

ICO Review: Friendz (FDZ)

Decentralized Digital Marketing

February 22, 2018



What is Friendz?

- A mobile application that lets its users to participate in digital marketing campaigns of major brands by posting on social media, and are rewarded FDZ tokens if their content is approved.
- The company believes word of mouth is the most powerful marketing tool, thus its goal is to connect brands with their target audience using the power of individual users.
- Friendz allows anybody to promote brands like a celebrity social media influencer, and allows brands to expand their advertising reach in a new and intimate way.

200+
TOP CLIENTS

200k
USERS

500k
FUNDING

3.1M
PUBLISHED
PICTURES

€ 1.2M
REVENUES

35
AWESOME
PEOPLE

1.5Bn
REACH

80M
INTERACTION
GENERATED

App features

1



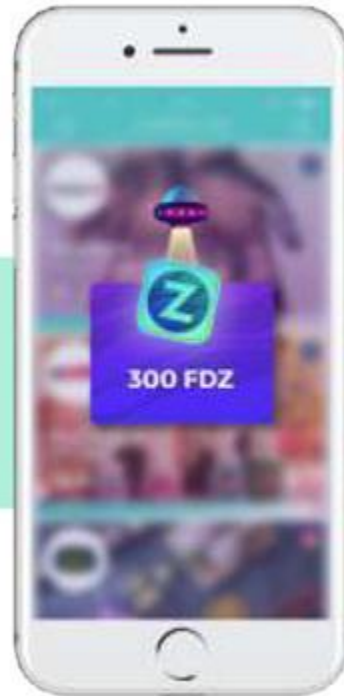
Choose a campaign

2



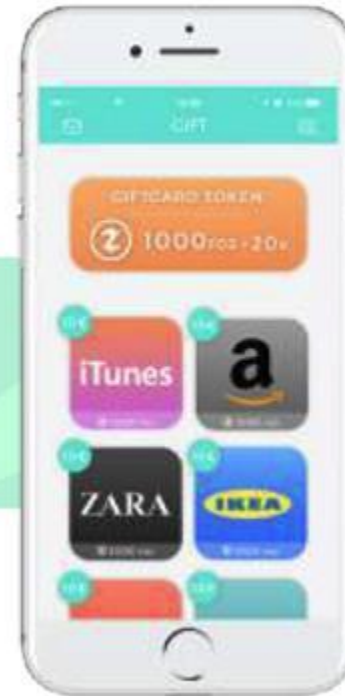
Take a picture

3



Earn Friendz Coins

4



Purchase in-app features or in our e-commerce

Development roadmap

2015-2016

Sep 2015: Friendz established

Feb 2016: App officially launched

Jun 2016: Received €400k investment round

Dec 2016: Revenues amount to €300k



2017

Feb: Reached 100,000 downloads

Jun: Achieved breakeven

Nov: Revenues amount to €1.2m with 200k users



2018

Q1: Listed on exchange

Q2: Expansion to Central Europe

Q3: Introduce creativity approvers

Q4: Expansion of services to B2B clients



2019

Q1: Expansion to Nordics

Q2: Widget payment system for commercial partners

Q3: Users internal wallet

