2024'Q3 REPORT

Hathor Labs

Dear Hathor Community,

As we close out another quarter, we find ourselves navigating a crypto market that continues to experience significant volatility. Despite these market conditions, I am proud to share that Hathor has maintained its focus on delivering meaningful innovations and advancing our strategic goals. One of the most exciting milestones we've achieved this quarter is the official launch of our AppChains. This launch represents a pivotal moment for us, as we now offer a leading solution to corporate clients, addressing critical privacy needs and positioning Hathor at the forefront of Real-World Asset (RWA) tokenization. AppChains reinforce our commitment to providing scalable, secure, and private blockchain solutions, ensuring we remain competitive and innovative in this evolving space.

In parallel, our team has been working tirelessly to prepare for the launch of the Nano Contracts testnet. This is a key initiative that we believe will showcase the true potential of our technology. Our approach with Nano Contracts is built around simplicity, scalability, and cost-efficiency—factors that will enable developers and businesses to build more effectively on Hathor. The testnet launch is not just about introducing a product; it's about demonstrating that we can meet and exceed industry demands with solutions that are easy to implement and robust in performance.

Finally, as we look ahead, I'm excited to share that we have a comprehensive marketing campaign lined up to accompany this launch. Our efforts will touch on all segments of the crypto industry—from developers to enterprises and everyday users. We are committed to making sure that everyone, from blockchain experts to those entering Web3 space for the first time, understands the transformative capabilities of Nano Contracts and Hathor's broader ecosystem.

Thank you for your continued support. We are more determined than ever to bring impactful solutions to the market and to grow Hathor's presence globally.

Yan Martins

YAN MARTINS
CEO OF HATHOR LABS

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EXECUTIVE SUMMARY

We have selected the main milestones of Q2’24 for those who want to quickly be updated about our latest progress, but we strongly encourage you to read through the full report.

01 Nano Contracts

In Q3, Nano Contracts made significant strides with public test environments deployed through the Hathor Play app. Several iterations of the testnet were launched, incorporating feedback and improving platform performance. This ongoing testing is focused on ensuring Nano Contracts are scalable and efficient for decentralized applications.

Key technical advancements were demonstrated on the Dozer Finance platform, showcasing fast token swaps, meme token creation, and liquidity pool management. The testnet featured seamless on-chain transactions, highlighting ease of use and efficiency. As the testnet phase approaches its conclusion, the public release will introduce a core set of features, with additional updates to further enhance functionality for developers.

02 PARTNERSHIPS

Although this quarter did not see the addition of any new partnerships, we dedicated our efforts to conducting in-depth research to identify the most strategic collaborations that will strengthen our entry into the Web3 business. This research spanned across technical, business, and marketing areas, ensuring that we build partnerships that align with our goals and drive long-term value.

Our presence at the Token2049 event in Singapore was especially productive in this regard. It allowed us to connect with key industry players and gather insights that will guide our partnership strategy moving forward. We are confident that this groundwork will lead to impactful collaborations in the near future.

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USE CASES HIGHLIGHTS

BETTING DAPP

We developed a betting Dapp using our Nano Contract blueprint for betting applications. The app has been operational through Hathor Play, as our official wallet is not yet fully operational to support Nano Contracts, but it will be transitioned to our Official Wallet for the imminent launch of the Nano Contracts testnet launch.

This Dapp will be a cornerstone of our gamified incentivized testnet campaign and will play a crucial role in testing and refining our Nano Contracts technology throughout the testnet process.

The first version of Hathor Play debuted at Blockchain Rio, followed by a more advanced second version showcased at Token 2049 in Singapore. A new update is in progress as we prepare for the imminent launch of Nano Contracts on the official testnet.

DOZER FINANCE

Dozer is a decentralized crypto exchange built on the Hathor Network, designed to provide users with complete control over their assets while mitigating the risks associated with centralized exchanges. By eliminating the need for third-party custody, Dozer ensures that users retain full ownership of their tokens, allowing for seamless trading without the vulnerabilities of hacks, government intervention, or withdrawal restrictions.

