



Fundamental Report - Metaverse

Prime Rating Report V1.2

Protocol: MOBOX
 Category: GameFi
 Version:
 Date: 21/04/2022
 Previous Report: N/A

Author: Dliteofficial#9758
 Reviewed by: xm3van
 Season/competition: Metaverse Rate-athon

Scorecard

1. Value Proposition	Points
a) Novelty of the solution	7 / 15
b) Target market size	12 / 15
c) Product-market fit	8 / 15
Total Points - Value Proposition	27 / 45
2. Competitive moat	Points
a) Integrations & partnerships	6 / 10
b) Intellectual property	7 / 10
c) Infrastructure - security	3 / 10
d) Infrastructure - fees and ancillary infrastructure	4 / 10
e) Treasury management	0 / 10
Total Points - Value Proposition	20 / 50
3. Tokenomics	Points
a) Genesis token distribution	3 / 15
b) Purpose of the token	3 / 10



c) Ongoing token issuance / inflation	8 / 10
d) Value capture	7 / 10
e) Token liquidity	4 / 5
f) Extrinsic productivity	2 / 5
Total Points - Tokenomics	27 / 55
4. Team	Points
a) Credibility and reputation	4 / 10
b) Relevant experience	8 / 15
c) Thought leadership and public presence	3 / 10
d) Ability to foster a community and coordinate resources	12 / 15
Total Points - Team	27 / 50
5. Governance	Points
a) Extent of governance capabilities	0 / 10
b) Active governance contributors	0 / 5
c) Governance infrastructure robustness	0 / 10
d) Process and ease of use	0 / 5
Total Points - Governance	0 / 30
Total	101 / 230

For gaming projects only:

6. In-game economy	Points
a) Ease of use / Onboarding	10 / 15
b) Sustainability of P2E or in-game economy	5 / 20



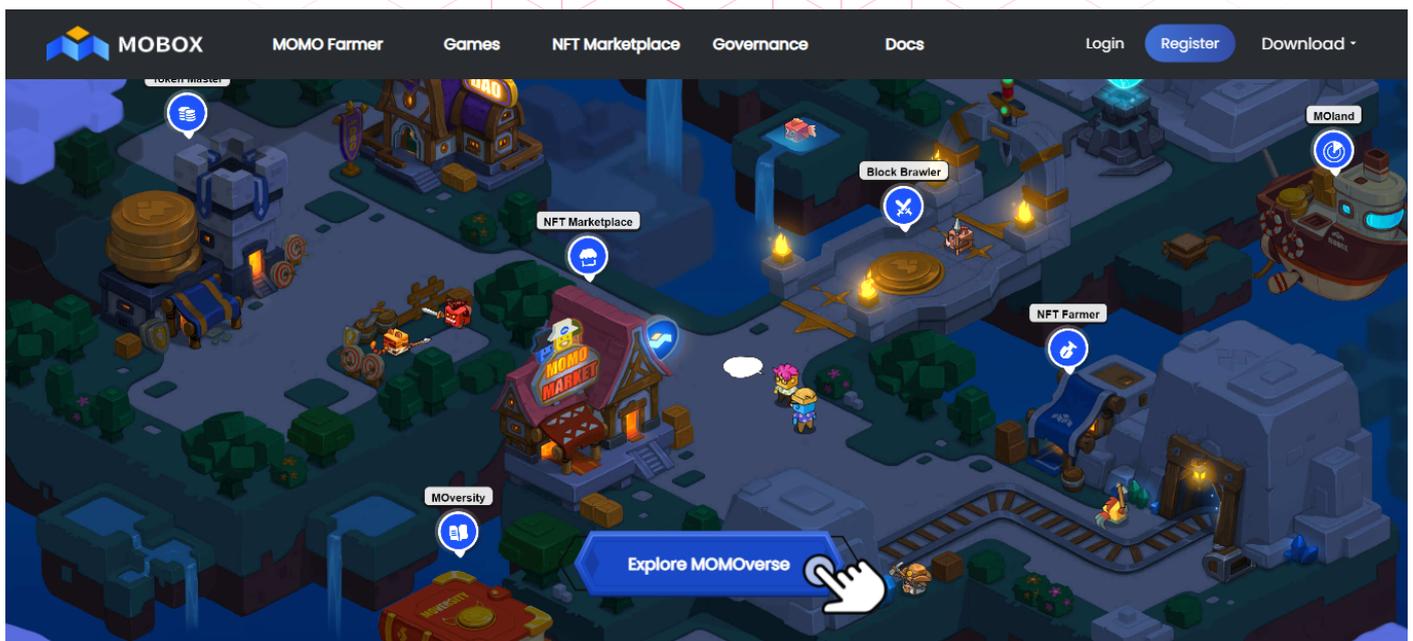
c) Utilisation of NFTs	14 / 15
Total Points - In-game economy	29 / 50
Total	130 / 280

