Dash Q4 2016 - Core Team Call

09 March 2017

US TOLL: +1-415-655-0001
Meeting Number: 198 343 418

Call Ground Rules

- The call is being recorded and will be published on Dash Youtube channel
- There are two moderators
  - Ryan Taylor – main moderator
- To avoid any background noise, all accounts are on mute
- Only speakers' accounts have active microphone
- Questions should be sumitted on the chat window. They will be asked during the Q&A part of the call
  - Chat window will allow you to ask any number of questions, however please allow everyone to put their questions
  - Follow-up questions should be asked with the original question and will be answered on the forum

Agenda

- Welcome and Introduction
- Status Update
- Summary
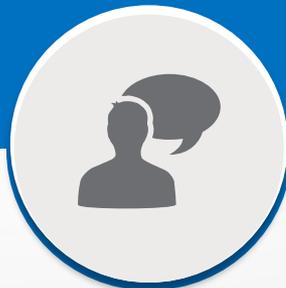- Q&A

Project Development Areas

Software
Development

Business
Development

Marketing and
Communication

Project
Organization

Dash Development Team

Core Development

1. **Evan Duffield**
2. Udjinm6
3. Holger Schinzel
4. crowning
5. Timothy Flynn
6. chaeplin

Evolution Development

1. **Andy Freer**
2. Jon Kindel (snogcel)
3. John Rudd (acidburn)
4. Joshua Seigler
5. Nathan Marley
6. 0xfff
7. Alex Werner (new)
8. Pascal Meyer (new)
9. Chuck Williams (new)
10. Hunter Lester (new)
11. Mr. V (new)
12. Maddie Shang (new)

Dash Development Team

Other Developers

1. Tyler Willis (Electrum)
2. Perry Woodin (web)
3. Tomasz Ludek (integration and android)
4. hashengineering (android)
5. quantumexplorer (iOS)

Testing

1. elberethzone
2. splawik21
3. thelazier

Infrastructure

1. moocowmoo
2. Holger Schinzel
3. Jeff Smith

Dash Development Team

Supporting Functions
1. Ryan Taylor (finance manager)
2. Fernando Gutierrez (legal)
3. Daniel Diaz (business development)
4. Philipp Engelhorn (social media)
5. David Dinkins (writer)
6. Robert Wiecko (project management)
7. Balazs Kirley (project management)
8. Ahmed Aseeri (project management)
9. Etherdesign (graphics and design - new)

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2016 Goals

- Make masternode operation available from hardware wallets to increase security of operator tokens.
- Preparations of work for 2MB blocksize increase.
- Develop plan and implement PrivacyProtect (Darksend v2)
- InstantX security and processing improvements

Software Development

Q4 Plans

- Further development team expansion
- Core wallet v0.12.2 development
- DashDrive planning and implementation
- Evolution frontend development and integration with backend
- Evolution DAPI development

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2016 Goals

- Improve fiat access to Dash tokens
- Build a network of DASH ATM machines
- Establish partnerships to improve hardware wallet integration to facilitate easy and safe storage of Dash tokens
- Expand merchant acceptance

Business Development

Q4 Plans

- Sales team expansion
- Support for the non-core proposals
- Technical integration team setup
- Contribution to the creation of contracting framework
- Marketing and PR support
- Developing Evolution DAPI sales strategy
- ATM compliance program

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Major achievements

- Negotiations with major FIAT exchanges started.
- Native support for Dash on KeepKey, Trezor and Ledger accomplished.
- Integrations Team in place lead by Jon Kindel (a.k.a) snogcel
- Legal Research projects started, to be concluded Q1 2017
- Outreach campaign to attract new partnerships.
- Recruiting candidates for new bizdev position.

Business Development

Areas for improvement

- Focus on B2B crypto services.
- Expand bizdev team to be able to handle our near term growth.
- Improve communication

Next steps

- Conclude negotiations and bring Dash into major regulated Crypto/FIAT exchanges.

- Complete set of tools and libraries required for interfacing into the Dash blockchain. E.g. Insight, Bitcore.

- Figuring out mechanics of integration to new partners

- Partner with B2B service providers in the space.