Q4: Expansion to Eastern Europe



2020

Q1: Expansion to North America

Q2: Expansion to South America

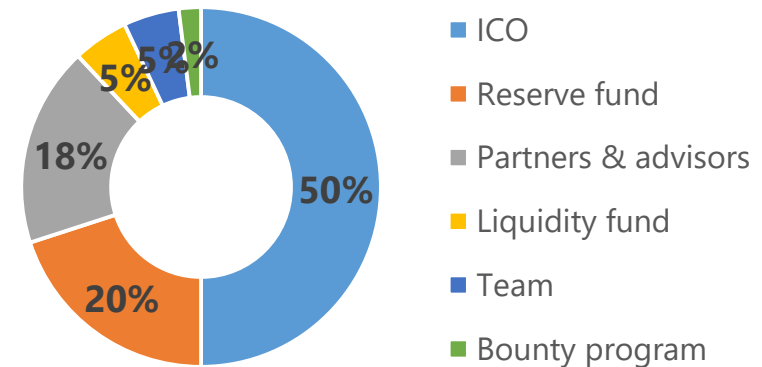
Q3: Expansion to Asia and Australia

FDZ token sale summary

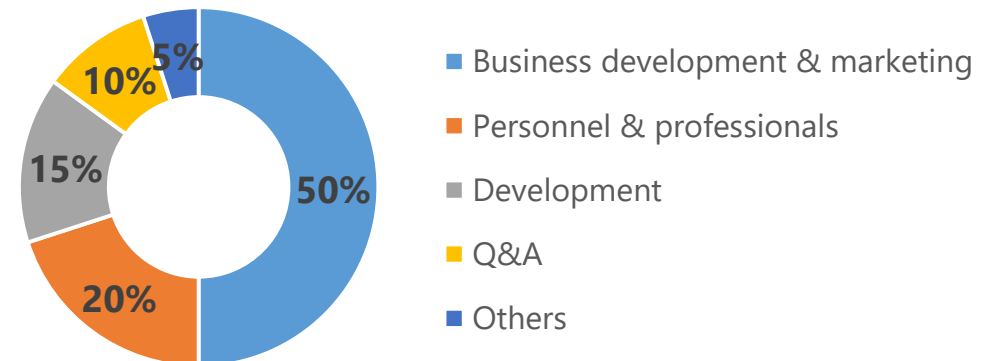
ICO SUMMARY

- **Project name:** Friendz
- **Token symbol:** FDZ
- **Website:** <https://friendz.io>
- **Hard cap:** US\$50.25M
- **Conversion rate:** 1 FDZ = \$0.067
- **Max market cap at ICO (fully diluted basis):** US\$101M
- **Bonus structure:** 40% bonus first hour of ICO (subject to partial lockup up to 12 months), 20% first day, 10% rest of first week
- **Presale or white list:** Whitelist closes February 28, 2018, register here: <https://steward.friendz.io/login>
- **ERC-20 token:** Yes
- **Countries excluded:** U.S.A.
- **Timeline:** ICO runs from March 1 to 21, 2018
- **Token distribution date:** Immediately distributed except for those purchased within the first hour of ICO

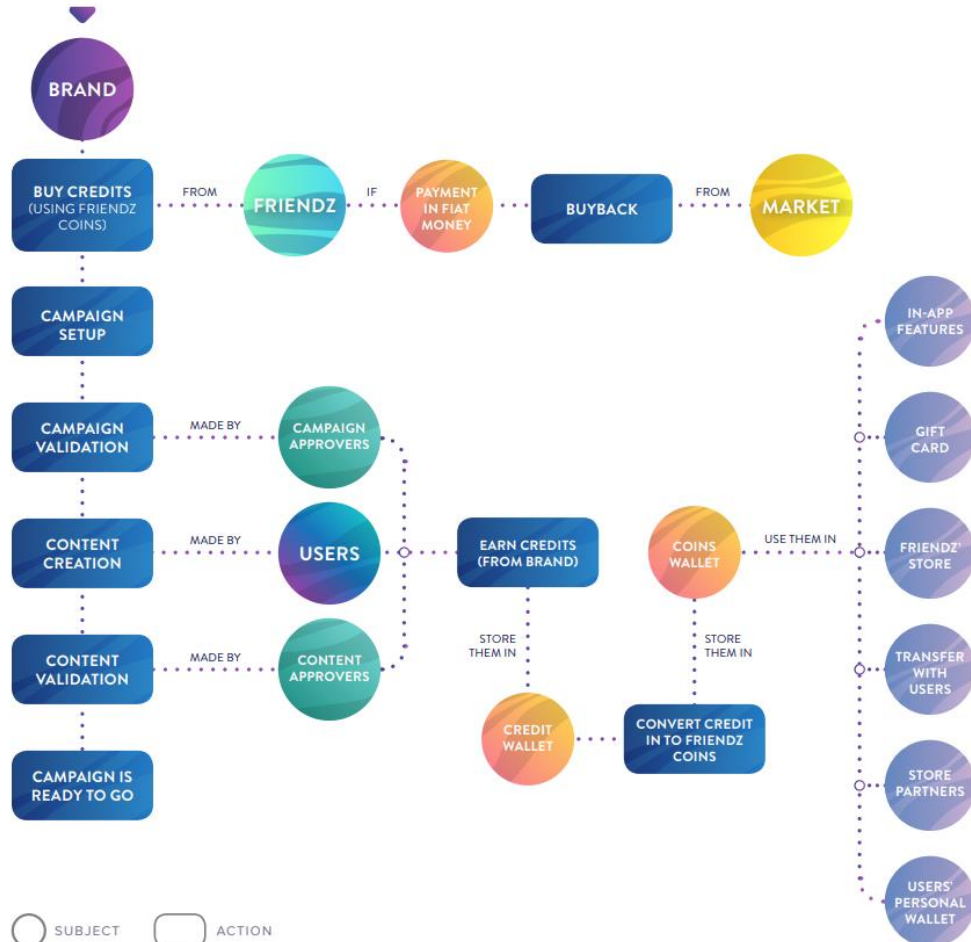
TOKEN DISTRIBUTION



USE OF PROCEEDS



Use of FDZ tokens



- Friendz currently rewards its users with Credits, which have a pegged euro exchange rate. Users are able to convert their Credits to FDZ after amassing a sufficient amount.
- Before the introduction of FDZ tokens, Credits would be used to exchange for gift cards and vouchers on the Friendz online store.
- The introduction of FDZ allows Friendz to skip the middle man in rewarding their users, as they will be able to convert the Credits they earn into a token that can be exchanged for fiat money.