1. Value Proposition

The "Value Proposition" section assesses the value a protocol delivers to its users. The rating is based on the size of the problem a protocol addresses and the product/market fit of the protocol's solution

a) Novelty of the solution (15 points)

This score evaluates the novelty (uniqueness) of the protocol. Has the protocol introduced any innovations that help solve users' problems, either technical or organizational? Or has it just forked someone else's code?



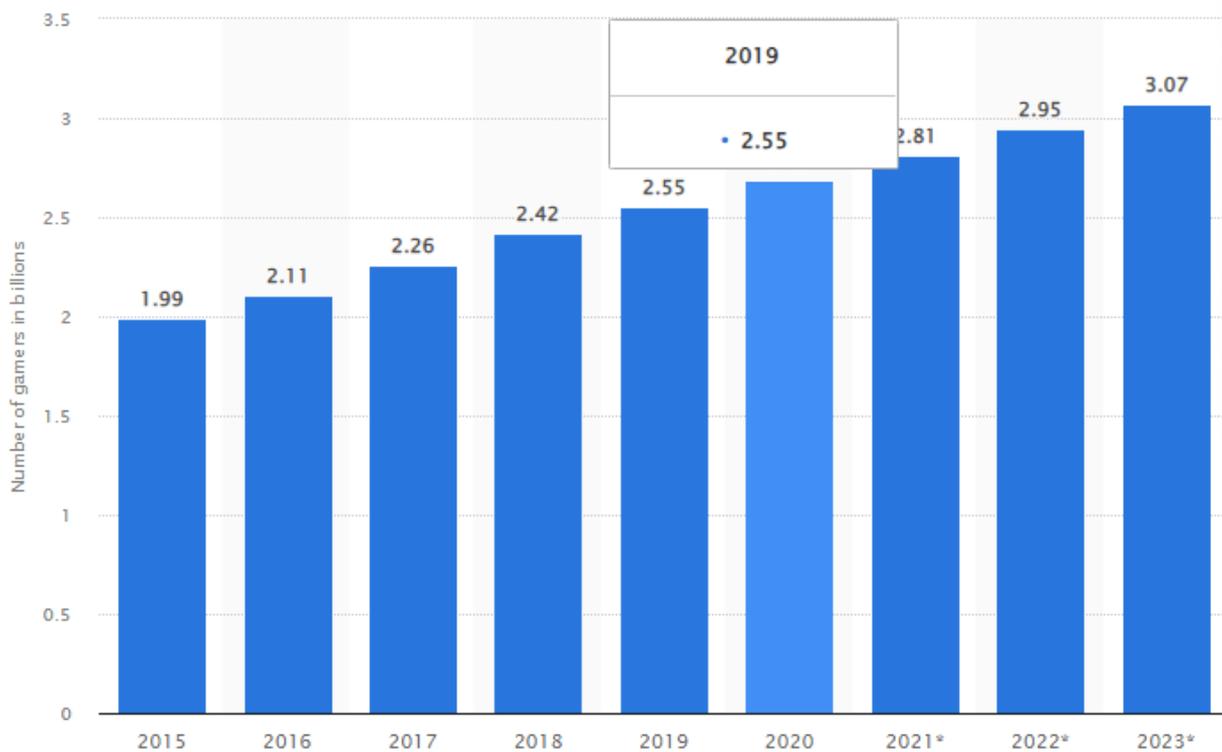
Answer: [MOBOX](#) is a community-driven GameFi platform empowering users by rewarding them for their engagement and enjoyment. MOBOX combines gaming, Decentralized Finance (DeFi), and Non-Fungible Tokens (NFTs) to create a FREE TO PLAY, PLAY TO EARN ECOSYSTEM. MOBOX has a total of 3,407,982 registered users, 1,430,453 minted NFTs with a monetary value of \$341,831,824. The MOMOverse is a cross-platform metaverse that can be enjoyed on all devices no matter where you are, mobile and desktop, Android and iOS. [One of the technical innovations of MOBOX is introducing a MOMOverse chrome extension that allows you to quickly make safe and fast transactions. The extension also permits you to manage your crypto assets and NFTs with ease.](#)

Score: 7



b) Target market size (15 points)

The target market size evaluates the current and future size of the problem a protocol aims to solve. While the term Metaverse is all-encompassing, what is the target market size for the relevant sector? For example, NFT games are trying to disrupt the traditional gaming industry, which is reported to be worth roughly \$175 billion.