With multiple options for earning passive income, Dozer empowers users to optimize their yield strategies while their assets work for them around the clock. Introduced at Token2049, Dozer exemplifies the benefits of integrating Hathor's fast and fee-efficient Layer 1 blockchain with the flexibility of decentralized finance (DeFi). Offering instant swaps with no registration, Dozer positions itself as a fast, secure, and user-friendly alternative in the evolving landscape of crypto exchanges.

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PRODUCT RELEASES AND UPDATES

NANO CONTRACTS

Work on Nano Contracts has progressed substantially in Q3, with a series of rigorous public test environments running on the Hathor Play app, available on App Store and Google Play. Several versions of the testnet were deployed, incorporating feedback and addressing performance issues as part of continuous testing. This testing included the launch of beta demos at Token 2049 in Singapore, where potential partners and developers were able to experience the ease of use and efficiency of the Nano Contracts platform firsthand.

At Token 2049, we also showcased the functionality of Dozer Finance’s platform, focusing on its ability to facilitate fast and seamless token swaps and easy creation of meme tokens. The team conducted live demonstrations of the platform’s capabilities, allowing attendees to experience its ease of use, even for those with limited DeFi experience.

The demo highlighted the following key features:

Token swapping: The demo showcased a seamless swap of HTR with the OG meme token “Cathor”. The swap process was extremely fast and efficient, with transactions processed on-chain with zero gas fees. The interface displayed transaction details, including the deposit and withdrawal of tokens, which were confirmed in real time.

Meme token creation: A significant feature demonstrated was the ability to create custom tokens directly on Dozer Finance’s platform. Using a simple interface, users can generate meme tokens, specifying details such as token name, supply, and description.

Liquidity pool creation: The LP creation demo showed how users can define liquidity parameters and deposit assets into the pool. This functionality is essential for enabling users to trade tokens on the platform. Again, the process was quick and easy, with transactions processed instantly.

The public testnet is now nearly complete, and the next step will be its open release. This will allow the broader community to interact with and contribute to the development of Nano Contracts. The release will include a foundational set of features, and additional capabilities will be rolled out progressively. Post-launch, updates will continue to enhance functionality and expand the scope of what Nano Contracts can achieve, ensuring a flexible and scalable solution for developers. The broader vision of Nano Contracts is to bring customizable, lightweight contracts that reduce overhead, making decentralized application development more accessible.

Check out these YouTube videos for the latest demos showcasing Nano Contracts:
Nano Insights Ep.7 | Betting Blueprint Demo [v2]
Nano Insights Ep.8 | Liquidity Pool Blueprint Demo
Nano Insights Ep.9 | TOKEN2049 Demo

EVM BRIDGE

The EVM bridge saw continued development throughout Q3, with internal testing achieving positive results. The team has iterated on the initial testing phases to improve the functionality of cross-chain transfers, addressing challenges along the way and making some changes to the design with following code updates to incorporate these changes.

After extensive internal testing, the bridge will soon be available for public testing, allowing users to send and receive tokens between Ethereum-compatible blockchains and Hathor. This interoperability will open Hathor's ecosystem to a wider range of DeFi applications and projects. The public test phase is expected to last for several weeks before transitioning to a mainnet launch.

The EVM bridge is critical to expanding Hathor's reach into the broader blockchain ecosystem, offering developers and users the ability to move assets seamlessly between chains, utilizing Hathor's speed and feeless transactions.

WALLETS

Version 0.27.2 of our mobile wallet was released in Q3 and included preparations for Nano Contracts and fixed minor user-reported issues. You can download the mobile wallet from App Store and Google Play.

WalletConnect recently rebranded to Reown and requires developers to migrate their implementations to Reown's new SDK, AppKit, a task that we successfully completed in Q3.

