



Alpha Token

## Executive summary

We provide improved financial analytics tracking and ranking for individual enterprises against a selected group of peers as well as tailor macroeconomic data to see the impact (such as a change in GDP growth by +1%) on various financial metrics (e. g., a likely effect on revenue over the next three months). We do this in a commoditized fashion (i.e., our analytics works on all business problems tackled).

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## 1. MVP/Proof-of concept and overall progress

The ability to generate insights based on changes in the underlying macroeconomic conditions requires solving numerous multi-disciplinary problems.

First, it is necessary to map out all leading economies around the world. Otherwise, you will have a company exporting to a selected emerging market (EM) with no possibility to decompose all value chain risks obtained from this specific source.

Second, all latent macroeconomic conditions should be tracked in each country on a daily or at least weekly basis. On a monthly basis, the solution is just not appropriate.

Third, a structural model must link these trackers so that a positive growth shock would urge the growth around the globe if a country is highly interconnected and vice versa.

Fourth, country-level sectors and industries tracking required for a positive retail sector growth shock is not the same as industrial metalworking.

Finally, the whole pipeline starting from the input at the first step to the final output and linking to individual firm-level financial statements must be transparent and tractable. In other words, we should understand how a change in one variable propagates through the system.

At first sight, this might sound like an unmanageable project, but our MVP/prototype/proof-of-concept model Atlas can already achieve this. Even though the update happens irregularly and there are a few flaws that will be fixed in the near future, it shows that the problem is real. At the moment, over 100k activity indicators across the globe are monitored and aggregated into the country and inter-connected activity trackers anchored to a long-run economist consensus in order to account for likely developments in the global economy. From the theoretical point of view, everything looks flawless. But in practice, the solution functions as well. For example, we can decompose financial revenue streams reported by [Auga](#) into different countries of origin and track them on a weekly basis.

### 1.1. How big is the target market, and what's our angle?

Our initial product with the minimum amount of funding is targeted at the Lithuanian market. The addressable market size is 11k for small businesses, 2k for medium, and 325k for large enterprises. Entering this market with at least 200 users would allow achieving a break-even point and a long-run expansion. Other Baltic economies have similar size markets. Alternatively, adopting our solution by a third of Nasdaq Baltics listed companies would provide enough traction to go over a break-even point.

### 1.2. Business problem tackled

AWS/Google and many other providers sell high-quality commoditized tools needed to solve business problems, but we aim to sell solutions instead. Practically, it means we are building DeFi company identity management and anonymization pipelines to make analytical models accessible at scale. Instead of buying a pitch, you could apply the solution to your issues to see how valuable the insights are.

Information asymmetry dominates the business environment. Therefore, it is important to know more about your competitors to obtain competitive advantages. We aim to expand the limits of information available to enterprises from two dimensions: *the depth of this information* and *the quality of analytics*.

From the depth side, we are building linkages between standard macroeconomics techniques of tracking changes in the economy and their reframing in a business context. It's usually performed on a one-to-one basis with limited economies of scale and scope. As far as we know, we are the first to be able to do this.

From the quality of analytics side, we are working towards providing an all-in-one solution for any business analytics needs that are usually served by a vast network of professionals. Traditional analytical needs within an enterprise are usually solved with either an in-house toolbox or one-to-one analytical solution building. In both cases, information asymmetry dominates the problem, as the benefits of creating or acquiring are contested by costs. We are reframing this problem, and instead of focusing on separate sales, we are focusing on the scope.

### 1.3. Near-term value creation

To achieve strong network effects and economies of scope, we first need to solve a near-term problem to obtain a sufficient user base. This can be achieved by offering the ability to rank individual enterprise financial metrics against a selected group of peers. However, at the moment, this option is limited and can only be done once a month with at least three or more months' lag. So far, in our proof-of-concept, we can effectively track and update ranking weekly. This, in turn, allows us to deliver near-time analytics, improve decision-making and business optimization, and provide context and measure impact on individual enterprises from macroeconomic news developments, in other words, relevant and company-tailored news updates and tracking.

### 1.4. Long-term value creation

In the long term (2 years), we will position ourselves as an intermediary to ensure complete data anonymization and as a quality assurance provider by creating an interface for anyone wishing to build models within our framework. This will enable two types of benefits. First, it will substantially reduce the cost of building/maintaining and updating analytical solutions on the business side. And second, it will allow individual analytics providers to achieve economies of scope (build one model – sell and update to many), getting a solid incentive to constantly innovate.

### 1.5. Our economic moat (why it's hard to replicate our idea)

Strategically, we will focus on smaller European countries for the initial several years as macroeconomics coverage and thought leadership is weak there. Moreover, lack of investable assets creates limited incentives for in-depth coverage, leaving an ample amount of space.