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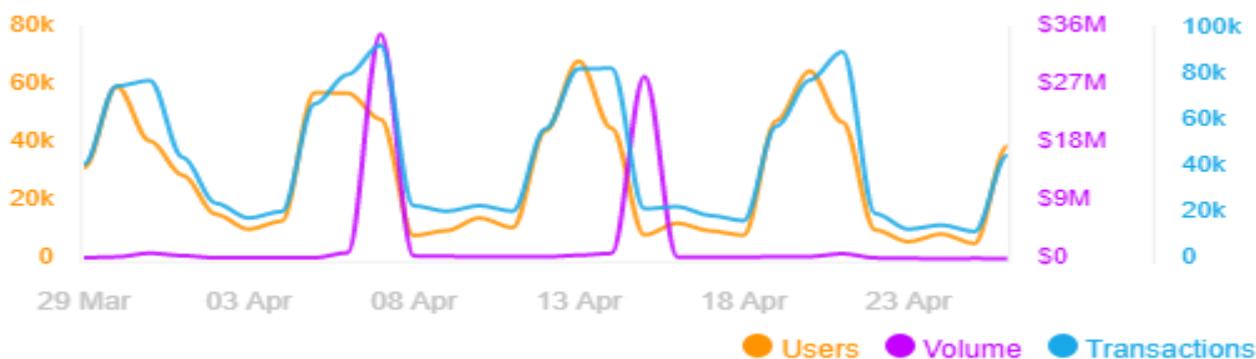
Answer: According to research conducted by [FinancesOnline](#) on the traditional gaming industry as a whole, the total number of active video gamers in 2020 was pegged at 2.69 Billion. This figure factors in the pandemic/Covid outbreak in 2020. According to the report, the industry is expected to grow by 5.6% Y-o-Y with 2021, 2022, and 2023 figures expected to be [2.81Billion, 2.95Billion, and 3.07Billion respectively](#). The global games market had \$159.3 billion in revenues for 2020, almost half of which came from the Asia Pacific market. MOBOX games is a blockchain role-playing game (RPG). A blockchain game where stats and abilities can be improved upon, and momos also get to battle each other for wins. According to [The Business Research Company](#), the global role-playing games market reached a value of nearly \$15BN in 2019, having increased at a compound annual growth rate (CAGR) of 6.84% since 2015, and is expected to grow at a CAGR of 9.22% to nearly \$22BN by 2023. The expected growth is way higher than the growth of the entire traditional gaming space at 5.6%. Based on this report, it is to be estimated that a major contributor to the growth of the traditional gaming industry is RPG games and MOBOX could really benefit from onboarding these set of gamers on their blockchain gaming space however, it appears as though they are slow in that aspect, hence, the score of 12.

Score: 12



c) Product-market fit (15 points)

Product-market fit evaluates the degree to which a protocol satisfies market demand in its specific sector. How many users does a protocol have? What is the trading or transaction volume on a platform? Is there growth on both the buy and sell-side of the market? Is the protocol targeting the right product segment at all?



Answer: MOBOX platform is a gaming platform that incorporates the advantages of DeFi, traditional gaming, and NFTs. According to the MOBOX platform, the platform has 3,407,982 registered users and counting, and 1,430,453 minted NFTs. Over a 30-day period, according to a [DappRadar](#) top blockchain games ranking,

- With a balance of \$98.76M, MOBOX is 8th in terms of ranking based on balance
- In terms of increase in the number of users over a 30-day period, MOBOX is 4th with 216K+ users.
- And according to the total amount of incoming value to dapp's smart contracts, MOBOX is third with a transaction volume of over \$81M.

Compared to many other DeFi protocols or NFT games like Axie Infinity, these are relatively low numbers however, MOBOX indeed has shown signs of a market fit in a promising market.

Looking at social media numbers, there is a clear interest in their product offerings. [MOBOX Twitter has 302.4K followers](#), MOBOX discord has over 11K members and [their publication page on medium has 22k followers](#). However, comparing MOBOX games to its competitors, those who have come before and after them; they ought to have captured a larger percentage by now.