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2016 Goals

- Participate in TNABC in Miami
- Participate frequently in high-impact industry conferences and events
- Conduct a formal public relations campaign to build awareness and educate the public in existing Dash features and benefits
- Increase media presence and penetration of mainstream media through both advertising and public relations

Marketing and Communication

Q4 Plans

- Translate all Wikis (in top 4 languages)
- French Translations (Wiki + News) nexton list
- Launch new webpage in all languages
- More presence on conferences
- Work on PR for outside Crypto Publications and inside Crypto
- Support community with meet-ups (e.g. pizza fees)
- Keep maintaining and expanding Social Media

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Major achievements

- Translation of Wiki pages (top 4 languages)
- Work on the new dash.org website
- New business-focused approach on conferences
- Work on PR outside crypto industry and inside crypto
- Maintenance of all Dash Social Media channels

Marketing and Communication

Areas for improvement

- Regular internal communication
- Spread awareness of Dash in financial industry

Next steps

- Continuation of Wiki updates
- Updates on the new dash.org webpage
- More presence on business and crypto conferences
- Work on PR
- Keep maintaining and expanding Social Media
- Launch partnerships with academic and R&D organizations to promote Dash

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2016 Goals

- Improvements in communication and processes
- End to end project management of Dash projects and initiatives
- Refinament of the organization and coordination structure
- Introduction of financial planning processes

Project Organization

Q4 Plans

- 2017 strategic planning
- Effective team structure
  - Support team
  - Quality assurance
- Work on Dash integration processes
- Work on contracting framework
- Definition of the first version of PMF
- Marketing and PR support
- ATM compliance program

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Major achievements

- Transparent finance management
- Work on ASU partnership
- Coordination of 15 projects during Q4
- Recruitment and onboarding suport
- Initiated HR processes
- Support in preparations to conferences
- Work on delivery processes

Project Organization

Areas for improvement

- Strategic planning
- HR
- Communication
- Coordinated business development and projects

Next steps

- Long-term strategic planning
- Dash office in US
- Extend PM capacity
- Provide HR support
- Create flexible Core Team structure
- PMF updates
- Coordinated Evolution delivery
- Marketing and PR support

Project Finance

Income Statement

Dash
Profit and Loss
July 1 – December 31, 2016

	Total
Income	
Dash Budget System	310,769
Uncategorized Income	41,688
Total Income	**352,458**
Gross Profit	**352,458**
Expenses	
Commissions & fees	3,825
Dues & Subscriptions	5,102
Freight & Delivery	1,182
Job Materials	1,933
Legal & Professional Fees	63,543
Office Expenses	269
Promotional	51,607
Subcontractors	126,505
Travel	7,280
Uncategorized Expense	41,436
Total Expenses	**302,682**
Net Operating Income	**49,776**
Other Expenses	
Exchange Gain or Loss	-25,437
Total Other Expenses	**-25,437**
Net Other Income	**25,437**
Net Income	**75,213**

- To provide a more accurate accounting picture, Dash's accounting is denominated in USD

- Core team collected ~$311k from the network in H2 2016 (as measured at the time of distribution)

- Because of the price increase during the period, Dash experienced over $25k in currency gains

- Uncategorized expense and income are generated by DASH to BTC trading → the difference is trading profits of $252 during H2 2016

- Excluding currency and trading gains, Dash core team accumulated ~$50k in reserves during the second half of 2016; these enable a buffer against exchange rate and expense risks

