

ICO Review: AirToken (AIR)

Mobile Accessibility Using
Advertising And Microloans

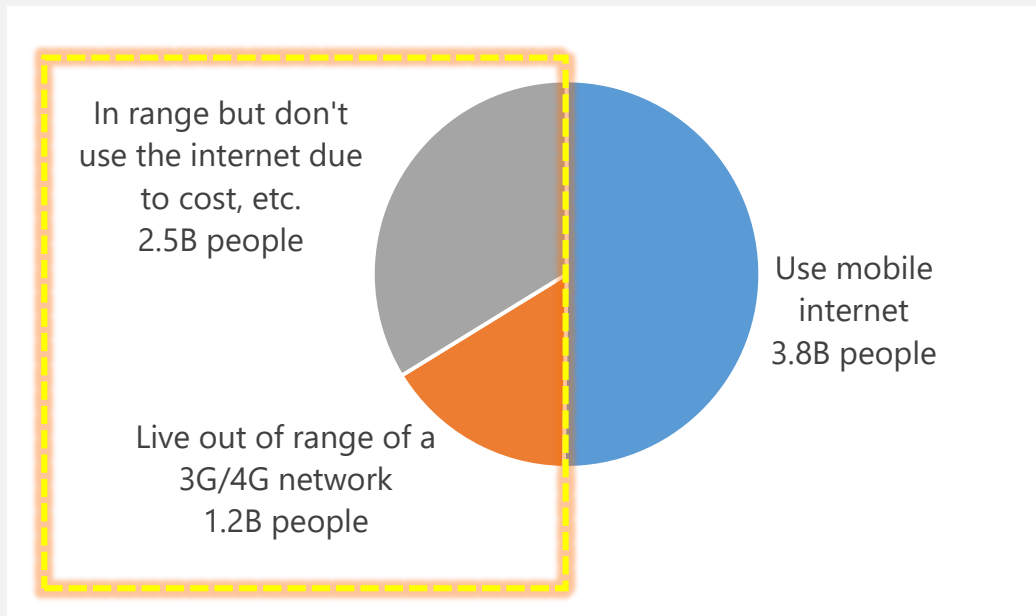
September 13, 2017



Issue #1 – mobile internet affordability

50% OF THE POPULATION ARE NOT ON THE INTERNET

Data as of June 2017. Source: GSMA Intelligence

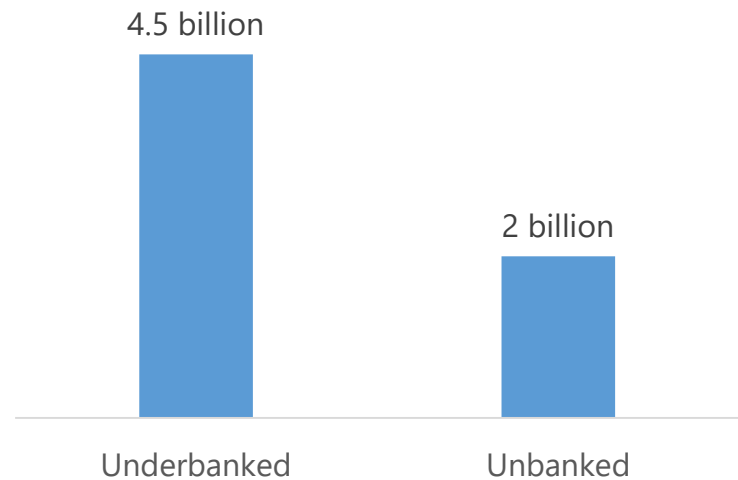


- Potential reasons:
 - Lack of infrastructure
 - Consumer readiness
 - Relevant content
 - Affordability
- The UN Broadband Commission defines broadband as affordable if an entry-level (500MB) package is available at 5% or less of average monthly income.
 - In 2014, the figure was at 15.2% in least developed countries (LDCs) and 6.5% in developing countries.

Issue #2 – access to capital

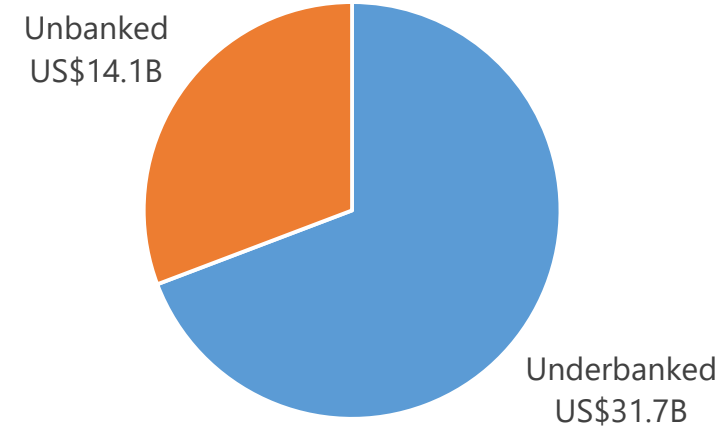
GLOBAL UNDERBANKED AND UNBANKED POPULATION

Source: World Bank Global Findex Database 2014



2015 GLOBAL ADDRESSABLE MARKET

Source: AirToken whitepaper



What is AirFox?