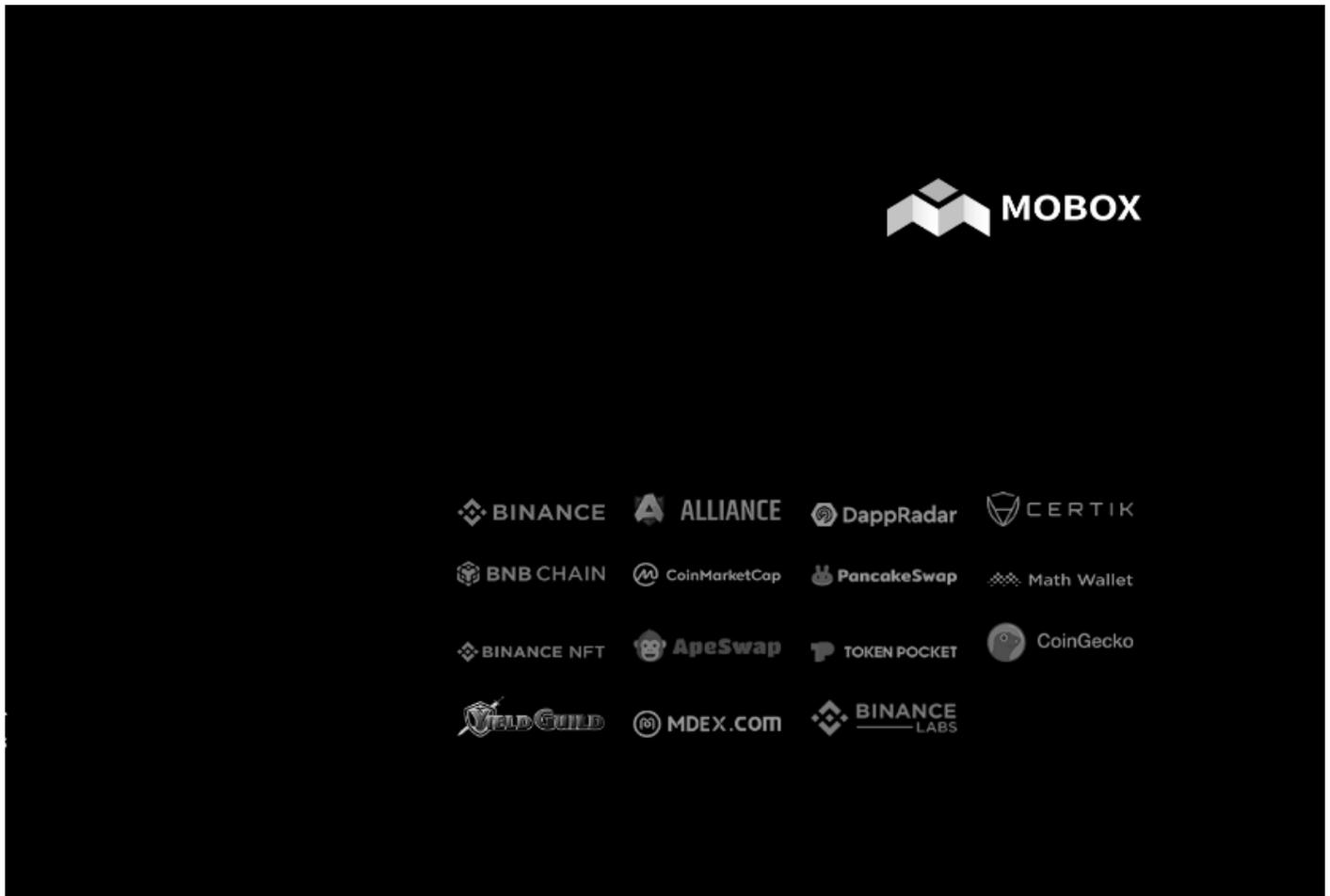
Score: 8

2. Competitive Moat

The "Competitiveness" section looks at a protocol's competitive moat in the space and its unforkable assets. This includes integrations and partnerships, intellectual property, the underlying infrastructure being used, and treasury management.

a) Integrations & partnerships (10 points)

Due to crypto's open-source nature, the code of most protocols can easily be forked. This score represents one piece of unforkable value. Some indicators are the number of applications built on top of the protocol (vertical integration) and other entities integrating the protocol's services (horizontal integration).



