

**HATHOR LABS**  
Q1/2022 Report

We ended the first quarter of 2022 with many improvements in our products and services that benefit our ecosystem, as will be detailed throughout this report.

## **2ND HATHOR'S REWARD HALVING IN JAN/22**

Hathor Network has decreased the amount of HTR minted in every new block. The reward was 64 HTR per block when the network was launched in January 2020. It later was cut in half to 32 HTR per block in January 2021, and again last January to 16 HTR per block.

It means that less HTR will be available, decreasing the inflation pressure. In January 2024, the third and final halving will occur, and rewards will drop indefinitely to 8 HTR per block.

## **HTR ON KUCOIN'S MARGIN TRADING**

Because of its consistent trading performance, HTR was added to KuCoin's Margin Trading platform on February 23rd. Margin Trading allows users to borrow capital and increase their buying power.

To celebrate the beginning of Margin Trading, users had the chance to share a 2,000 USDT prize for trading on the KuCoin platform. Learn more [here](#).

## **VOLUME INCREASED**

We have experienced a significant increase in the transactions volume on Hathor Network throughout this quarter. We achieved 500,000 transactions in January, and before the end of March, we had surpassed the 700,000 transactions mark.

We are happy with this result because it finds correspondence in the NFTs market volume. More than 37k NFTs were minted in Q1. That is almost half of the NFTs created in the year 2021. We are proud of these numbers and looking forward to confirming the increasing trend in the weeks to come.

## **PRODUCT AND SERVICES HIGHLIGHTS**

Here we highlight the most relevant improvements that have been made to our products and services in Q1.

### **Multi-signature Wallet**

A multi-signature wallet (multisig for short) requires two or more keys to move funds and can drastically improve the security of operations if used in the right way. This makes it an important feature for several of our use cases.

Since most use cases use the Headless Wallet, we have decided to implement the multisig support there first. We may add a multisig UI to our desktop and mobile wallets at a later time.

The Headless Wallet has no UI and is controlled by an API. It can be used by exchanges, miners, and for use cases to integrate their products with Hathor. You can read more about the technical details of our multisig solution in the [RFC](#) and the solution design [here](#).

We will soon release the multisig feature in the Headless Wallet and a Medium article covering all the details to implement it in your products.

### **Library Tools for Atomic Swaps**

We added support for Atomic Swaps within the Hathor Wallet Library. This addition enables our partners and use-cases to easily create atomic swap transactions and relay them to the network.

Atomic swap is a feature that allows two different users to exchange tokens in the same transaction without any third party or trust. It consists of a single transaction that is either executed or not. The swap process is entirely trustless.

For example, Alice wants to sell a NFT to Bob for 100 HTR. Alice can send the NFT to Bob while Bob sends 100 HTR to Alice through a single atomic swap transaction. After the transaction is confirmed, the exchange is complete. If the transaction is not confirmed, Alice keeps her NFTs, and Bob keeps his 100 HTR.

The possibility of creating atomic swap transactions so easily will empower many use cases. It allows them to reduce custody risks and provide a safer and more transparent service for their customers.

We also finished a system design to add support for atomic swaps within Hathor Wallets. It is a protocol that will be implemented in all of our wallets so they can communicate and create atomic swap transactions. We are already in touch with some use cases developers that would like to implement this protocol.

### **Traceability**

Blockchain technology has the potential to revolutionize conventional supply-chain management by introducing traceability. It is very important in various segments, such as agriculture, fashion, food, and manufacturing. Hathor's Traceability is a framework that enables companies to quickly and easily set up a traceability solution for their operations or assets.

Hathor Network's easy-to-use and powerful tokenization feature can offer a variety of models for traceability in use cases. The different types of tokenization available are:

- **NFTs:** The NFTs can be used to represent an asset, e.g. an animal or a fraction of an animal.
- **Unitary token:** A unitary token could be used to trace, e.g. an agricultural operation.

- **Custom token:** A regular custom token can complement the use of NFTs or a unitary token to track the operation/asset by tokenizing the investment itself. In this case, each investor receives tokens for their portion of the operation/asset.

The purpose of tokenization in use cases is what defines the token type that best suits it.

In the first quarter, we worked on adding support for a new transaction type in the headless wallet to enable some new traceability use cases. This new transaction type may have one or more data script outputs as it both sends tokens and writes data.

### **Ledger Support for Custom Tokens and NFTs**

After adding support for HTR tokens on Ledger Nano S and X in the past year, we have received many requests from our community to add support for custom tokens and NFTs. So we made it happen!

Using Ledger to store and send tokens created on Hathor Network is a great security enhancement. It is also important because it represents the continued growth of the Hathor Network Ecosystem, as it allows every use case to offer Ledger support for their custom token.

At the beginning of March, we added support for custom tokens and NFTs to Ledger wallets. Check out our [YouTube video](#) for a walkthrough on getting started.

### **Integration Tests for the Headless Wallet**

The Hathor Headless Wallet is a full-featured wallet controlled by an HTTP API. It is used daily by partners, exchanges, miners, mining pools, and use cases to integrate their solutions to the Hathor Network.

The [headless wallet](#) has been updated twice so far this year. It has been prepared for the upcoming multisig rollout and transaction mining service rate limits. Our mobile wallet for [iOS](#) and [Android](#) also received an update in Q1 that added various performance enhancements and minor fixes.

We released three new versions of our [desktop wallet](#) in Q1. Each update came with new features, improvements, and bug fixes. The latest version has been prepared for the upcoming multisig feature. That's why we recommend everyone to keep it updated to the latest version.

We have also added support for integration tests with a complete and independent testing network. It enables the development of more complex testing scenarios, reducing the chance of regressions, and speeding up the development process thanks to an increase in the complexity of the testing software used.

