



# district0x

## Quarterly Report Q4 2023

January 15th, 2024

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# Mission, Vision, and Values

In our first ever quarterly report we shared our mission, vision, and values statement to serve as a guiding light throughout our growth and development as an organization. We will continue to highlight these at the beginning of every report to keep our ultimate goals fresh in mind.

## **Our Mission**

Decentralize the ownership structures of the world's marketplaces.

## **Our Vision**

Deploy a platform for the creation and operation of communal marketplaces as decentralized entities, build network effects around the platform via a suite of ancillary services and by fostering a third-party developer ecosystem, and leverage these network effects to supplant privately controlled marketplaces with districts that allow for open participation in the governance of markets.

## **Our Values**

1. **Transparency** - Open and honest communication provides each person the opportunity to contribute in the most meaningful way.
2. **Autonomy** - We supply the tools and information to do the job, but trust one another to get that job done.
3. **Inclusion** - We welcome participation from all colors and creeds, across all borders and nationalities. We are empowered by the diversity of our ideas because competition breeds strength.
4. **Decentralization** - We seek the path of broadest consensus, and work to align motivations through incentives, not instigation.

# Product

## **Meme Factory**

Meme Factory remained stable in the last quarter of 2023. Brady engaged with the community over Twitch to get memes made and submitted to preliminary voting to see which ones would make the cut to get uploaded to the production instance.

## **StreamTide**

In this last quarter we've continued our efforts on StreamTide, ultimately pushing the production ready instance up to Arbitrum for testing and testing it vigorously. We proceeded with the Arbitrum mainnet Launch and started onboarding a core group of artists from the community.

In the 4th quarter, we also continued working on improvements for both the UI and backend. We made error messages clearer, added stars to show which users are supported, and improved how administrators manage users. We also made lots of small changes and fixed little issues. One big improvement was adding a way for users to get notified about important events through email, push notifications, or Discord, depending on their settings.

The most relevant thing I would say is that, after checking everything with another QA round, Streamtide was successfully deployed to the Arbitrum mainnet, marking a significant milestone in the project's development!

We also worked on enhancing the platform's accessibility by integrating Streamtide with thirdweb introducing a generic "Connect Wallet" button aimed to work with other wallets, not just Metamask (still in QA). Additionally, other features still in the testing phase were introduced, such as the ability to restore unsaved profile modifications.

Finally, we dedicated some efforts to a detailed code review and quality assurance of StreamTide, ensuring the integrity and efficiency of its smart contracts, Docker configurations, and database migrations. I meticulously scrutinized the source code and test files, aiming to enhance the application's stability and security. Parallely, we explored the integration of Stable Diffusion, a machine learning model by CompVis, into our Discord bots. This innovative venture aimed to enable users to generate and mint NFTs seamlessly within Discord. I delved into the model's configurations, scripts, and latent

diffusion modules, as documented in the stable-diffusion repository, to understand its workings and potential applications.

## **Ethlance**

In Q4 we managed to finally get Ethlance to staging and are now fixing the last hiccups before we can launch the product. Specifically, we deployed Ethlance on Arbitrum Sepolia, including successful contract deployments and ERC20 token minting, resolved technical issues such as event replay and transaction failures and implemented new UI features (including a token minting page and user role detection for content relevance).

We addressed UI design improvements and fixed token decimal issues in job postings, as well as updated the cljs-web3-next library for improved connection detection and d0x IPFS library for authentication support. Some ongoing tasks are ongoing QA, bug fixing, and UI styling according to the latest designs, as well as finalizing functionality for ERC20 contract decimal handling and preparing Ethlance for QA environment deployment.

We have also looked more into AI and how we could support ethlance with LLMs. We decided to work first on a discord bot which could help command Ethlance right from within Discord. In the initial phase of work on the ethlance\_gpt.py Discord bot, we concentrated on developing and refining its capabilities to ensure a seamless job-related interaction experience within the server. The bot is adept at categorizing user input into specific segments such as job offers, freelance profiles, post listings, post deletions, and unidentified queries, all while providing responses in clear, human language.