- Founded in 2015 as part of Harvard University's Innovation Lab by two ex-Googlers.
- Their goal is to provide **mobile affordability** to the **underserved**, low-income consumer.
- Since inception, AirFox has generated \$600K revenues in the first 10 months, delivered over 1 billion impressions.
- Their B2B platform has enabled more than 2 million unique US prepaid wireless subscribers to reduce their mobile costs.

ANDROID MOBILE APPS



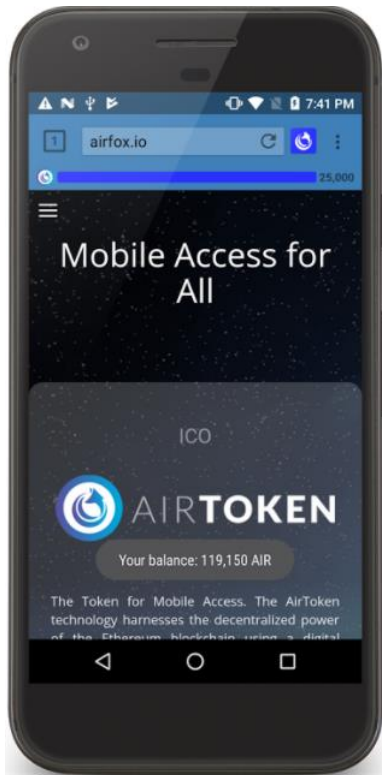
- Ad blocking
- Opt-in to AirFox advertising to earn AirTokens
- Qualify for micro-loans
- Redeem AirTokens as a prepaid mobile top-up with your carrier



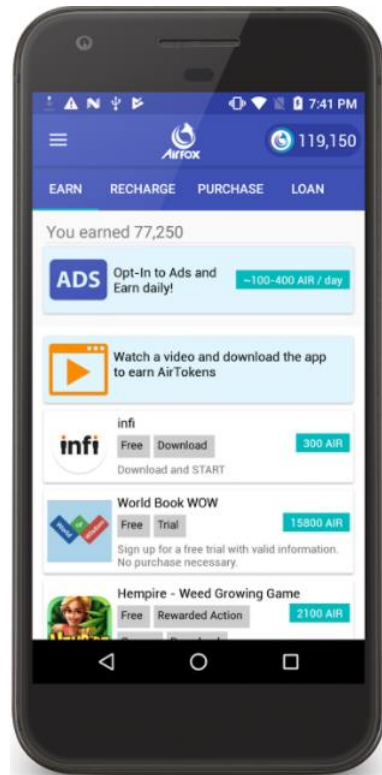
- Earn AirTokens by completing offers, surveys, etc.
- Redeem AirTokens as a prepaid mobile top-up with your carrier or for digital goods and services
- Apply for AirToken micro-loans