Financial Key Performance Indicators

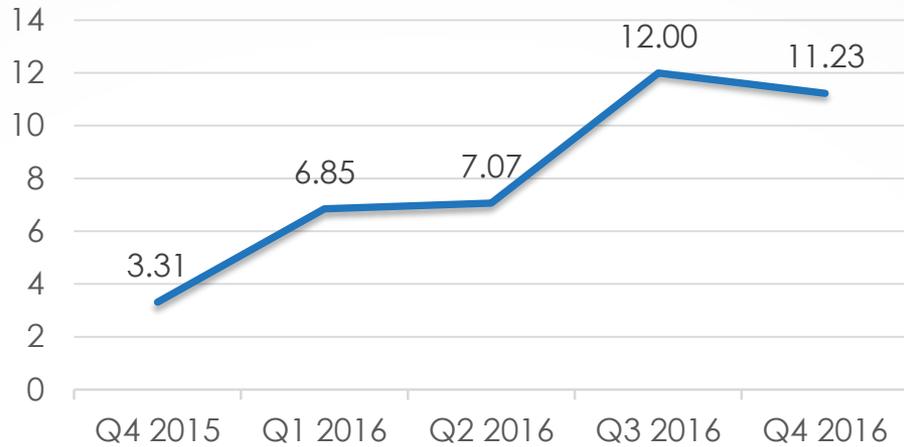| KPI	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	QoQ Growth	YoY Growth
Dash Supply (m)	6.10	6.33	6.55	6.77	6.99	+3.2%	+14.6%
Price ($)	3.31	6.85	7.07	12.00	11.23	-6.4%	+240%
Market Cap ($, m)	**20.18**	**43.37**	**46.32**	**81.26**	**78.50**	**-3.4%**	**+289%**
% of market	0.29%	0.54%	0.36%	0.66%	0.45%		
Daily Price Volatility (σ)	3.8%	5.1%	2.4%	3.1%	2.3%	-27.7%	-41.3%
Avg. Daily Trading Volume ($, th)	63	285	334	733	1,166	+58.9%	+1,742%
Total transaction fees (Dash)	998	1,314	1,151	1,191	1,448	+21.5%	+45.1%

Financial Key Performance Indicators

KPI	2014	2015	2016
Dash Supply (m)	4.99	6.10	6.99
Price ($)	1.91	3.31	11.23
Market Cap ($, m)	**9.54**	**20.18**	**78.50**
Daily Price Volatility (σ)	11.3%	4.7%	3.2%
Avg. Daily Trading Volume ($, th)	445	96	629
Total transaction fees (Dash)	1,413	2,256	3,152
YoY growth rates			
Market Cap		+112%	+289%
Daily Price Volatility		-58.3%	-31.8%
Avg. Daily Trading Volume		-78.4%	+554%
Transaction fees		+59.7%	+39.7%