Answer: There is no record of integrations, vertical or horizontal. On their website, MOBOX claims to be in partnership with the companies as highlighted in the picture above when in the true sense, some of them just offer them one form of service or the other. For example, There was no formal partnership arrangement with CERTIK. CERTIK just offers auditing services to MOBOX. Back to the partnerships, [MOBOX, however, partnered with Binance NFT marketplace](#) in order to allow NFTs bought on the platform can be used in MOBOX. There are also the likes of ApeSwap, Matic, etc. it is worth noting that the MOBOX platform supports exchangeability and interoperability. For example, NFTs bought on PancakeSwap, ApeSSwap or even Binance marketplace can be used in their platform.

Score: 6

b) Intellectual property (10 points)

Intellectual property is and will continue to be a crucial part of the metaverse. This score considers if a project, for example, developed a unique IP that creates a sustainable competitive moat around it or, as an alternative, secured IP through agreements with outside parties.

Answer: MOBOX gave a detailed explanation of how and when their intellectual property can be used and is available on their [website](#). According to a [Medium publication](#) explaining the dynamics of the partnership between MOBOX and The Sandbox, MOBOX is apparently sharing their IP with The Sandbox by launching ChainZ Arena, a MOBOX game on their platform. Basically, they generate revenue either way however, it is just that now, some of the items on the game



will be bought using Sandbox native utility token, \$SAND.

Score: 7

c) Infrastructure - security (10 points)

Metaverse projects make all kinds of choices when it comes to infrastructure. Some build their own solutions, whether Ethereum side-chains or a new blockchain entirely, and some deploy to an existing sidechain or a level 1 blockchain. These decisions have significant trade-offs across security, maintenance, ease of use, costs and scalability, etc. This score assesses specifically the security of the chosen infrastructure solution.

Answer: MOBOX or MBOX utilizes the [Binance Smart Chain](#). The blockchain aspect of the platform is built on the Binance blockchain technology. Therefore, the MOBOX platform inherits the security intensity of the Binance Blockchain. MOBOX has not experienced any hack or security threats either. In fact, this research was taken a step further to examine the safety and security of BSC.

The BSC network is a lost cause. Apparently, Binance Smart Chain has a chain of issues that require fixing which poses a huge security threat. Just how big is the security threat? See below:

- There is no code review, patches are simply committed, in most cases even without a proper description of what they do or what problem they try to solve
- There doesn't appear to be any reasonable testing process in place. Every update appears to make things worse.
- There is zero response to bug reports. Hundreds of people report non-syncing nodes or nodes falling out of sync. Response from the "developers" - zero.
- There is no beta testing, stuff is thrown over the fence. Features like diffsync are declared "stable" even though hundreds of people reporting the opposite indicated otherwise. ([Source](#))

Score: 3

d) Infrastructure - fees and ancillary infrastructure (10 points)

The section above assessed specifically the security of the chosen infrastructure solution. This score, however, looks at the other side of the scalability trilemma - fees and the ancillary infrastructure like bridges, wallets, etc.



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...

Insightful comparison of [#BSC](#) vs [#ETH](#).

[#BSC](#)

5,000,000 trades
\$456,000 in gas fees
\$0.0912 per tx

[#ETH](#)

46,000,000 trades
\$207,000,000 in gas fees
\$4.5 per tx

On average [#BSC](#) was 49x cheaper per trade in regards to gas fees

Answer: Subjectively, a tweet from the CEO of Binance made it clear that the Binance Smart Chain is way cheaper than the Ethereum blockchain. How cheap? 49x cheaper per trade in regards to the gas fee. [Link to CZ's Tweet](#). However, comparing BSC to other Layer 2 blockchain technologies, you'll discover according to this [report](#) that BSC is still expensive. MOBOX doesn't have any ancillary infrastructure hence the score.

Score: 4

e) Treasury Management (10 points)

Treasury management refers to the project's management of its assets and balance sheet. How diversified is its treasury? If diversified, are the assets productive? For example, does the project own its liquidity? Are there procedures and plans in place for managing the treasury?

Answer: Treasury Information not publicly available

Score: 0



3. Token Economics

The "Token Economics" section assesses the function of a protocol's token. This includes the token distribution, its functionality, the ability of the token to incentivize desired behaviours, and value capture potential.

a) Genesis token distribution (15 points)

Token distribution can be an indicator of a healthy protocol and, if done well, can improve coordination and alignment among different stakeholders. Was the initial distribution fair and balanced? Are the tokens distributed widely or is the ownership concentrated?

Answer: MBOX token has no pre-mine, no seed round, and no offering round.