AirFox browser screenshots

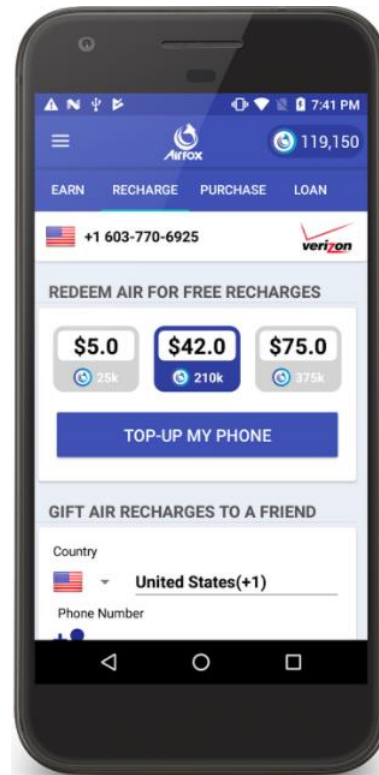
Web browser



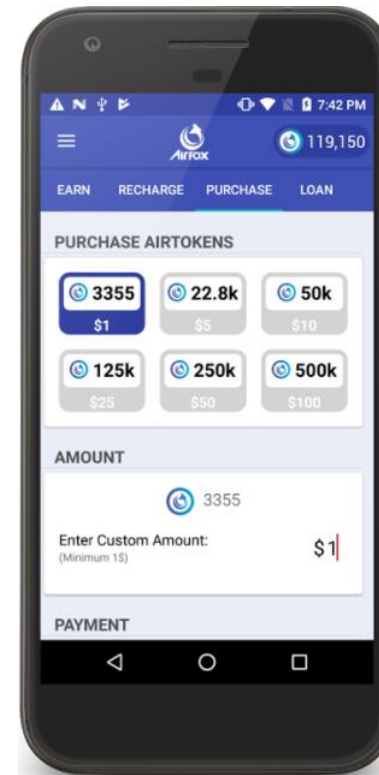
Earn AIR



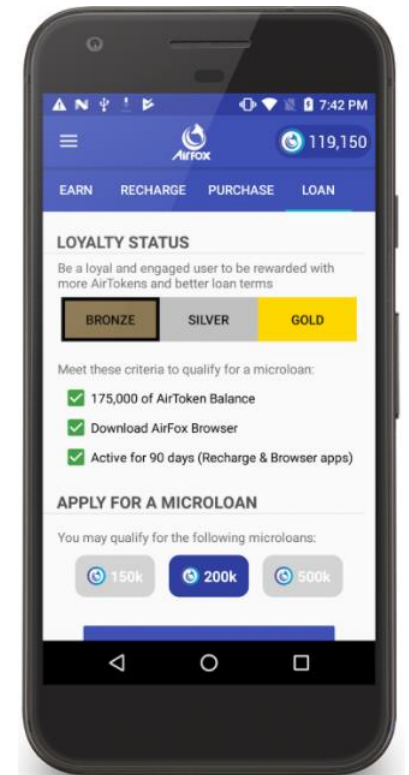
Redeem AIR



Purchase AIR



Loyalty / microloan



Benefits of the platform

BENEFITS FOR USERS

- More affordable and accessible mobile internet.
- Can get access to mobile capital via P2P micro-loans in the form of AIR. Lender will receive back AIR and interest.

BENEFITS FOR ADVERTISERS

- Improved ROI, fewer intermediaries, better data targeting and less fraud.
- Can target and reach unbanked prepaid subscribers.
- Can directly sponsor all or a segment of users with AIR tokens for opt-in, attention, or engagement.

BENEFITS FOR WIRELESS CARRIERS

- Can monetize low ARPU subscribers (i.e. prepaid users which have 1/8th of the ARPU of post-paid users) and get them to use more data.
- This could help them maximize revenue per user.

BENEFITS FOR PUBLISHERS

- Improved monetization, user reach, and user experience.
- Can use the AIR tokens reward, micro-loan, and advertising system for higher user output.
- Users can easily buy their services using AIR tokens.

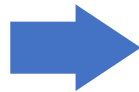
Development roadmap

Phase I August 2017

Users can earn free AIR via ads in the Android apps.

Users can use their browser to access the internet faster.

Users can use AIR to redeem mobile data and send it to 5B prepaid SIM cards & over 500 wireless carriers.



Phase II Q1 2018

Qualified active users can redeem micro-loans of AIR by collateralizing their prepaid account.

Use of AIR expanded to items outside of mobile recharges.

Users can redeem micro-loans of AIR for physical and digital products.



Phase III Q2 2018

Use of AIR and advertising / microloan blockchain system is expanded to external applications.

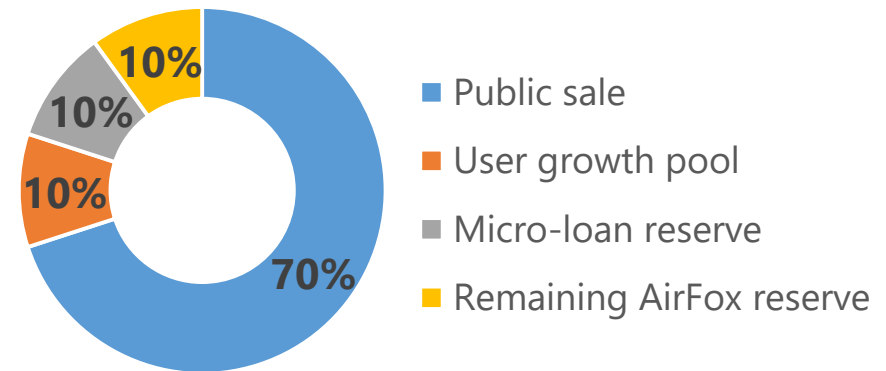
Publishers / advertisers can reward users with AIR and use the micro-loans system to enable capital for in-app purchases.

