

June 10th - June 16th

PERSPECTIVES by Eric F. Risley

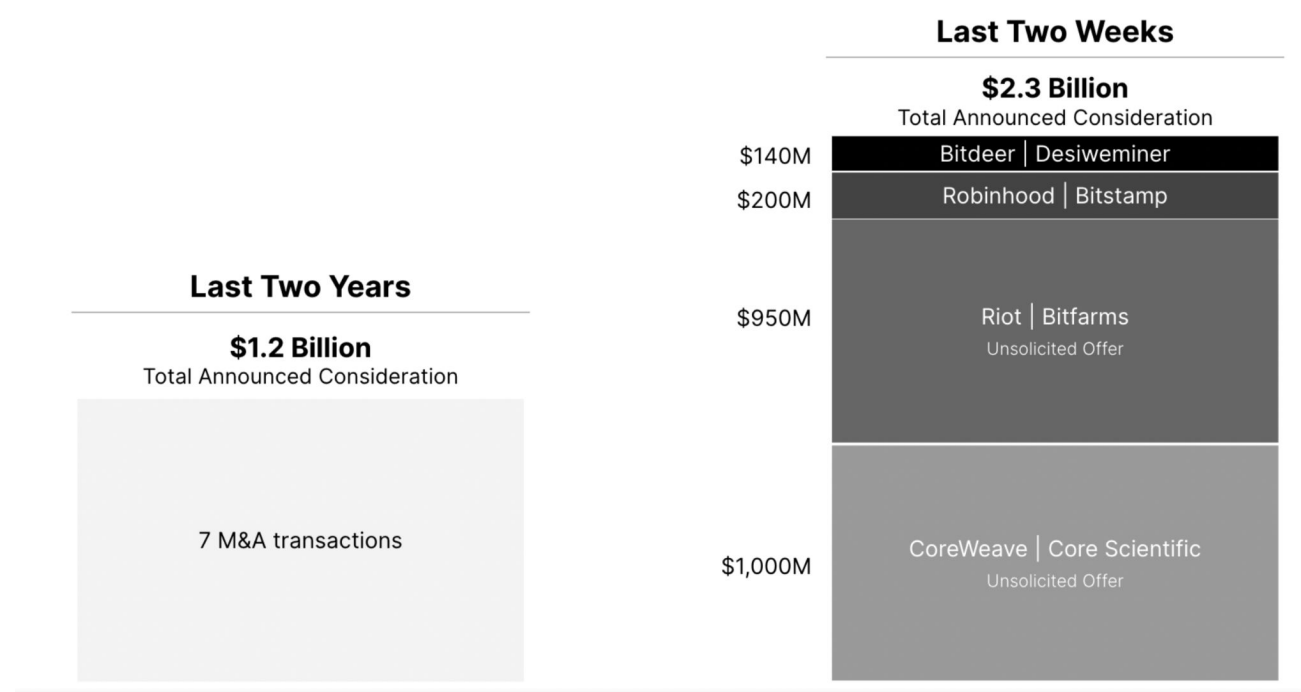
Gaming has long been a highly promising use case to allow crypto to break through into everyday use, It's a seemingly natural fit with gameplay dynamics which naturally lend themselves to robust and proven in-game economies. The problem is the value built within each game is stuck within the game and cannot be used in other games or in the physical world. Crypto and blockchain are naturally suited to allow in-game value to be "freed" and used by players elsewhere.

However, it largely remains promise, in spite of thousands of efforts to build, distribute and build and maintain engaged users. As we speak today, DappRadar places Axle Infinity, Midas Miner and Chain Colosseum Phoenix as the top three games as measured by the value of assets within the game, however combined they have a paltry 250,000 unique active users over the past month. For comparison ROBLOX, Minecraft and Fortnite currently have 196M, 166M and 126M monthly active users, respectively. Games are a \$282B business annually with 1.7B players, a market well worth striving for.

The coming twelve months is an important test for blockchain games, with the leading Web3 game development platform, Immutable, reporting that over 125 new games, many very well funded, will be launched in 2024.

While remaining early, blockchain game M&A is beginning to show itself, with two transactions announced this week, one by Uniswap Labs. Year to date, we've seen a total of 15 transactions in this segment, however, M&A generally follows market legitimacy, which has yet to be proven.

Lastly, the crypto M&A has picked up. Announced consideration has virtually doubled in just the past few weeks compared to the past two years!

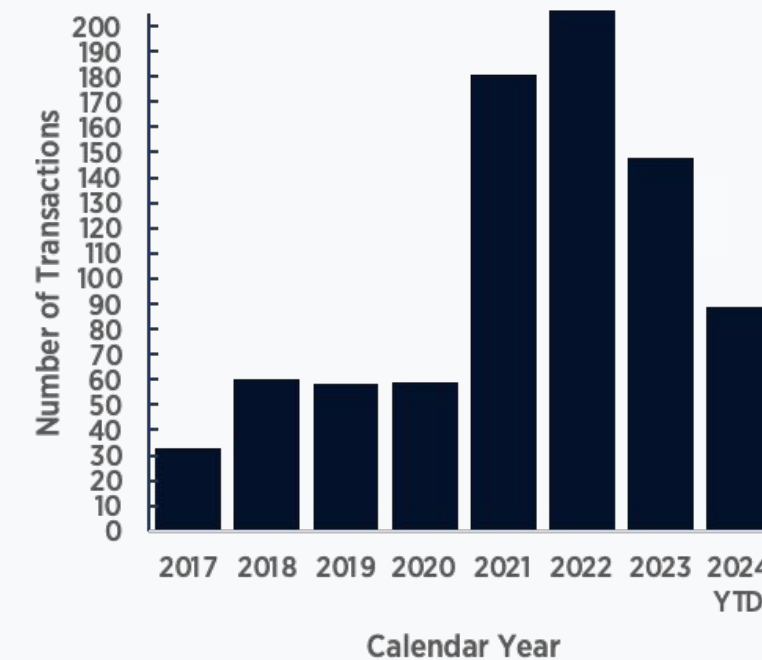


RECENT CRYPTO M&A TRANSACTIONS (click here for full AP M&A Tracker)

Target	Acquirer	Transaction Summary	AP M&A Alert
		<p>Transaction Value: Not Disclosed Rationale: Product Innovation & Depth Sector: Mining & Staking Target Description: Liquid re-staking platform & technology provider that allows users to keep liquidity</p>	○
Crypto: The Game		<p>Transaction Value: Not Disclosed Rationale: New Product Sector: DApp: Consumer, Gaming Target Description: Crypto-based, onchain, survival game on the Base network</p>	○
		<p>Transaction Value: \$45M Rationale: Online Expansion Sector: DApp: Consumer, Gaming Target Description: Online gaming & gambling technology provider with crypto casino products.</p>	○

OVERALL CRYPTO M&A ACTIVITY LEVELS

Past Seven Years



Past 52 Weeks