Description	Details
Token Name:	MBOX
Protocol:	BSC
Standard:	BEP20
Total Supply:	1,000,000,000

MBOX Tokens will be distributed over 5 years according to the below schedule:

Year	Weight	Amount (MBOX)
1	40.00%	400,000,000
2	22.50%	225,000,000
3	17.50%	175,000,000
4	12.50%	125,000,000
5	7.50%	75,000,000
Total	100%	1,000,000,000

Beginning year 6, 50,000,000 new MBOX tokens may be minted depending on community vote.

Token Holders (year 1)



Holders	Weight	Amount (MBOX)
Community	51.00%	204,000,000
Contributors	21.00%	84,000,000
Strategic Partners	8.00%	32,000,000
Team Mobox	20.00%	80,000,000
Total	100%	400,000,000

Any tokens not mined in the first year will be burned. According to the genesis distribution schedule available in their whitepaper, only 51% goes to the community. This is excessively low compared to the likes of Illuvium which has over 60% allocation to the community. Even though, the industry standard is to have lower than 50% allocated to the team, strat. Partners, contributors, etc., the allocation to them from MOBOX is on the high side.

Score: 3

b) Purpose of the token (10 points)

This score evaluates the purpose of a token in the project's ecosystem. For example, does it provide utility? Does it have governance rights attached to it or a built-in value capture mechanism?

Answer: MBOX is the native utility token that is used for

1. Processing transactions through the NFT gaming platform: The native MOBOX token is essential for buying, selling, and trading the "MOMO" Mobox NFT range and participating in MOMO mining.
2. Staking for platform bonuses and incentives: MBOX unlocks bonus features and enables players to purchase high-level equipment and in-game assets.
3. Used for governance votes to determine how resources are allocated. [MBOX token holders can stake their holdings for the specified period and earn veMBOX which allows them to participate in governance.](#)

Summarily, the token allows users to participate in governance, and holding the tokens doesn't grant you a share in the revenue. Holding MBOX tokens does not grant you a share of any of the trading fees.

Score: 3

c) Ongoing token issuance/inflation (10 points)

Most tokens have built-in inflation. This section evaluates the purpose of that inflation. Is it justifiable? Does it help improve the coordination and alignment of incentives for the protocol? Does it incentivize positive-sum behaviour? Are the benefits flowing to all relevant stakeholders or just select groups?

Answer: The total supply for the token for the first 5 years is pegged at 1BN. 80% of all fees collected on crates, NFT marketplace, and games go into a unique buyback and burn pool which automatically buys back MBOX tokens from decentralized exchanges when the price of MBOX goes below 72 hours average. [This makes the token deflationary and of limited supply. All of these go to maintain the supply level of the token in order to help maintain value.](#)

Score: 8



d) Value capture (10 points)

The ability to accrue value and consequently distribute it to stakeholders can be an effective coordination mechanism and deliver long-term benefits to a project.

Answer: [MBOX tokens can be staked on a yield farm to mine a key token which can further be used to open a blind box to mint a MOMO NFT. By staking your token on VEM box, you can boost your stake on different yield farms. This also gives you a chance to earn rare MOMO NFTs. MOMO NFTs can be staked to earn MBOX tokens. You can also lend these MOMO NFTs to players in exchange for MBOX tokens.](#)

Score: 7

e) Token liquidity (5 points)

Is the token widely available and is there sufficient liquidity to facilitate all protocol functionalities?

Answer: MBOX is available on all major decentralized and centralized exchanges. According to [CoinMarketCap](#), MBOX is traded across over 45 exchanges. Beyond this, MBOX currently maintains a 31%+ Vol/MKt Cap and its current trading volume stands at \$61,846,969. Compared to its liquidity of \$82.91M as shown on [PancakeSwap](#), MOBOX likely has enough liquidity to facilitate protocol functionalities.

Score: 4

f) Extrinsic productivity (5 points)

Can the token be used outside of the project's ecosystem? For example, can it be used as collateral elsewhere, be staked for yield or rewards, etc.

Answer: Of course, MBOX has a use case outside of its ecosystem. It is available for staking on PancakeSwap, to which the MBOX&BNB LP can be used on MOMOfarm for yield farming.

Score: 2

4. Team

The "Team" section describes the quality of the team behind the protocol. The current version of Prime Rating favours teams that are publicly identifiable. In the case of an anon team, the track record of the specific anons involved can be taken into account.

a) Credibility and reputation (10 points)

Are the identities of the core team public? In the case of anon team members, do they have a track record or reputation in the crypto space?