Leveraging Discord's Python API, OpenAI's GPT-3.5 Turbo, and Pinecone for vector search, the bot handles a variety of user interactions, from expressing gratitude for job submissions to displaying relevant posts and facilitating user post deletions. To enhance the user experience, the script incorporates a daily API call limit and a custom help command. Additionally, admin users have the capability to clear the bot's memory of user posts. Overall, the bot utilizes advanced NLP and vector search technologies to create an interactive and efficient platform for job seekers and employers within the Discord community.

In the next phase of this endeavor, we also established a broader bot suite, focusing on developing and enhancing three distinct Discord bots: namebazaar\_bot, memefactory\_bot, and discord\_opensea. Each bot serves a unique purpose, catering to different aspects of blockchain and NFT interactions within the Discord environment. The

namebazaar\_bot is tailored for the Name Bazaar platform, facilitating the trading and management of ENS domain names. It provides users with commands to search, buy, and list domain names, as well as to interact with auctions. The bot integrates with the Ethereum blockchain and the Name Bazaar smart contracts to perform transactions and fetch data, ensuring real-time and accurate information is provided to the users. The memefactory\_bot is designed to interact with the MemeFactory platform, allowing users to trade memes as NFTs. It offers functionalities to list, buy, and sell memes, view details of specific memes, and manage offers and bids. The bot interacts with the MemeFactory smart contracts on the Ethereum blockchain to execute transactions and retrieve meme-related data.

The discord\_opensea bot serves as a general-purpose tool for interacting with the OpenSea NFT marketplace. It provides a wide array of features including fetching NFT details, listing NFTs for sale, making offers, and buying NFTs.

The bot integrates with the OpenSea API and the Ethereum blockchain to facilitate these interactions, ensuring a seamless and user-friendly experience. Together, these bots form a comprehensive suite of tools that enhance the Discord user experience for blockchain enthusiasts and NFT traders, providing them with powerful and convenient ways to interact with popular blockchain platforms and marketplaces directly from Discord.

## **Aqua Prime**

On Aqua Prime, we deployed ERC6551 token-bound wallets on the Base chain for the AquaPrime Collection, allowing NFTs to double as wallets. We also transitioned to a customGPT for a more engaging game-master bot, leveraging our Pinecone database for a richer, unified bot interaction experience and, finally, prepared for StreamTide's first grant round, emphasizing user experience and smooth onboarding.

As we move towards deploying our pas to full production, our commitment to transparency remains unwavering. You can stay updated with our progress and contribute to the discussion on our GitHub repository: [district0x GitHub Repository](#).

This quarter's efforts underlines our dedication to providing a seamless and enriched user experience across district0x's suite of applications. We're excited for what's to come and are grateful for the community's ongoing support and feedback.

# Marketing

The last quarter of 2023 has been pivotal for the district0x community, showcasing progress across various projects and initiatives. Notably, the community celebrated advancements in the tabletop-inspired game Aqua Prime, the engaging Meme Factory trading card game, and the exciting launch of StreamTide on Arbitrum. Our strategic efforts in gamification and user-centric platform enhancements have propelled our market presence and fostered dynamic user interactions.

Our key achievements included emphasis on Cultural Integration focused on integrating music, art, and culture, especially through StreamTide, enriching our brand narrative and appeal, through innovative use of gamification, crafting unique user experiences that stand out in the market and enhancing engagement and loyalty.

Following community feedback, we've implemented major UI/UX improvements across all apps, crucial for user satisfaction and retention, and significantly increasing our project's engagement and visibility. Our marketing interactions have been revitalized with sophisticated chatbots on Discord, offering narrative-driven and interactive experiences to our community, enhancing brand engagement.

Furthermore, StreamTide's debut has been a major milestone, initiating weekly developer calls that provide an invaluable platform for community members to interact directly with the creators, fostering deeper insights into district0x and the wider crypto community, growing influence in the crypto landscape.

