

2024 – H1 Report^{v.1.0}

July 2024

INTRODUCTION

The Ultra Report outlines the progress Crypto Factor has achieved during the first half of 2024. This report examines our journey from the whitepaper and Token Generation Event (TGE) to the present, detailing the products and services developed, the challenges faced, and the successes achieved. We review these activities against our initial roadmap, committed to our token holders, supporters, and observers.

This paper will transparently highlight areas where delivery may have fallen short and use this critique to shape our activities for the second half of the year. Through community engagement, we aim to refine our roadmap to meet the aspirations and expectations of our users. Crypto Factor's success is driven by our users, and we are committed to providing a detailed account of our progress.

TOKEN

The Crypto Factor Token (CFR) was launched in January and integrated into the entity treasury, becoming available for sale/swap in February following the publication of our whitepaper. As the first utility token on DMC, it quickly gained recognition and interest for its use and value. The token allocation was designed for fairness and quality, based on principles learned from other successful token launches. The token's popularity was confirmed by the success of subsequent sales.

PRESALES

The CFR token was available for swap for existing digital asset holders (DFI only) and not for direct purchase with fiat currency. The offering was non-priority tiered, allowing all addresses connected to our dAPP equal opportunity to obtain tokens without seed, quarantined, or investor token partitions. Despite uncertainty in demand, modelled on limited experience, the token sold out in an average of 60 minutes over four sales. This success marked the formation of the Crypto Factor Community.

STAKING

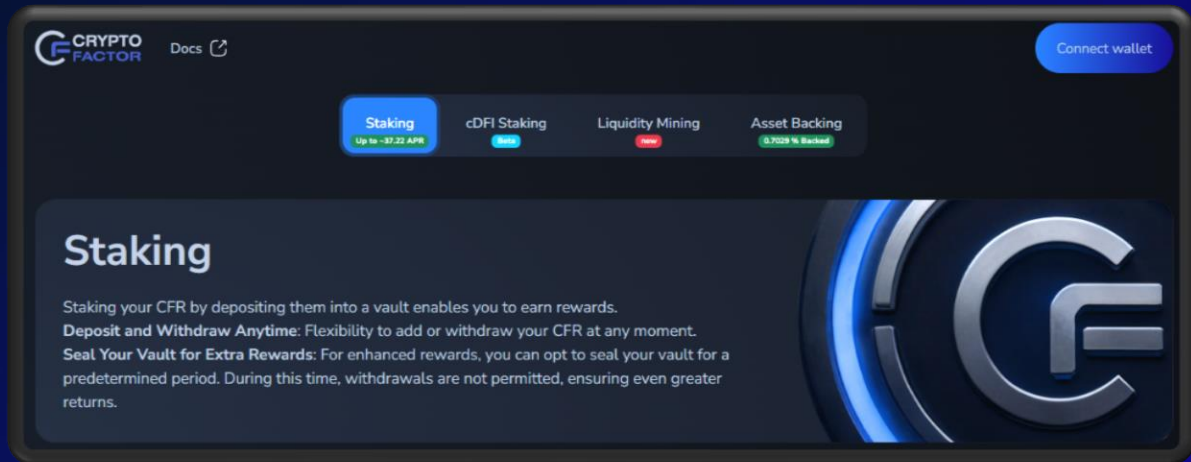


Figure 1: CryptoFactor Staking interface. Source: CryptoFactor. All rights reserved. All trademarks are the property of their respective owners.