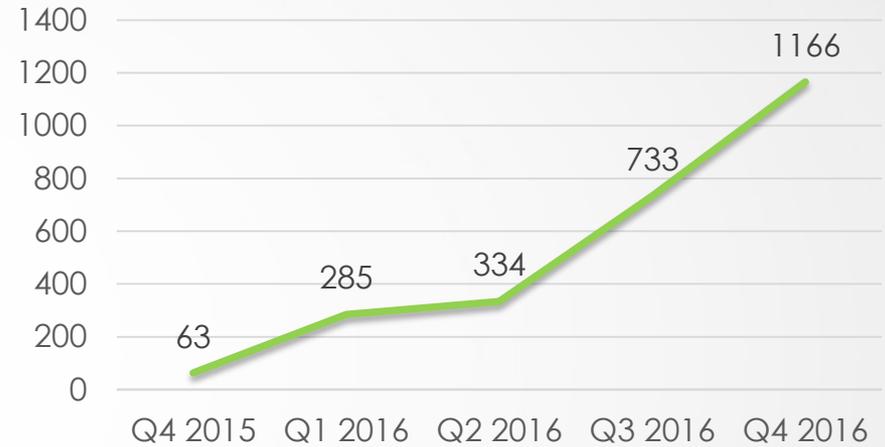# Other Key Performance Indicators

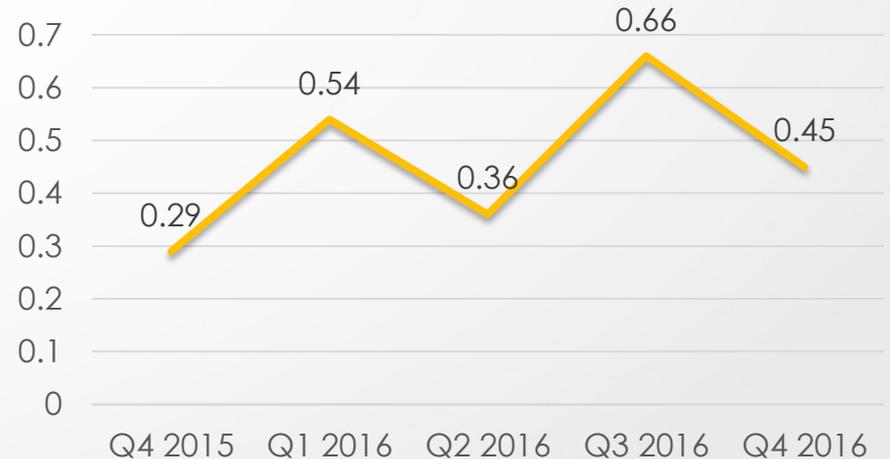| KPI	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	QoQ Growth	YoY Growth
Usage							
Active addr. / day (th)	7.08	8.08	7.42	9.61	8.74	-9.0%	+23.3%
Trans. / day (th)	1.18	1.58	1.18	1.55	1.24	-20.1%	+5.1%
Non-MN Active Nodes	1,960	2,441	2,145	2,267	2,087	-7.3%	+6.5%
TPV ($, m)	22.42	57.70	72.12	119.67	76.92	-35.7%	+243%
Health							
Network congestion	0.3%	0.3%	0.3%	0.4%	0.3%		
Avg. hashrate (b/s)	87	103	213	644	1,312	+104%	+1,416%
Social Media							
Reddit subscribers			1,908	2,354	2,588	+9.9%	
YouTube subscribers			1,667	3,512	5,217	+48.5%	

Key Financial Performance Indicators

Key Financial Performance Indicators

Price ($)

Year	Value
2014	1.91
2015	3.31
2016	11.23

Avg. Volume ($, th)

Year	Value
2014	445
2015	96
2016	629

Market Cap ($, m)

Year	Value
2014	9.54
2015	20.18
2016	78.50

% of market

Year	Value
2014	0.17
2015	0.29
2016	0.45
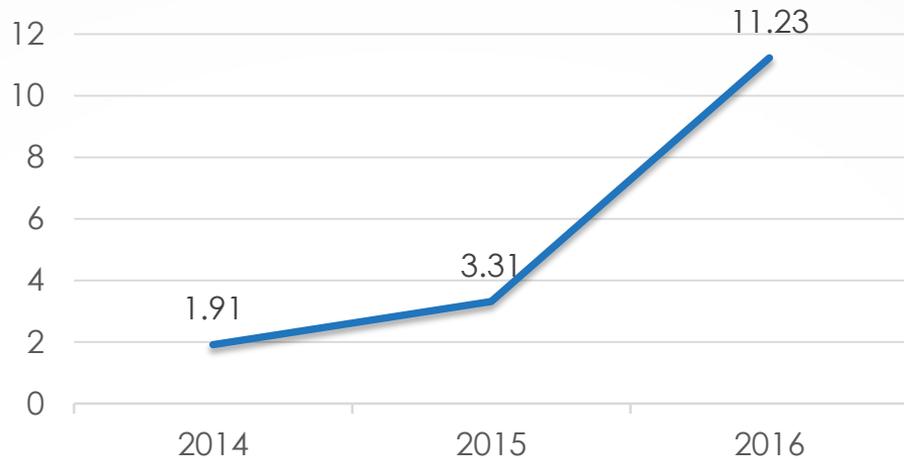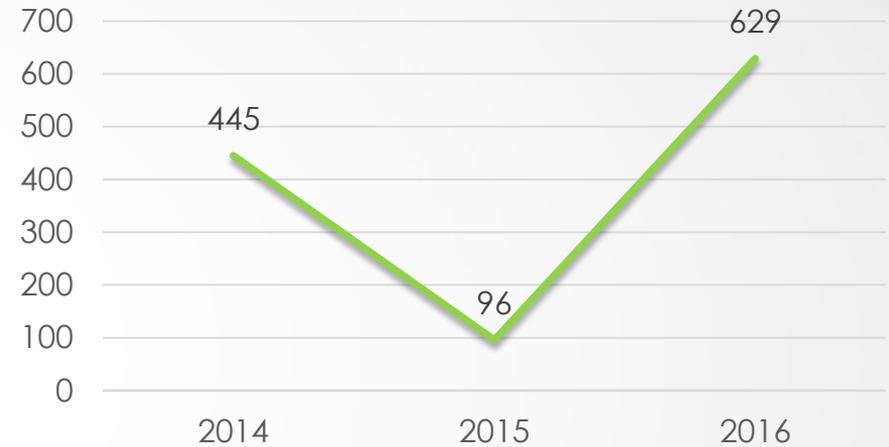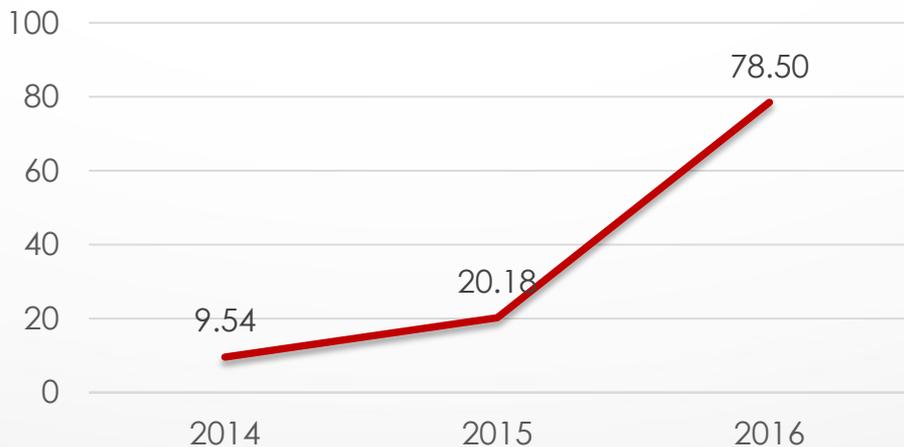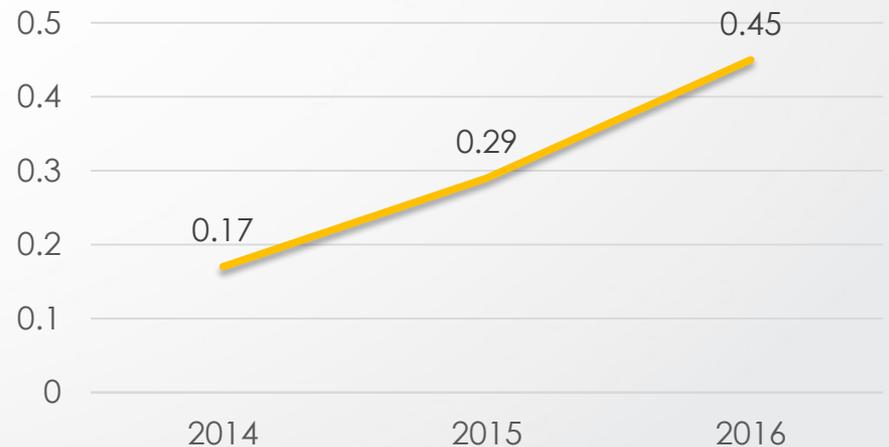
Balance Sheet