Our Ledger app was audited in Q3 by Ledger's audit partner, Kudelski Security. The successful audit means that you can now easily store and manage your HTR, custom tokens, and NFTs directly on your device, without the need for putting your Ledger device into developer mode first.

APPCHAINS

In Q3, we rebranded our sidechain solution from "Side DAGs" to "AppChains" to align more closely with current market trends and terminologies. AppChains are designed to offer enterprises and developers greater flexibility by enabling them to create parallel chains that operate independently of Hathor's main network. These chains can be configured to suit specific business needs, allowing for custom business logic, enhanced privacy features, and permissions-based access.

AppChains are ideal for companies seeking to explore blockchain applications while maintaining control over their data and processes. AppChains utilize Hathor's core strengths in scalability and security, while offering more customization and privacy for enterprise use cases. The flexibility they provide makes it possible for organizations to integrate blockchain technology into their operations without exposing sensitive information on a public network. This opens the door to a wide range of potential applications, including supply chain management, private financial transactions, and specialized industry use cases.

Read more about AppChains on our blog.

DINAMO HSM INTEGRATION

In Q3, we announced a strategic partnership with Dinamo Networks, a leading provider of high-security digital solutions, aimed at bolstering security measures across various industries, including finance, healthcare, and government. This collaboration integrates Dinamo's Hardware Security Modules (HSMs) with our blockchain infrastructure to offer robust encryption and digital security protocols.

The partnership focuses on delivering enhanced protection for critical operations, such as the management of cryptographic keys, by using Dinamo's technology to safeguard sensitive data. This integration ensures that companies using Hathor can meet the highest security standards, particularly in sectors that require rigorous compliance, such as financial services and healthcare.

By joining forces with Dinamo Networks, Hathor is reinforcing our commitment to providing scalable, secure, and reliable blockchain solutions, making it an ideal choice for enterprises looking for secure digital infrastructure.

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NETWORK & MAINTENANCE

FULL NODE

In Q3, we released version 0.62.0 of the full node, introducing key updates to improve performance, security, and maintainability. This version brings a range of optimizations and enhancements that further strengthen Hathor’s infrastructure.

Key updates in this release included:

Merge-mining enhancements: Improvements to the merge-mining process were introduced, including adjustments to how the full node handles blocks with many transactions. These enhancements reduce the computational load and make it easier for miners to process and validate larger blocks, contributing to a more stable network.

Security fixes: Several important security updates were included to ensure the continued protection of the network against potential vulnerabilities. These fixes enhance the robustness of the node software, safeguarding it from various attack vectors.

New APIs: Version 0.62.0 also adds new APIs that provide more comprehensive data for developers and miners, improving overall usability. This includes better access to transaction and block information, giving developers greater insights and control over node interactions.

Bug fixes and performance improvements: Several bugs reported by the community were addressed in this release, along with performance optimizations that reduce latency and improve node synchronization times.

The v0.62.0 release is part of our ongoing efforts to improve the network and provide a reliable environment for developers and miners alike. This major update underscores our commitment to ensuring that Hathor’s full node infrastructure remains highly secure, efficient, and capable of handling the network’s growing demands.

PARTNERSHIPS

▶ token.com

We are excited to announce our partnership with Token.com, a leading platform focused on enhancing Web3 community engagement, enabling users to discover and invest in projects while enjoying a social media-like experience.

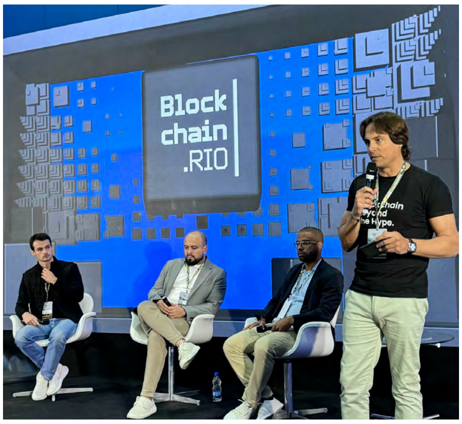
This collaboration aims to strengthen our co-marketing efforts across their social media app and other platforms, allowing us to reach a broader audience and engage more effectively within the Web3 space.