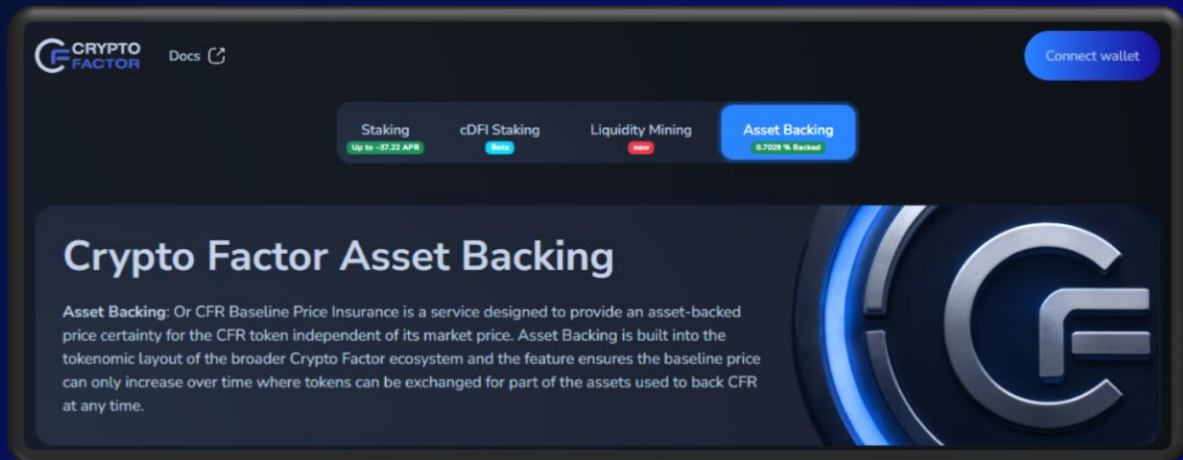
Our staking product was finalised in early March, featuring ‘Sealed vaults’ to enable users to enjoy higher APR returns. The staking service was immensely popular, with 70% of the circulating supply deposited across three categories of sealed vaults. The service has grown to over 50 million tokens (half the total supply) in >250 Vaults, with the APR adjusted to moderate but sustainable levels. Several refinements were made to improve the UI and UX, including calibration for MetaMask browser on mobile. Feedback from our newly created Community Telegram channel, now home to over 200 users, was instrumental in these updates.

LISTING

In late March, the CFR Token was listed on the VanillaSwap DEX at a launch price of 0.007. The token price remained stable initially and saw significant growth, reaching 0.0825 by early April.

A natural retracement occurred in late April, falling to 0.0560, but the price continued to rise steadily throughout May, reaching a new ATH of 0.0933 on May 27. The price stabilised until June 26, when the unsealing of 3-month vaults led to some profit-taking. Since then, the token price has risen predictably, almost compensating for the unsealed sales. We are encouraged by this early performance and confident about future price developments for CFR.

ASSET BACKING



Our asset backing service, a novel feature on DMC, has been widely praised. The CFR Token is presently backed by over 40,000 DFI, giving it a base price of 0.0004 DFI (0.7% backed). The benefits of asset backing will become more apparent in year three or sooner, depending on token and ecosystem activity. We recently enhanced the service to handle multi-assets, maintaining a balance between two or more assets. This extension allows Crypto Factor to adopt a secondary asset in the future and enforces a mandatory CFR component of 20% for all client tokens. This development, though initially overlooked, is expected to show its full potential in H2 with the launch of our first client token, \$DTL, from DexTradingLive.

cDFI COUMMUITY STAKING

| | |
|-----------------------------------|---------------|
| Total Value Locked (MasterNodes) | 280,000.00 ₿ |
| Total Value Locked (cDFI Staking) | 242,854.71 ₿ |
| cDFI Circulating Supply | 300,000.00 ₿ |
| Active Masternode Count | 14 NODES |
| Next cDFI Sale | ~13676 BLOCKS |

Crypto Factory Status Status Info ⓘ

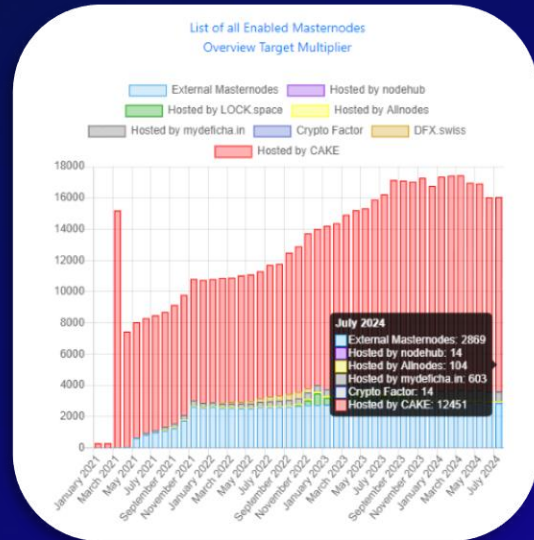
Under development...



Our cDFI Community Staking service is a groundbreaking innovation for Defichain, being the only service on DMC that allows EVM DFI to be used to obtain rewards from DVM MasterNodes. This hybrid-decentralised automation marvel enables stakers to swap their DFI for cDFI through a receipt token minting process. The DFI is then autonomously processed cross-domain in collateral batches to create masternodes. Once operational, these masternodes generate rewards for those on the EVM side who stake their cDFI in our Community Staking pool.

