



CORPORATE PRESENTATION

LAYER 2 VENTURES



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THE BLOCKCHAIN TRILEMMA

SECTION 01



NETWORK OVERLOAD

The cryptocurrency universe is poised to change the current financial and cultural paradigms as we know it.

The problem is, the blockchain world is a victim of its own success.

An explosion of retail and institutional demand for crypto native products like DeFi and NFTs has caused **massive network congestion**, rendering even tier one blockchains unusable.

With **hundreds of billions of dollars** trading hands every day, the stakes are higher than ever.

VISA

65,000+

maximum transactions per second

 **ethereum**

30

maximum transactions per second



THE BLOCKCHAIN TRILEMMA

The major problem with blockchain networks in their current form known in the industry as **The Blockchain Trilemma**.

This Trilemma is a series of tradeoffs that represents one of the most difficult and unsolved computer science problems of the modern era.

SCALABILITY

Without the ability to efficiently scale up to larger volumes of transactions, blockchain networks will forever be hampered by congestion and high "gas fees".

DECENTRALIZATION

Decentralized networks enable a greater degree of user privacy and resiliency, since information saved on the network is disseminated across multiple points instead of passing through a single point.

SECURITY

The network must be able to provide **24/7/365 enterprise-grade** security.

ETHEREUM: OUR BEST HOPE

The Ethereum network has managed to solve two of the three problems, **decentralization** and **security**. That leaves the third problem, **scalability**, to solve. Ethereum's limited ability to scale has resulted in much publicity and focus on astronomical **gas fees that squeeze out retail**.

WHAT ARE GAS FEES?

Gas is essentially a fee that is required to execute a transaction on the Ethereum blockchain platform. This gas fee is priced in small fractions of the cryptocurrency Ether (ETH) that are referred to as Gwei. Basically, it's easiest to think of ether as dollars of the Ethereum currency and Gwei as cents.

Due to the limited number of transactions per second, when the Ethereum networks are congested, gas fees get prohibitively high.

In Q4 2021, new technologies, called **Layer 2 solutions**, are coming online that aim to ease the burdens on the Ethereum networks and reduce transaction costs by **as much as 97%**.

THE SOLUTIONS

SECTION 02



WHAT ARE **LAYER 2** SOLUTIONS?

Layer 2 solutions leverage bleeding edge cryptographic technology, like **Roll Ups** and **Zero Knowledge Proofs**, to process transactions in bulk beside or above the main chain resulting in a 100x performance increase with just a fraction of the gas fees.

NO SACRIFICES

Unlike other technologies, Layer 2 solutions provide the massive increase in performance of the Ethereum network, without compromising the security or decentralization that makes Ethereum so powerful.

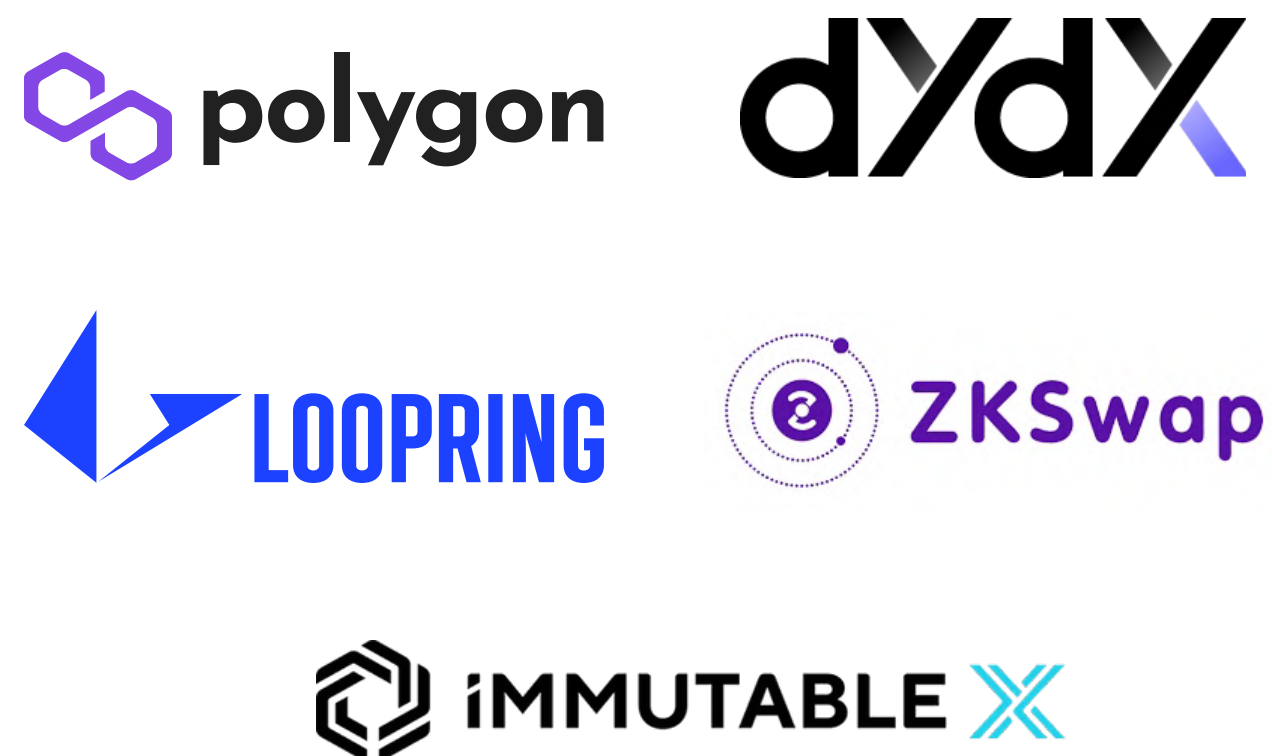
UNLOCKING MORE VALUE

Layer 2 scaling solutions, like Polygon, have created over USD 10 billion dollars of liquid and investable value for investors and users in the past 3 months alone.