Answer: Information available online on the team is limited. According to the information available, we have Soon who is the Co-founder of Mobox games, [Rachel Song](#) (OEM/Game manufacturer) and Business Development Supervisor, and [Sharry Chen](#) who is the Business Development Supervisor. According to Binance's [research, the MOBOX team comprises individuals with over 10 years of experience in developing and operating social gaming platforms](#). The founders of MOBOX have been in the Dapp space since 2018. With a wealth of experience in coding smart contracts, the team has handled over \$4 billion across their Dapps. With an international team, MOBOX has created communities



across the globe. Their previous Dapp was successfully the first-ever gaming Dapp featured on Binance Launchpad. This is according to [CoinmarketCap](#).

Score: 4

b) Relevant experience? (15 points)

Does the team have a track record of execution? Have individual team members built a product or a business before? Does the team have the necessary skills? For example, if a project is making a game, do they have a game developer?

Answer: Seeing the limited information available, CoinMarketCap reported that with a wealth of experience in coding smart contracts, the team has handled over \$4 billion across their Dapps. With an international team, MOBOX has created communities across the globe. [Their previous Dapp was successfully the first-ever gaming Dapp featured on Binance Launchpad](#). Binance also reported in their research report that the team has a collective average experience of 10 years in building and operating social gaming platforms. During a deep dive on LinkedIn, I discovered that Sharry was the Senior R&D Engineer, Software development Engineer for XINGJI Information technology Co., Ltd for close to 4 years and Rachel has been with MBox for over 3 years but before that, Rachel was the Marketing / BD Supervisor for Lei Shing Hong Machinery and the Marketing Communication Specialist for Extron for a total of 6 years. Indeed, the team has experience working with companies but it is difficult to estimate whether the team is right for the project seeing that information is not publicly available.

Score: 8

c) Thought leadership and public presence (10 points)

To what extent do the protocol contributors participate in the public debate around the metaverse? Are the team members giving presentations, sharing their thoughts and opinions, and do they help raise the industry's collective intelligence?

Answer: The team regularly shares their thoughts and opinions like in [the Binance AMA where the co-founder, Soon Soon, talked about MOBOX and GameFi](#). However, their public presence could be nudged up a bit. It would really be of help to the team and the project's outlook.

Score: 3

d) Ability to foster a community and coordinate resources (15 points)

How effective is the team at attracting and coordinating resources for the benefit of the protocol? Do they manage the community well, fostering a welcoming and positive environment? Does the community represent the project well externally?

Answer: Yes they do, to start with, they have a [community page](#) on their website where users and interested others can go to drop comments on announcements and to drop their feedback regarding the project and how the project can be of better service to the community. Besides this, they also have a growing [Telegram](#), [Discord](#), [Twitter](#) and [Medium](#) page to help reach out to their community providing them with all the information they might need.

Score: 12



5. Governance

The "Governance" section evaluates all aspects of the protocol's governance, from infrastructure to processes and distribution of governance power.

a) Extent of governance capabilities (10 points)

Distributed governance should allow token holders to participate in the governance process. How much influence does the current governance process have when everything works as intended? What parts of the protocol does governance touch? Who can put forward a vote, and are there any limits or requirements (number of tokens, only the team can queue votes up, etc.)?

Answer: Governance isn't active yet, the core team takes every decision regarding the protocol. However, in the video guide available on the website, only veMBOX holders can participate in governance. veMBOX is the token MBOX holders get for staking their holding for a specific period.

Score: 0

b) Active governance contributors (5 points)

Governance is time-consuming, and governance apathy is a common problem in most democratic systems, including crypto. Therefore, it's essential to have a sufficient number of community members allocate resources to the governance process of the protocol. How many individuals participate in the debate around the protocol? How active are voters? Is delegation enabled?

Answer: The total number of active governance contributors isn't available because governance is not live yet.

Score: 0

c) Governance infrastructure robustness (10 points)

Robust infrastructure relates to how well the technology, software, and models used by the protocol's governance withstand actual use cases. Does the protocol have a reliable voting mechanism? How robust is the governance process, and does it facilitate good governance? Are the votes binding, or do they function solely as signals to the team?

Answer: There is no governance platform either on their website, snapshot, Messari governor or even on discord. The proposal section of their community page is employed by users to express their displeasure or consent for different changes on the platform.

Score: 0

d) Process and ease of use (5 points)

This score is based on the documentation and process for governance. More specifically, how easy it is to participate in governance. Does the protocol have a formal governance process? Is sufficient documentation available? Is there a basic framework to establish social consensus? Are there channels dedicated to governance debate?

Answer: There is no documented process for participating in governance.