This service was developed not for profit but to expand decentralisation and fulfil a core objective of Crypto Factor. Despite the enormous challenge it presented, we pursued this project to become a service provider that truly makes a difference to the chain and the community.

The financial return from this service is minimal, but our efforts are rewarded with immense pride. We anticipate that cDFI will slowly expand into new use cases, providing further variation within the greater DMC universe.



PLATFORM UPDATE

During this time, we identified a missing feature required to read our factory contracts on the DeFiChain Explorers. With help from core developers, we secured a remedy, but the timelines did not align with our platform deadlines. Strategically, we decided to focus on new products and consultative client integration.

NEW CLIENTS

Whilst we are pleased with the evolution and performance of our primary ecosystem to date, our collaboration with DexTradingLive (DTL) has also been a roaring success, with presales filling in minutes and over 70% of circulating supply locked for 12 months. There are complex requirements for this build supporting an array of amazing products and as we progress through Q3 to Q4 we anticipate the completion of this automated system. This success generates revenue automatically distributed into Crypto Factor as Infrastructure as a Service, reinforcing the importance of valuable clients for the health of Crypto Factor.

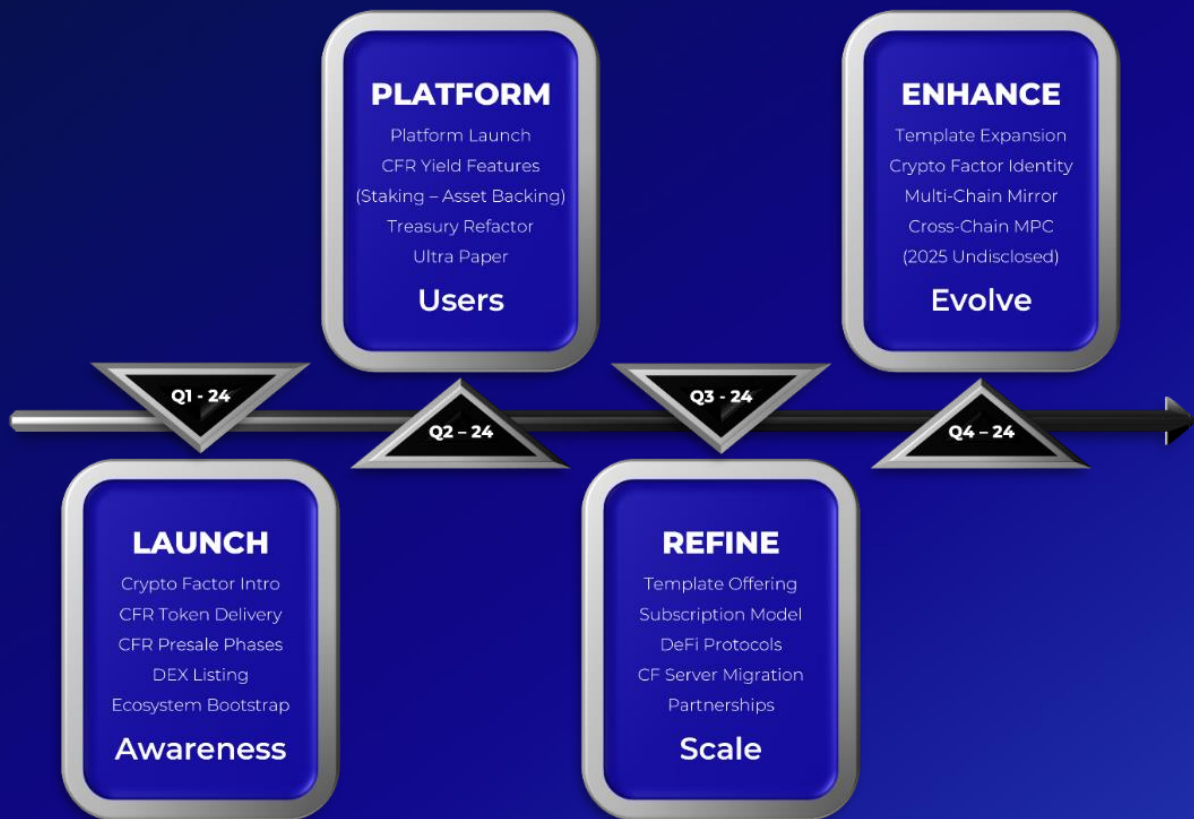


CRYPTO FACTOR COMMUNITY

Starting in January with a handful of individuals, our Crypto Factor Telegram group has grown to over 200 members, and we now have over 1000 followers on X. We expect this growth to accelerate as we continue developing our products, services, and client base.