LAYER 2 TRACTION

Layer 2 scaling solutions, like Polygon, and their associated tokens have created over **10 billion dollars (USD)** of liquid and investable value for investors and users in the past 3 months alone. This market has attracted attention from large venture funds.

TOP TOKENS



VENTURE CAPITAL BACKING



CURRENT LAYER 2 SOLUTIONS

In many cases, Layer 2 solutions have the ability to process more transactions per second than Ethereum is able to achieve. Layer 2 solutions such as Polygon Network claim 7,000 TPS - increasing the opportunity to develop applications that were previously not feasible due to transaction costs and/or time.

WHAT IS POLYGON?

Polygon has been the most preferred scaling solution, and as such has seen an increase in usage. The number of applications being built on this network is doubling every month which can be attributed largely due to increased interest from developers as well as users who want those types of apps or services available for their needs - like cheaper gas fees!

Developers are increasingly beginning to use Polygon as a stand-alone network for building their applications rather than just trying to port over the existing applications from Ethereum to Polygon to make use of the scaling solution. This is good in the long term for the network and shows the trust and the reliability that the developers have begun to have in Polygon.

OUR OUTLOOK

SECTION 03



LAYER 2 VENTURES IS THE **FIRST** PURE PLAY LAYER 2 SCALING COMPANY GIVING EVERYDAY, NON-TECHNICAL RETAIL AND INSTITUTIONAL INVESTORS DIRECT EXPOSURE TO ONE OF MOST EXCITING AND FASTEST GROWING SEGMENTS OF THE BLOCKCHAIN.

LAYER 2 VENTURES

We believe that Layer 2 solutions are the future of the blockchain markets and we intend to be the leading blockchain infrastructure company, helping to power the most mission critical layer two and side chain networks like Polygon (Matic), Loom, and many more.

- Layer 2 Ventures secures these networks by bonding their native tokens to the network via enterprise-grade custody, validator partnerships, liquidity mining and in-house technology.
- We plan to acquire, stake, and manage the world's largest network of Layer 2 digital assets.
- Layer 2 Ventures will be a high margin, cashflow positive business from day one that scales infinitely, allowing us the ability to explore other potential revenue streams.



REVENUE STREAMS

LAYER 2 ASSET PORTFOLIO

Layer 2 Ventures will acquire, stake, and manage the world's largest network of Layer 2 digital assets.. Through our partnerships and industry connections, we will be able to acquire assets efficiently and identify key opportunities within the Layer 2 ecosystem.

YIELD FARMING

Yield farming refers the process of providing liquidity to a DeFi protocol in return for yield. Layer 2 Ventures will be able to provide liquidity via our assets.

LIQUIDITY MINING

Liquidity mining is a subset of yield farming. The main difference is that liquidity providers are compensated not just with fee revenue but also the platform's own token.

LIQUIDITY MINING TECHNOLOGY

L2V intends to build liquidity mining IP and infrastructure to:

- Optimize on-chain voting systems to govern the protocols in a Web3 native manner
- Create and interface with crypto vaults and other automated yield generation protocols and decentralized applications
- Vertically integrate operations by deploying validating hardware to directly secure select Layer 2 networks while earning a double digit yield



LEADERSHIP TEAM

MO YANG CHIEF EXECUTIVE OFFICER

Mr. Yang is an executive in the blockchain space since 2017 involved in operations and has hands-on experience running and scaling tech companies.

He is a Chartered Professional Accountant and Chartered Financial Analyst. Mr. Yang acts as advisor for several companies in the blockchain space.

Prior to that, Mr. Yang was involved in over \$2 billion in mergers and acquisitions at Grant Thornton in Montreal and covered rate products, foreign exchange and exchange traded funds at BMO Capital in Toronto. Mr. Yang received his BComm and Masters degree from Concordia University.

KEY TAKEAWAYS

-
- + Direct exposure to **high-growth**, exciting segment of blockchain.
-
- + **Highly-experienced team** with connections and network to succeed.
-
- + **Day one revenue** streams with high margins.
-
- + **Infinitely scalable** with limited personnel required.
-
- + **Opportune market timing** with Layer 2 Solutions rolling out now.
-

PRO-FORMA CAPITAL STRUCTURE

Common Shares

Warrants

FD

Pre-Money

82,478,700

60,000,000

142,478,700

Concurrent \$.30 Unit Financing

16,666,667

16,666,667

175,812,034

99,145,367

76,666,667

175,812,034



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