

Title: gamestop's current announcements and their relevance to the future potential of the company

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hey guys this is my first dd ab gamestop. lmk what u guys think

gamestop is finally breaking their silence with their first reveal/hint of their plan to transition into a major tech company

the announcement w immutable confirmed superstonk rumors of creating an nft marketplace using loopring technology (cited loopring in 8k sec filing)

all major tech companies (nvda, msft, fb rebranding their name to meta, aapl, googl) are pushing to implement blockchain tech w nfts to create "the metaverse". Gamestop is poised to pioneer this new technology as the first major company to create a marketplace while implementing cheaper gas fees than their competitors (opensea). Opensea is dominating this space, capturing \$14 billion of the \$20 billion in nft sales in 2021 alone with over 600,000 users. While Opensea is capturing a large portion of this market currently, Gamestop is sneakily aiming to infiltrate this market and become the first major company to implement this tech to millions of users.

Opensea holds the title of the first major marketplace in this space, but gas fees pose a major problem to NFT users. According to coindesk as of Jan 28, 2022, the average gas fee for a transaction was "usually around \$30 or so". With such high gas fees, it makes little sense for users buying cheap NFTs. Why buy an NFT when the price of gas is double the cost of it? Gamestop aims to solve this problem by implementing zkRollup L2 technology through Loopring.

L2 tech allows for greatly increased scalability while still retaining the security of L1 on the Ethereum blockchain. Compared to Ethereum's 16% swap fee, the Loopring swap fee is only 0.3% (as of Dec 30, 2021). This technology combined in tandem with a marketplace will revolutionize this space by allowing for an increasingly efficient market for users.

Another advantage that Gamestop has in this space is it's brand name and extensive user count. Most people know about the company through its brand name, whether it be in a negative light as it was the place that everyone went to to sell their old games for a mere \$10 lmao. Gamestop boasts over 55 million PowerUp Rewards members worldwide and the strongest investor community in the stock market (somehow an even bigger and loyal fanbase than Elon with Tesla investors). In order to fully capitalize in this emerging market, Gamestop needs to succeed in explaining the value of NFTs, provide an easily accessible place for users/customers to transact their business, and simplify the process of buying and selling NFTs for the public. Gamestop has taken the first step with their NFT marketplace with IMX, but it is crucial that Gamestop is able to offboard their current users to this new technology. Luckily, Gamestop has the most loyal and devoted investor base, and I see stockholders looking forward to use and invest into NFTs as long as it is under the umbrella of Gamestop. If Gamestop offboards a mere 10% of its PowerUp members, around 5.5 million, they will have a user count 1000% higher than Opensea. Applying this to Opensea's current user count and assuming that Gamestop will charge the same transaction fee (2.5%), the potential of the total NFT sales can be \$140 billion. The more people Gamestop implements this technology to, the bigger the NFT economy can grow, ultimately benefiting Gamestop. Gamestop truly has the potential to be the first company to expand into this space and if they succeed, no one will doubt Gamestop as a true technology company.

this is kinda getting long so I'm going to pivot into recent announcements that affect Gamestop's stock price now. I might make another dd explaining why NFTs are valuable and have the ability to revolutionize financial markets by incentivizing communities.

So now we know Gamestop has the technology and partnerships to create a more efficient, and hopefully more popular marketplace. Major companies are starting to respond to this news with aims of using this

technology for their users. ESL is the world's largest esports organization, holding tournaments with millions of \$ as a prizepool for professional gamers in names like CSGO, Dota 2, Hearthstone, Battlefield, and more. The total viewership for ESL in CSGO alone was 89 million in 2020. On Feb 4th, ESL tweeted,

"We're beyond excited for u/Immutable X partnership with u/Gamestop. For our fellow ESL supporters, this means your valuable NFTs will gain access to more mainstream users on Gamestop's NFT marketplace. Excited for the official integration completion date!"

This is a major step in Gamestop transitioning from a brick and mortar to a company that encompasses the entirety of the gaming industry. Esports is not only the epitome of gaming for players, but it is one of the fastest growing industries with projected revenues of \$2 billion in revenue for 2022. As more and more companies desire to work with Gamestop, Gamestop can truly be the hub for gamers to unite all of these different communities.

These 2 sectors alone (NFT marketplace and Esports) make up billions of \$ of transactions. Now combine this with Gamestop replacing Amazon as a technology retailer selling everything game related (GPUs, Xbox/PS4, video games, collectible items, etc.) and the true value of Gamestop and the market they can capture is revealed.

Another recent announcement/hint was from the director of Blockchain for Microsoft. He tweeted "must be nothing u/Xbox u/Microsoft u/Gamestop" in response to a tweet about the IMX/GME NFT marketplace. It was known that Gamestop and Microsoft were partners since their announcement that Gamestop would earn a % of their sales, but the extent of their partnership was not known. Microsoft's brand reputation and strength of their company can only help Gamestop, and I look forward to see what becomes of this partnership as more news is dropped.

Finally, but most importantly, Ryan Cohen's standstill agreement ends on Feb 9th. This is important for 2 reasons. First is that this means his gag order is lifted and he is finally able to speak his mind. Cohen is already a glorified figure amongst investors, but has only been able to communicate to the public with coded tweets and gifs. With this gag order lifted at the same time as their new business venture (NFT marketplace), Cohen can make waves in the industry by speaking about Gamestop's direct plans and projections for the future as an emerging, yet dominant technology company. The second reason is that Cohen is able to increase his stake in the company at this date. He is able to buy 7 million shares, which would be a major catalyst in setting off a run. I think this is less likely, but with the juicy dip of Gamestop at \$100 it is a potential ace that Cohen can use in the interests of his investors.

With these new announcements of Gamestop's plans coinciding with Gherkinit's FTD cycles and Cohen's standstill period, I expect fireworks to come. Cheers to February :)

TLDR: Positive factors emerging in favor of Gamestop (confirmed partnership with Immutable to build NFT marketplace using efficient Looping technology, Microsoft head of blockchain getting involved, major esports org speaking ab using the tech and onboarding their users to the mainstream, Cohen can speak ab his plans and buy the rest of his shares on Feb 9th). Blockchain tech empowers users and creators and can encompass all of gaming. Gamestop slowly showing their true company plan to dominate this emerging market. We moon soon.