ROADMAP REVIEW

Crypto Factor laid out an ambitious roadmap for 2024:



Let's take a look at how we have progressed:

| | |
|--------------------------------|--|
| Q1 (LAUNCH) | |
| CFR Token Delivery: | Successfully launched |
| CFR Presale Phases: | Solid demand |
| DEX Listing: | Successful launch |
| Ecosystem Bootstrap: | Growth and price stability of CFR Token |
| Q2 (PLATFORM) | |
| Platform Launch: | Strategic focus shifted to new products |
| Blockchain Explorer Readiness: | Addressed missing features |
| CFR Yield Features: | Developed CFR // cDFI Community Staking, Liquidity Mining & Asset Backing |
| Treasury Refactor: | Managed and balanced assets |
| Ultra Paper: | Completed H1 review |
| Q3 (REFINE) | |
| Template Offering: | First two templates with platform |

| | |
|-------------------------|---|
| Subscription Model: | R&D underway |
| CF Server Migration: | Max MN security with cDFI - Crypto Factory |
| Partnerships: | Successful collaboration with DTL GeckoTerminal Seahorse cDFI Integration planned |
| Q4 (ENHANCE) | |
| Template Expansion: | Feature set Integration |
| Crypto Factor Identity: | Domains, SSID, ENS |
| Multi Chain Mirror: | R&D on two chains |
| Cross-Chain MPC: | Partnership and R&D on PBC |



The screenshot shows a dashboard for 'Crypto Factor' with the following metrics:

- Reward Rate: 52.04%
- Rewards After 1y: \$5,204
- AuM: \$392.44k (17.67%)
- Fee: 2%
- Performance: 100%
- Stake with button and a plus sign.

Progress and Comments

We are pleased with our 2024 Roadmap progress, despite initial delays in platform development due to unindexed factory contracts. The strategic shift to focus on new products has broadened our services for self-serve clients. We plan to finalise the platform in line with demand, ensuring room for other critical services.

Announcing Crypto Factor Labs!

We are thrilled to introduce **Crypto Factor Labs**, a bold new initiative set to revolutionise our ecosystem with cutting-edge advancements. Here's what's on the horizon:

- **Multi-chain Decentralised Asset Management:** Elevating asset management to an entity level across multiple chains.
- **Crypto Factor Visualisation:** Real-time monitoring to showcase full autonomy and operational transparency.
- **Cross-chain Stakable NFT Synchronisation:** Combining cross-chain capabilities with utility NFTs for enhanced functionality.
- **Client Pipeline Development:** Strengthening client engagement and delivering increased value.
- **MPC Integration + Oracles:** Integrating advanced and bespoke DeFi solutions for a more robust ecosystem.
- **Crypto Factor Swap (DEX):** Introducing a fresh, innovative DEX for DMC!

With a clear roadmap and ambitious goals, we are poised for continued growth and success in H2 2024 and beyond. Stay tuned for more exciting developments!

Assessment

While we are pleased with our internal progress, we would rate ourselves:

7.5 out of 10

Several factors contribute to this self-assessment:

- **Minor Deviations from White Paper Declarations:** We have encountered small deviations from our initial declarations in the white paper and amended our strategy to broaden the product set rather than full deployment platform readiness.
- **Challenges with Brand Awareness and Engagement:** Building and maintaining brand awareness and engagement has proven more challenging than anticipated.
- **Client Conversion Challenges:** Despite securing a fantastic first client, converting additional clients has been difficult.
- **User Experience and Website Development:** Our UX, including the website, is still under development and requires further refinement.

Our guiding principle of transparency compels us to share these off-track items, which we believe are as important as promoting our successes. The on-chain environment remains challenging, but we are as determined as ever to deliver value and utility to all those who use our ecosystem. For those who do, we extend our sincere thanks.

The Crypto Factor Team

X: [@_Crypto_Factor](#)

Telegram: [@Crypto_Factor_TG](#)

Docs: docs.crypto-factor.io/crypto-factor

Website: crypto-factor.io