Score: 0

6. Gaming Specific - In-game Economy

Gaming is and will continue to be an essential part of the metaverse. One of the benefits of NFT gaming and blockchain technology more broadly is authentic verifiable digital ownership. For games, that enables the creation of open in-game economies. However, these economies need to be well balanced through token economics and token design. The "Gaming" section focuses on the analysis of in-game economies and their sustainability.

a) Ease of use / Onboarding (15 points)

Gaming projects are introducing crypto to a lot of people in a short space of time. How easy is it for players to get to grips with the game, token economics, and onboard funds from the traditional financial system? Can the game be played on mobile, PC (browser or install), or both?

Answer: Getting started with the MOBOX platform is easy for the crypto savvy. The most important requirement is the ownership of a BSC wallet. Since MOBOX is a project running on the Binance Smart Chain (BSC), you need to create a BSC wallet.

1) Install wallet extension on the browser(only one needed)

1. MOBOX wallet (On MOBOX DAPP)
2. Token Pocket (Official Docs)
3. MetaMask (Official Docs)
4. Other BSC wallets

Because MOBOX currently runs on the Binance Smart Chain, the wallet needs to be set up on the BSC mainnet. Take MetaMask as an example, find the official plug-in of the wallet in the browser's extension store and install it.

2) Create a wallet and connect to the MOBOX platform

After creating a wallet please record the generated mnemonic phrase and save it properly; After the wallet is created, refresh the MOBOX homepage and click connect.

2. BSC Network (PC)

Take MetaMask as an example: Click "Settings", click "Add Network", and enter the following information:

Mainnet (This is the one you are probably looking for)

Network Name: Binance Smart Chain

New RPC URL: <https://bsc-dataseed.binance.org/>

ChainID: 56

Symbol: BNB

Block Explorer URL: <https://bscscan.com>

If notice: "Could not fetch chain ID. Is your RPC URL correct?", you can go to "BSC Developer Documents" and use other RPC addresses.

Find more details on the "Binance official document".

3. Bind BSC Wallet (PC)

First Step: On MOMO farmer, Click on the avatar in the upper right corner

Second Step: Click "User Center" in the drop-down menu



Third Step: Find "Bind MOMO Farmer Address" on the page and click on "Bind".

Fourth Step: Click on the BSC wallet tool you are using and give the signature permission

MOBOX is available both on Android and iOS for those who prefer it

Score: 10

b) Sustainability of P2E or in-game economy (20 points)

This section scores the sustainability of the in-game economy. Does it rely on the ever-increasing growth to sustain the ecosystem? Are there multiple levers the team can pull to balance the economy?

Answer: Every gaming platform, both traditional and online, needs users to properly function. Whether the MOBOX platform relies on the ever-increasing growth of users to sustain the ecosystem is not known yet but it doesn't appear to. However, the platform and the ecosystem require management from time to time which doesn't make it very independent or self-regulating.

Score: 5

c) Utilisation of NFTs (15 points)

NFTs are the fundamental building block of NFT gaming projects and enable open and transparent in-game economies. Can everything in the game be owned by players (Land, Character, Items) as an NFT, or is it limited? Once owned, can items be traded freely?

Answer: Non-fungible tokens are a huge part of MOBOX games. [MOMO](#) is a kind of NFT asset of the MOBOX platform, used in MOMO mining and games on the MOBOX platform. The MOBOX platform creates a unique NFT liquidity mining mechanism such that the user's NFT is no longer just a digital artwork, it has been given a practical application value. MOBOX NFTs use both ERC721 and ERC1155 standards generated on the Binance Smart Chain. This significantly reduces gas fees allowing for more sophisticated logic when generating unique NFTs on-chain.



A unique yield farming mechanism that puts your NFTs to work has been created. By staking unique MOMOs users can farm the MOBOX platform DAO token (MBOX) and staking does not affect the use of MOMOs in the game.

The MOMO NFT Marketplace is your one-stop-shop on all things MOMO. This is a decentralized marketplace that allows users to buy, sell and rent their MOMOs. Users are also able to buy & sell a wide range of other items such as the NFT Mystery Boxes, MEC (MOMO Enhancement Crystals), and GEMs.

MOMOs can be exchanged directly within the smart contract. Therefore users do not have to unstake their MOMO for them to be traded in the NFT Marketplace. This also minimizes gas fees to provide a low-cost experience when trading NFT assets.

Score: 14

About the Author:

Name: Opeyemi

Discord: Dliteofficial#9758

Twitter: @Dlite_official