Use of FDZ tokens (continued)

- FDZ token is also used by companies that want to purchase marketing services on the Friendz Platform. Companies can pay in fiat, but will receive a discount if they pay using FDZ tokens instead.
- Friendz plans for premium features and games to be available on the platform in exchange for staking FDZ, as well as offering special features that increase their engagement using Friendz tokens.
- As Friendz acquires more users, the value of the Friendz advertising network as well as the FDZ token should increase.

TOKEN UTILITY



Campaigns and services



In-app features and blockchain games



Friendz and partners' stores and ecommerces



Move to personal wallets

THE TEAM

Team and advisors



Alessandro Cadoni
Co-Founder

Head of Community; M.S. in Management Engineering from LIUC University.



Cecilia Nostro
Co-Founder

Head of Marketing and Sales| M.B.A. from University of Lugano, studied Economics in undergrad.



Daniele Scaglia
Co-Founder

Head of Operations; M.S. in Industrial Process Engineering. Previously Cost/Production Controller at INCA S.p.A.



Giorgio Pallocca
CTO

Head of development at Ohmygoodness Inc., Founder of Netlex and served as CEO for both NetLex and Dexma. Netlex was acquired by TeamSystem, a European software company.

The opportunities

- Unlike a lot of other declining startups that have raised funds through ICO, Friendz is actually a growing company. The company was founded in 2016 and already has 35 employees, and has worked with a number of Fortune 500 companies. This shows the credential of the company and the team.
- The integration with FDZ token requires minimal change to the business model so it likely won't deter the app's growth.