Check out the platform now and review our initial artists cohort, and join to help us test and improve features: <https://streamtide.io/artists>

Emphasizing gamification as a core strategy, district0x has intricately woven this element into its community operations. Gamification manifests in various forms, from Meme Factory's voting game with physical cards and swag boxes to the interactive elements in Aqua Prime RPG on Discord. This approach aligns with the cryptocurrency theme in general, blending community engagement with alternate reality gaming and behavioral economics, creating a unique 'Meta game'. Besides, the use of Discord AI bots provides a narrative-driven, risk-free introduction to web3 and crypto, especially beneficial for newcomers.

Significant strides have been made in enhancing StreamTide visibility as well, with a twitter strategy at its core designed to appeal to artists and artist managers alike. We also

started looking into other successful launch pads we can use, most notably we are planning a campaign on <https://www.producthunt.com>

Streatide has had many new features like a global feed page and an improved wallet login experience were added based on community feedback - showing that the community engagement is stable. Exciting developments are on the horizon with the first grant rounds to test new quadratic funding smart contracts.

Reflecting on Meme Factory, its transition to Polygon also represents a significant cultural shift, rejuvenating the platform. The reintroduction of the 'Game Of Memes', a no-code solution trading card game, celebrates this transition. Again, the community's engagement is further amplified by sophisticated A-B testing chatbots in the Discord server, enhancing the dynamic and integrating functionalities and features related to our apps.

Additionally, Aqua Prime has undergone a significant transformation as well, evolving from a set of community tools and bots into a comprehensive RPG experience. The latest updates include a revamped Discord bot with advanced memory capabilities, enabling more engaging and coherent storylines. The district0x community is finalizing the game for a new playtesting season, moving towards a community-run Discord server for Aqua Prime.

Special recognition goes to community member RektmeRev, whose artistic contributions have significantly shaped the visual narrative. The anticipation is high for the upcoming launch of a platypus-inspired NFT collection, conceived live on stream, showcasing hand-drawn traits.

Throughout these developments, district0x's resilience and legacy shine through. From launching early dapps on Ethereum to pioneering Meme Factory, the longest-standing token curated registry, the community has shown remarkable strength and dedication. As we move into 2024, the district0x community remains optimistic and grateful for the unwavering support that has fueled its journey, with a firm belief that the best is yet to come. Cheers to a future filled with more achievements and innovations!

# Financials

## Balance Sheet

### Assets

CURRENT ASSETS*	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>BTC</b>	\$7,569,958	\$3,121,106	\$2,672,180	\$4,601,703	\$4,901,954	\$4,350,824	\$5,076,456
<b>ETH</b>	\$10,441,495	\$3,296,337	\$3,702,943	\$5,523,605	\$5,964,630	\$5,165,851	\$8,830,416
<b>DNT</b>	\$15,030,000	\$8,190,000	\$3,330,000	\$5,454,000	\$4,824,000	\$4,104,000	\$5,544,000
<b>GRT</b>	\$31,306,667	\$6,153,333	\$3,780,000	\$9,440,000	\$7,026,667	\$5,973,333	\$12,600,000
<b>KEEP</b>	\$630,115	\$157,952	\$64,486	\$166,172	\$94,568	\$75,163	\$104,313
<b>Stable Coin</b>	\$4,551,702	\$5,217,109	\$5,217,109	\$5,217,109	\$4,812,796	\$4,464,471	\$4,464,471
<b>Prepaid Expenses</b>	\$324,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL CURRENT ASSETS</b>	<b>\$69,853,937</b>	<b>\$26,135,838</b>	<b>\$18,766,719</b>	<b>\$30,402,590</b>	<b>\$27,624,615</b>	<b>\$24,133,642</b>	<b>\$36,619,656</b>

### LIABILITIES

CURRENT LIABILITIES	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
<b>Short-Term Debt</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Based on USD values taken from Etherscan or Coinbase on the first day of the following quarter.

