e26be742b7f8f095ff	<u>Polyscan</u>	N/A	<u>OpenSea</u>
0x23eb4e02c29e69452718cd5caf2255488bc7ce3a	Polyscan	Zerion	<u>OpenSea</u>
0xdae36002431aa9394be363d3d43fbdb6de6af7cc	<u>Polyscan</u>	N/A	N/A
0xB981290d9d804075986482F0302c03A3Cd2aFf32	<u>Etherscan</u>	Zerion	<u>OpenSea</u>
0x21653E2f0472aFAF64eC85f585f0DB4ab83a83F0	<u>Etherscan</u>	Zerion	N/A
GvAm8xG5BSWXy286jWXWzYpN2xzPADQEoK9U8dQCDtzt	<u>Solscan</u>	N/A	N/A
Oxa597f915f5Eb850eB0cB8709F1eFd5f5256eaB18	<u>Snowtrace</u>	N/A	N/A
0x8E8D8015a7ffA49c83ee7A8773b0f69380cc6552	<u>Etherscan</u>	N/A	N/A
0x21653E2f0472aFAF64eC85f585f0DB4ab83a83F0	<u>Etherscan</u>	N/A	N/A
0x54fC1dB259B674A7C53eADD67253bD865c5a7FD1	<u>EnjinX</u>	N/A	N/A
0x5bC98513EB8972d03C99B30eB94D81051B035519	<u>Etherscan</u>	N/A	N/A
GvAm8xG5BSWXy286jWXWzYpN2xzPADQEoK9U8dQCDtzt	<u>SolanaFM</u>	N/A	<u>OpenSea</u>
DfA41FjhNCPbHqg1GAfLjsZMe4xFmYoGivkWNVJmNxnt	<u>SolanaFM</u>	N/A	N/A
3fGSv3VdKvf7KSMt1o9Lb3dZ4YK9ScUTWktcrC4JJBTq	<u>SolanaFM</u>	N/A	N/A

Global Media Coverage

The table below is a list of articles relating to YGG that were published during Q2 2023.

DATE	PUBLICATION	ARTICLE LINK
13.04.2023	Cointelegraph	Why join a blockchain gaming guild? Fun, profit and create better games
13.04.2023	Manila Bulletin	Binance Hosts "Women in Blockchain" Event in the Philippines to Empower Women in Tech
13.04.2023	The Mega Maxi	POW with Mike Ovecka
17.04.2023	Decrypt	Yield Guild Games' Cofounder @gabusch tells @decryptmedia about the problem with esports right now, and shares one Web3 game he's excited about.
19.04.2023	Manila Bulletin	YGG Pilipinas offers new content creation course in web3 metaversity
21.04.2023	Venture Beat	SuperDuperSecret Co. raises over \$1M to re-create classic chess with 10-player battle royale
21.04.2023	BitPinas	Een Mercado Headlines Web3 Metaversity's New Course Offering
25.04.2023	Newspim	Xpla, signed a partnership with Yield Guild Games Validator
26.04.2023	Manila Standard	Yield Guild Games PH offers content creation course in Web3 Metaversity
18.05.2023	NFTnow	Resurrection in Progress? Inside the Quest to Rebuild ON1 Force
18.05.2023	CoinCodex	IVS Crypto selects MarketAcross as media partner for upcoming IVS Crypto 2023 KYOTO conference
20.05.2023	Inc42	How Crypto Gaming Can Reshape The Future Of India's Online Gaming Industry
30.05.2023	BitPinas	Web3 Games Collective to 'Pave Way' for Popular Games to Enter Metaverse
04.06.2023	Cointelegraph	Web3 Gamer: GTA 6 crypto rumors, Dr Who/Sandbox, Thai tourist NFTs review
05.06.2023	FintechNews SG	Asia Pacific Poised to Lead the US\$81.5 Billion Web 3.0 Market by 2030
14.06.2023	TechCrunch	Kaya Founders backs Philippines startups from 'Day O'
14.06.2023	Coin Codex	5 Best Crypto Communities to Join Right Now
15.06.2023	CoinDesk	Crypto Exchange Bit2Me Raises \$15M to Grow in Spain and Latin America
24.06.2023	CoinGeek	Luis Buenaventura highlights YGG's attempt to boost local Web3 ecosystem on CoinGeek Backstage
27.06.2023	Digital Journal	GameFi Market Rewriting Long Term Growth Story: Axie Infinity, Gala Games, Gods Unchained, Sorare
28.06.2023	The Defiant	Metaverse Projects Attract 44% Of 2023 Web3 Investments
28.06.2023	The Bridge	<u>"YGG Japan" business partner ForN, business alliance with Japanese yen</u> stablecoin "JPYC"

Yield Guild Games Supporters

Yield Guild Games would not have been possible without the support of our partners and initial investors such as Marc Weinstein, Sebastien Borget, Jeffrey "Jihoz" Zirlin, Aleksander Larsen, David Cunio, Alex Amsel, Julien Bouteloup, Joe Mahon, Gabriel Leydon and others.







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ALL THE GAMES AND ALL THE PEOPLE

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