SELECT CLIENTS



FERRERO

UBER

maxus



PayPal



PHILIPS

MEDIACOM

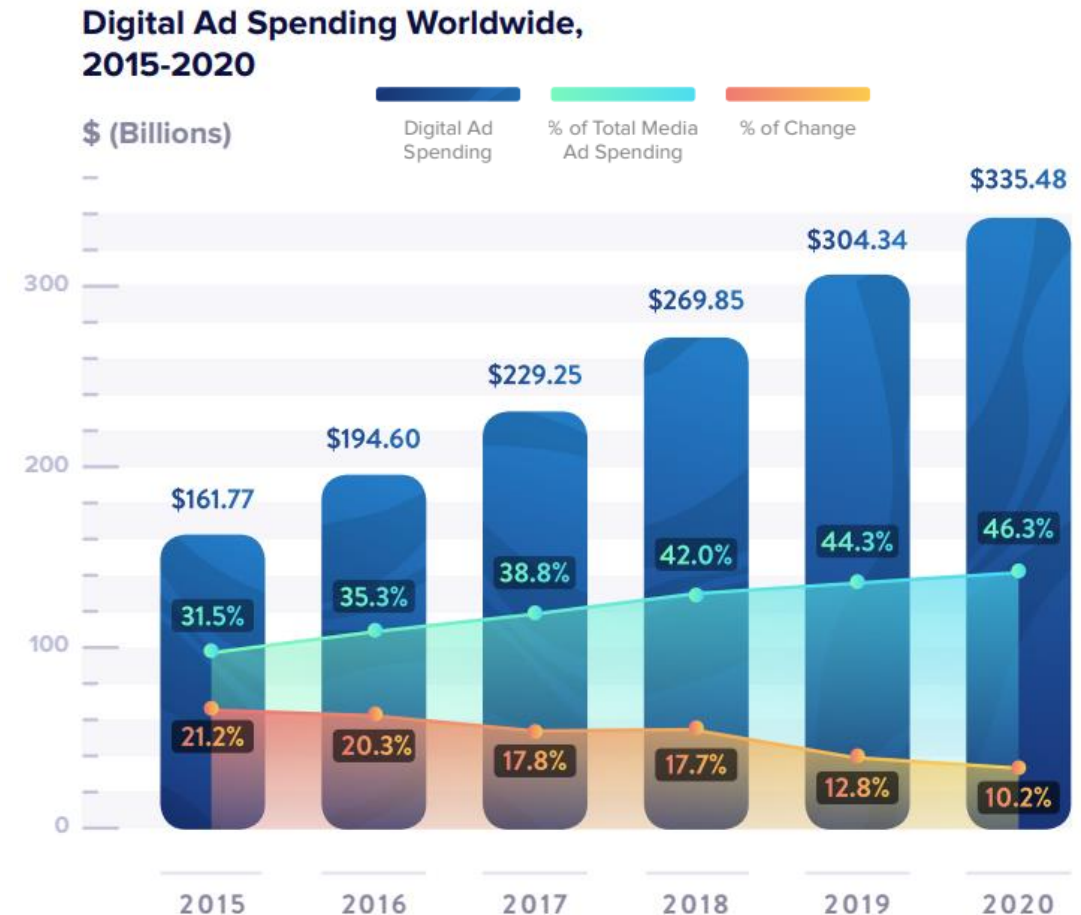


SONY



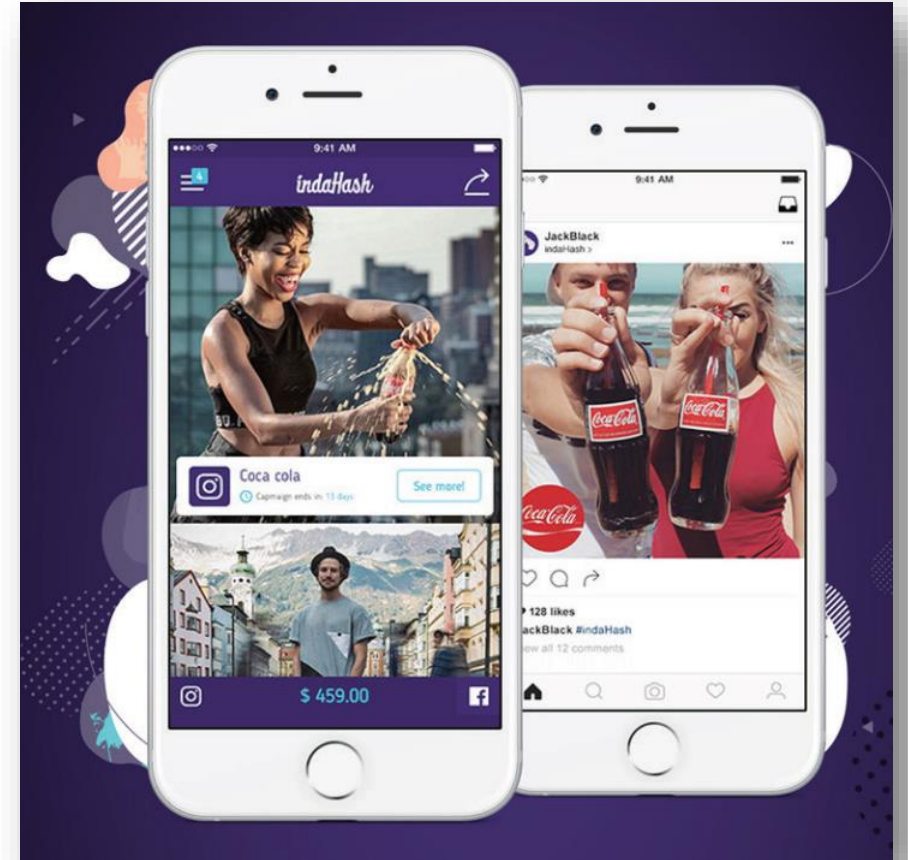
The opportunities

- Global digital ad spending (including mobile) will increase by 17.7% to reach \$269.9 billion in 2018, thus 42% of total media ad spending. By 2020, spending will top \$335.5 billion and represent over 46% of total media ad investment.
 - Influencer marketing is a new and rapidly-growing industry, especially for influencers with a smaller audience. Friendz is well positioned to benefit from this trend.



Our concerns

- Brands and advertising agencies can use Friendz's services with fiat, potentially reducing the demand for FDZ tokens.
- The only social media platform that integrates with Friendz is Facebook for now. The lack of additional platform integration is considered slow in development progress as the app was launched two years ago.
- Also founded in 2016, Indahash has a very similar business model as Friendz and is more advanced, having worked with 400 clients in over 70 markets and 8 of the top 10 largest media agencies in the world.



For flipping: **Neutral.**

- The hard cap is way too large for a mobile application, especially in the current market condition. If the hard cap is not filled in the first week, it would have a difficult time raising additional funds as there will be no more bonus.

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

- Applications generally have a lower valuation than infrastructure/protocol projects. Indahash, a very similar project with a more advanced development, has a current market cap of \$50 million.

CrushCrypto