Besides that, the automated tests allow our developers to spend less energy by not having to execute manual tests after each code change and dependency update. The tests also increase the quality assurance of the new features released. Thanks to this, we can deliver more stable and trustworthy programs for our partners and use cases.

## **Desktop & Mobile Wallets**

Our mobile wallet for [iOS](#) and [Android](#) also received an update in the year's first quarter, adding various performance enhancements and minor fixes.

We released three new versions of our [desktop wallet](#) in Q1. These releases included various new features, improvements, and bug fixes. The latest release prepared the wallet for the upcoming multisig feature in the headless wallet, and we recommend everyone to update to the latest version.

## **Wallet Service**

The Hathor Wallet Service is a new service used as a backend for all official Hathor Network wallets. The idea behind it is to have a fully indexed Hathor blockchain in real-time on a database to reduce the number of requests sent to the full node and the number of calculations it has to perform.

The result for the end-users will be a shorter loading time in the Hathor Wallet and any other apps using this service as their backend. The wallet service will also enable several new features that we plan to add to our wallets and explorer.

In Q1, we started rolling out this new service on all our wallets. After the first months testing it internally we have then released it to users gradually.

## **Scalability of the Public Transaction Mining Service**

Many users and partners rely on our public transaction mining service when sending transactions on Hathor Network. We developed two projects to scale this service on demand: (i) add support for API Keys with custom throttling settings, and (ii) run better transaction solvers.

The API Keys feature allows us to manage demands for this service. We can auto-scale it based on the limits offered to key partners and use cases, increasing the availability for all clients.

Overall, we have improved the stability of transaction solvers, fixing connectivity issues and reducing the time variance to find solutions. It has enabled us to better predict the service's capacity and scale it according to the growing demand of partners and use cases.

## **Tokens API**

In Q1, we designed and started developing our new Tokens API. The Tokens API was being created to enable new features on Hathor Explorer and third-party apps built on Hathor.

It enhances the searchability of tokens, giving users the option to list them systematically and paginate them. This is an effort to enhance the explorer and better advertise custom tokens and NFTs created on Hathor Network.

The Tokens API development has been completed, and we are now preparing to release the first features using it soon.

## Full Node Releases

Hathor Full Node can be used by anyone who would like to connect to and interact with Hathor Network. It is used daily by partners, exchanges, miners, mining pools, and use cases to receive network updates and propagate transactions and blocks.

The full node keeps internal indexes - used to achieve a short response time to APIs and synchronizes them with the Hathor Network's peer-to-peer network. These indexes are held in memory and consume more and more memory as the network grows.

[Two new versions](#) of the full node were released in Q1 with a new feature to store these indexes on disk. It reduces the overall memory usage and gives the system administrators more control over how much memory is available for the full node. This benefits everyone running a full node because it reduces the minimum requirements and the maintenance costs to keep a full node running 24x7.

Besides all improvements listed above, moving indexes to disk also speeds up the full node's initialization time. Together with the sync-v2 project, this feature will allow instant initialization for the full node, reducing deployment time and simplifying future upgrades.

## Fiat On-Ramp

The first fiat on-ramp for Hathor Network is powered by Simplex and was launched in February. The on-ramp allows users to buy HTR without using an exchange. It can be done using both credit and debit cards, or bank transfers.






When using this method to buy HTR, Simplex fulfills the buying order through their own liquidity providers. Notice you are not buying HTR from Hathor Labs, so we have no role in any part of the process (not even pricing).

Fiat on-ramps are important for us as they facilitate access to the Hathor ecosystem for people who, for different reasons, are unable to buy HTR on regular exchanges.

Later this year, we will be launching our Simplex-powered VISA debit card.

## MARKETING HIGHLIGHTS

Our global social media audience increased from 65,508 to 75,200.

Social Media Audience Growth 14.8%		
 <b>HathorNework</b>	<b>60.873</b>	<b>69.372</b>
 <b>Hathor Network</b>	<b>1.810</b>	<b>2.140</b>
 <b>hathornetworkofficial</b>	<b>1.378</b>	<b>1.993</b>
 <b>Hathor Network</b>	<b>1.101</b>	<b>1.319</b>
 <b>HathorNework</b>	<b>346</b>	<b>376</b>

## Current Community Presence in Q1/2022, per channel

Hathor main Telegram Channel reached 13,234 members

### Hathor Regional Telegram Channels Ranked:

Hathor Network Turkey | 865 Members: <https://t.me/hathorturkey>

Hathor em Português | 581 Members: <https://t.me/HathorEmPortugues>

Hathor en Español | 485 Members: <https://t.me/hathornetworkES>

Hathor Network India | 337 Members: <https://t.me/HathorNetworkIndia>

Hathor Network in French | 265 Members: <https://t.me/hathornetworkFrance>

Hathor Network RU | 177 Members: <https://t.me/hathorRussia>

Hathorians on Discord: 8,061 members

Hathor Network celebrated its second anniversary on January 3rd, and we would like to thank our community, team, advisors, and partners for all the support on such an incredible journey. We are building Hathor for you!

We are happy with Hathor's growth, and we wish a great Q2/2022 for all of us.

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### About Hathor Labs

Hathor Labs contributes to the continuing development, implementation, and maintenance of Hathor Network. Hathor Labs is guided by three principles: to find legitimate use of blockchain in business models, to demonstrate a passion for invention, and to simplify complex technologies. Hathor Labs strives to empower every organization in the world to achieve a competitive advantage using Hathor Network.

### About Hathor Network

Hathor Network is a public, distributed, and decentralized blockchain network. It uses Proof-of-Work (PoW) as its consensus algorithm. It has no single point of failure, no single source of truth, and no one alone has the ability or power to make changes to the data stored in the blockchain.

For more information, visit <https://hathor.network/>