Dash
Balance Sheet
As of December 31, 2016

ASSETS	Total		LIABILITIES AND EQUITY	Total
Current Assets			Total Liabilities	
Bank Accounts			Equity	
ATM Compliance	56		Opening Balance Equity	3,602
Bus Dev - General	17,587		Retained Earnings	
Bus. Dev. – Wall of Coins	49		Net Income	75,213
Conferences & Travel	4,036		Total Equity	**78,815**
DashCore Development	3,167		TOTAL LIABILITIES AND EQUITY	**78,815**
Core Team Salaries	1			
Evo - Development	4,448			
Evo - Graphic Designers	10,275			
Infra - Applications	777			
Infra - Datacenter	801			
Legal	19,468			
Marketing & Communication	3,736			
Marketing – Branding	3,987			
Marketing - Chinese	1,739			
Marketing - French	842			
Marketing - Portuguese	162			
Marketing - Russian	741			
Marketing - Spanish	517			
Poloniex - BTC	200			
Poloniex - DASH	0			
Public Relations - General	2,629			
Total Bank Accounts	**75,218**			
Total Current Assets	**75,218**			
Fixed Assets				
Machinery & Equipment	3,596			
Total Fixed Assets	**3,596**			
TOTAL ASSETS	**78,815**			

- Cash assets at the end of 2016 totaled ~$75k

- Significant reserves existed at the end of the year in the legal fund, business development, and Evolution budgets

- We plan to eliminate the regional breakout of our marketing budget, which will be combined into one more flexible marketing budget going forward

Summary - Where Are We Today?

Q&A

Dash
Digital Cash

www.dash.org