As part of this partnership, we will host an upcoming Twitter Space series that connects both our teams and communities. This series will serve as a platform to share insights, answer questions, and foster engagement around our projects and their relevance in the space.

Additionally, Token.com will play a key role in our marketing initiatives for Q4 2024, providing valuable tools and resources to enhance our outreach and community-building efforts.

MARKETING HIGHLIGHTS

BLOCKCHAIN RIO



In July, at Blockchain Rio 2024, Hathor Labs made an impact by showcasing its cutting-edge innovations in Hathor Network. Our team was excited to present the first version of Hathor Play, a platform specifically tailored for showcasing the potential of Nano Contracts to enhance the gaming and betting experience. Attendees had the opportunity to experience a live demo of Nano Contracts, Hathor’s streamlined smart contract technology. The demo highlighted the speed, security, and simplicity of Nano Contracts, setting the stage for future developments in decentralized applications within the Hathor ecosystem.

Blockchain Rio served as the perfect platform to engage with industry leaders, developers, and enthusiasts, fostering meaningful conversations about the future of blockchain. The positive reception to Hathor Play and Nano Contracts reinforced Hathor Labs’ position as an innovator in the blockchain space, and we look forward to further refining these technologies based on the feedback we received at the event.

TOKEN2024 SINGAPORE

At Token2049 in Singapore, Hathor Labs proudly unveiled the second version of Hathor Play, demonstrating the evolution of our demo. The enhanced version introduced improved usability, further showcasing the capabilities of Nano Contracts for seamless, fast, and secure betting experiences. The live demo attracted significant attention, solidifying Hathor Network as a key player in the blockchain gaming sector.

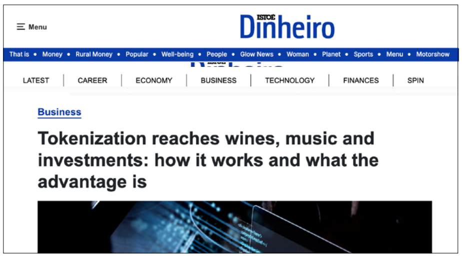
Alongside Dozer Protocol, we also presented Dozer Finance, a decentralized crypto exchange built on the Hathor Network. Dozer leverages Hathor's scalable, user-friendly blockchain architecture to offer smooth and efficient DeFi services, including fast transactions and low fees.

At Token2049, we engaged with strategic partners and explored new potential use cases, further expanding the possibilities for innovation and collaboration. The event highlighted Hathor Labs' ongoing commitment to advancing the blockchain ecosystem and its real-world applications.

ONLINE EVENTS

We had an engaging session during the Airport Lounge for Token2049, hosted by token.com on September 13th. Our CEO, Yan Martins, represented Hathor and shared insights on our vision and upcoming developments. If you missed the live discussion, you can listen to the recording here. Be sure to set your reminders for future events to stay updated on our journey in the Web3 space!

PR RELEASES



In Q3, Hathor Labs garnered attention from various media outlets through several notable features. One of the key highlights was the tokenization of wine production in partnership with Vinícola Ferreira and AIDDA Brasil. This initiative, which uses blockchain to tokenize Brazilian wine production, was covered by multiple publications, including Isto é Dinheiro, underscoring blockchain's growing role in traditional industries.

Hathor Labs' CEO, Diego Guareschi, provided insights into the crypto market. He discussed the ongoing adoption of blockchain technology and its increasing integration into different sectors. Diego also shared his thoughts on the third quarter's significance for the crypto industry, noting key developments in regulation and adoption.