AIR token sale summary

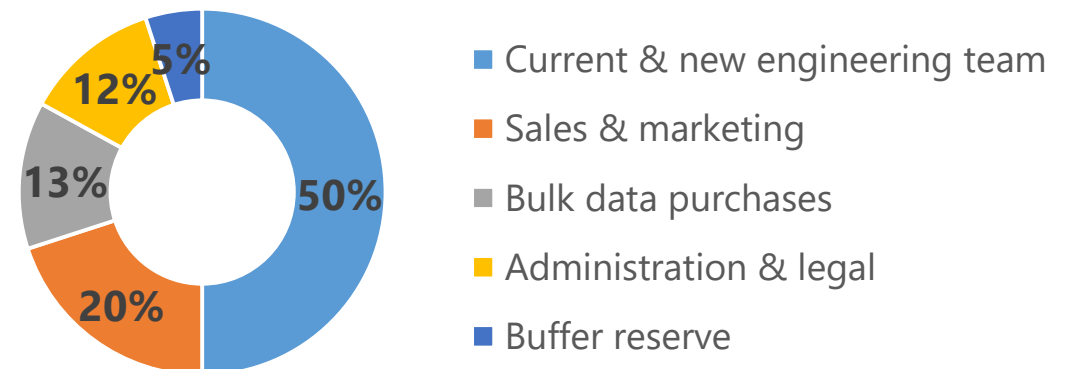
ICO SUMMARY

- **Project name:** AirFox
- **Token ticker:** AIR
- **Website:** <https://airtoken.com/>
- **Hard cap:** US\$21M
- **Total token supply:** 1.5B AIR if hard cap is reached
- **Max market cap at ICO:** US\$30M on a fully diluted basis
- **Bonus structure:** \$0-\$2M: 30% / \$2-4M: 20% / \$4-8M: 10%
- **ERC20 token:** Yes
- **Crowdsale date:** No public crowdsale. Participants need to be on the whitelist, which starts on Sep 14th.
- **Token distribution:** Distributed immediately after contribution and tradable after the end of ICO

TOKEN ALLOCATION



USE OF PROCEEDS



THE TEAM

Who are the people behind AirToken?



Victor Santos
Co-Founder & CEO

An ex-Googler, UC Berkeley alum, and telecom entrepreneur



Sara Choi
Co-Founder & COO

An ex-Googler, Harvard alum, and award winning product manager and marketer



James Seibel
CTO

Formerly a Software Architect at Lola Travel and Head of Engineering at Apperian.



Emanuel Moecklin
Chief Software Architect

Formerly a mobile tech entrepreneur with 1gravity and software architect/manager at PostFinance



Christine To
Director of Business Operations

Formerly a business strategy & operations consultant at Ericsson, UC Berkeley alum, and business development/sales professional



Tiago Passinato
Principal Software Engineer

Formerly a long time entrepreneur and consultant in software development and infosec.

The opportunities

- AirFox is a revenue-generating company since 2016 with VC funding, making this ICO more established and less risky than many other ICO projects.
- AirFox's services are proven to have real world demand. Over 2016, AirFox enabled more than 2 million unique prepaid wireless subscribers in the US. AirFox also delivered over 1 billion impressions to advertisers, helping them reach a lower income audience.
- The team is solid with good credentials and background in the telecom space.
- The space for microlending for the unbanked is very large and AIR token's upside can be substantial if the project succeeds.

Our concerns

- We couldn't verify the usage of the two AirFox apps on Google Play as they were re-added on the platform recently.
- AirFox's ads are probably not going to be as relevant as those provided natively (e.g. from Google) because Google and other advertising platforms can use trackers to provide better targeting to users. Advertisers may not be as keen to publish ads on AirFox and may pay a lower ad rates compared to other platforms.
- The microlending feature, which is a large part of AirFox's vision, is not proven and it is uncertainty whether it will gain traction after the rollout.

What do we recommend?

For flipping: **Positive.**

- This project has a relatively low hard cap with \$6.5 million sold in presale already. It should have no problem filling the hard cap even in this uncertain market environment. Early participants can obtain a higher bonus, further increasing the potential upside.
 - Note: The token distribution timing depends on (1) how quickly the hard cap is reached from the whitelisted participants, and (2) how long it takes to distribute AIR tokens after the end of the crowdsale.

For long-term holding: **Neutral.**

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CrushCrypto