## Income Statement

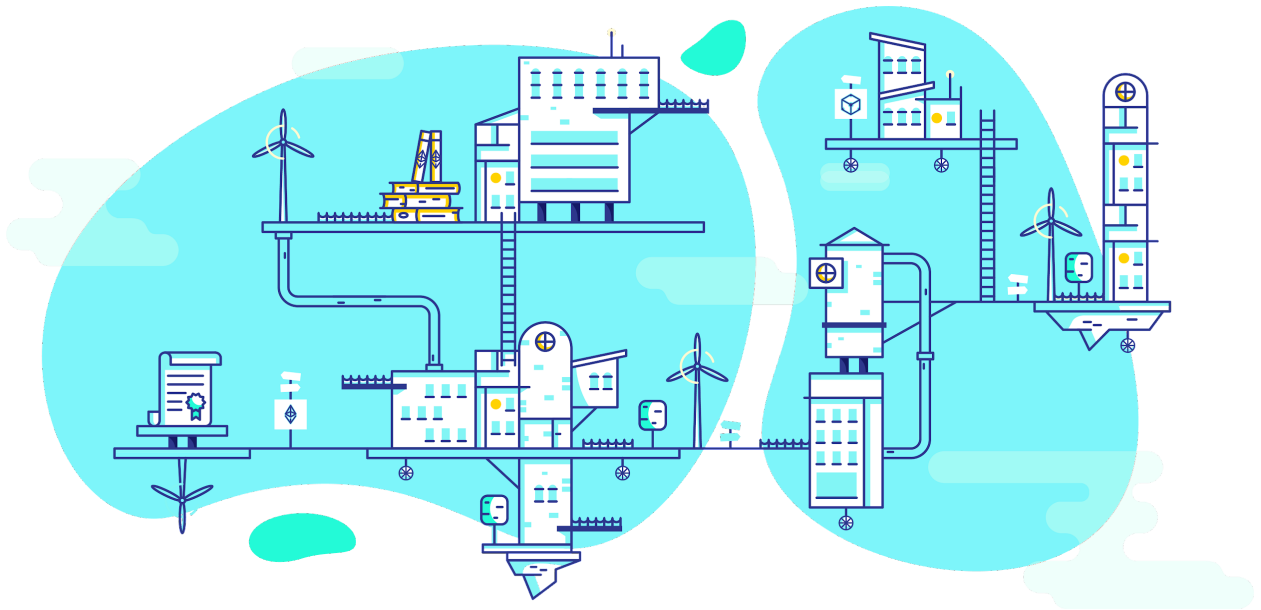
INCOME	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cost of Goods Sold</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>GROSS PROFIT</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
EXPENSES	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Contractor Wage</b>	\$345,500	\$374,300	\$374,300	\$440,700	\$404,313	\$338,100	\$308,400
<b>Technology and Development</b>	\$1,647	\$3,122	\$17,687	\$4,395	\$5,379	\$2,191	\$4,696
<b>Marketing and Sales</b>	\$0	\$0	\$0	\$5,373	\$0	\$0	\$3,000
<b>General and Administrative</b>	\$21,861	\$47,345	\$22,648	\$9,683	\$68,535	\$8,034	\$11,524
<b>Other</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	<b>\$369,008</b>	<b>\$424,767</b>	<b>\$414,635</b>	<b>\$460,151</b>	<b>\$478,227</b>	<b>\$348,325</b>	<b>\$327,620</b>
<b>OPERATING PROFIT</b>	<b>-\$369,008</b>	<b>-\$424,767</b>	<b>-\$414,635</b>	<b>-\$460,151</b>	<b>-\$478,227</b>	<b>-\$348,325</b>	<b>-\$327,620</b>



# Summary

We are excited about the progress we have made on all our projects in 2023 and look forward to building a large userbase in 2024. We've gained momentum across the board, expanding our bot suite to include new LLM tools, and with the next cycle approaching our future is looking promising. We are optimistic in the future of blockchain and will continue to build towards it.

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# Learn More

For more information about the district0x network,

- Head to our [Onboarding Terminal](#) for all links at a glance
- Check out our [Education Portal](#) for all things #web3
- Join the official [Discord server](#) or [Telegram](#) channel
- Watch our [YouTube intro video](#) and [live stream](#) on Twitch.tv
- Subscribe to [email updates](#) or to our [Subreddit](#) forum
- Follow us on [Twitter](#), [Facebook](#) and [Instagram](#)