Another significant milestone was Hathor's partnership with Dinamo, which received coverage in outlets like Cointelegraph Brasil. The collaboration aims to expand blockchain applications in Brazil, mainly in the tech and innovation sectors, further supporting Hathor's role in the Brazilian blockchain ecosystem.

Hathor was also featured in Exame Online for its involvement in projects like the Ether Private Bank collaboration, exploring blockchain's use in finance. Additionally, Hathor's participation in carbon credit tokenization and its role in transforming the music industry through blockchain was highlighted, reflecting the network's expanding use cases.

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COMMUNITY HIGHLIGHTS

As part of our ongoing commitment to community engagement, this quarter we conducted our regular Community Satisfaction Survey to gather valuable feedback and suggestions that will help ensure the network's continuous improvement. Additionally, our brand assets are now accessible to both our community and partners, promoting consistent and unified representation across all platforms. You can view them here. We're also excited to announce our presence on BlueSky! Follow us for the latest updates and insights at hathornetwork.bsky.social.

WATER COOLER BREAK
During Q3, we released one episode of Water Cooler Break: episode 13. In this episode, we explored recent partnerships, use cases, product development, and events we participated in. We're excited to introduce a new format featuring dynamic visuals. This shift is more than just a change in presentation; it's about providing you with a richer understanding of our updates. Visual insights can clarify complex information and enhance engagement, allowing for a more informed and thoughtful dialogue. We invite you to experience these easily digestible podcasts on our announcements channel on our Telegram Announcements Channel or here on X.

NANO INSIGHTS
In our sixth episode of Nano Insights, we debuted the Betting Blueprint Demo, showcasing the all-new dApp interface and the Hathor Play app. This engaging demo was also featured at Blockchain Rio, where we highlighted the potential of our Nano Contracts technology to the community. The recording of this demo is available for everyone to watch here.

Alongside this, we released new documentation detailing how Nano Contracts outperform conventional smart contracts by offering key advantages such as affordability, usability, security, and efficiency. You can explore the documentation here.

In our seventh episode, we unveiled Version 2 of the Betting Blueprint. This demo features a streamlined tutorial where two parties place bets against each other, making the process easy to follow. Building on insights from Version 1, we've integrated valuable feedback and enhancements based on continuous testing. This episode serves as a practical guide, showcasing the journey from creating a Nano Contract to collecting rewards, and providing a clear demonstration of the advancements we've made. You can watch the episode here.

In episode eight, we invited the Dozer Finance team to demo their DEX. This episode features a detailed discussion with their core dev, Bulldozer, providing an overview of the platform and showcasing Dozer's use of Nano Contracts with their liquidity pool blueprint. We also highlight how Hathor Play interacts with the DEX and explore all its functionalities. You can watch the episode here.

Finally, in our ninth episode, we showcased Dozer Finance's DEX and its use of Nano Contracts at Token2049. After two days of demonstrations, Nil presented a streamlined version of the platform, demonstrating token swaps, token creation, pool creation, and liquidity provisioning—all in under six minutes. You can watch this tutorial here.

LEADERSHIP FORUM

This quarter, we released two new episodes of our Leadership Forum, featuring insights from Hathor Labs' CEO, Yan Martins. In Episode 10, Yan discusses our two newest partnerships: Ether Private Bank, the first 100% Web3 bank in Brazil, which is transitioning all their on-chain transactions to Hathor due to scalability issues with other chains; and DINAMO Networks, known for delivering 100% secure digital asset management using cutting-edge hardware encryption (HSMs), setting a new benchmark in blockchain security. You can watch this episode here.

Episode 11 provides an in-depth look at the latest updates from Token2049, covering the status of Nano Contracts, insights into Tokenomics, and updates on the EVM bridge. We also announce the introduction of Hathor AppChains as we prepare for an impactful Q4 2024. This episode is available here.

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