We derive our moat from these two directions:

- By maintaining analytics pricing at a fairly low level (compared to alternatives), we create a high sunk-cost advantage. We already have an alpha-version of the analytics engine that tracks the daily developments across most developed and emerging markets.
- By providing thought leadership through macroeconomic content, we market our products and entrench our position as a market leader. This allows for reaching high levels of economies of scope.

## 2. What is the utility of the token?

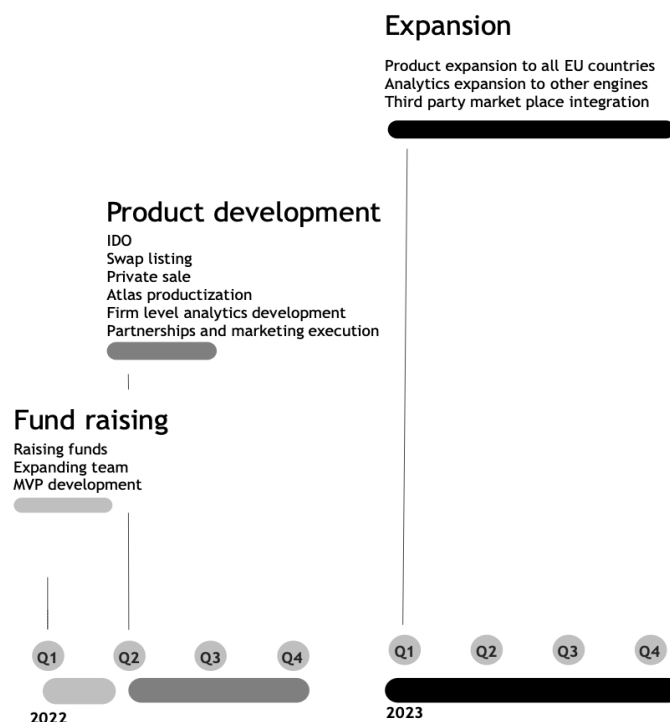
All our sales will be made in tokens. If the corresponding business party prefers to use fiat currency – we'll still facilitate conversions internally. The token ensures the full anonymity of the business and the analytics provider side. At the same time, it improves transparency in pricing mechanics and ensures that the only focus of each analytics provider will be to deliver the best possible insights.

From the business side, tokenization of our sales guarantees anyone willing to invest in our business almost zero frictions, and the benefits for all boats, as the tides go up!

### 2.1. Why IDO, and how we will ensure the token price appreciation?

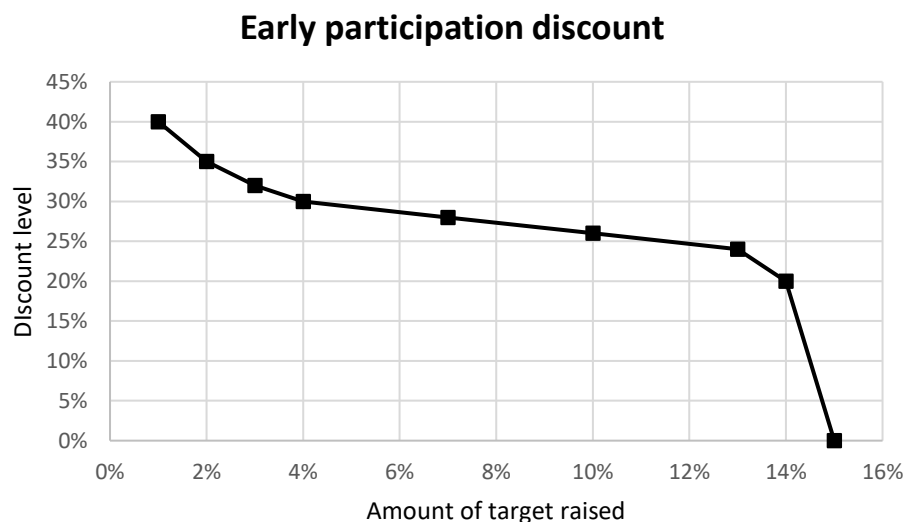
We have built a proof-of-concept, and in order to accelerate our progress – an initial seed is needed. We find Initial Dex Offering (IDO) a solution to this problem. To share our growth with the community, we will use two token inflation mechanisms: until we reach the break-even point in our business, 2.5% of tokens from each transaction selling analytics will be burned. Afterward, at least 25% of our net profit will be used to burn tokens (this allows for a more tax-efficient transfer of wealth to our stakeholders). The proposed lower limit is added to ensure continuous inflation of the token and to offset any potential needs for longer-term investments and capital buffer building.

### 2.2. Roadmap



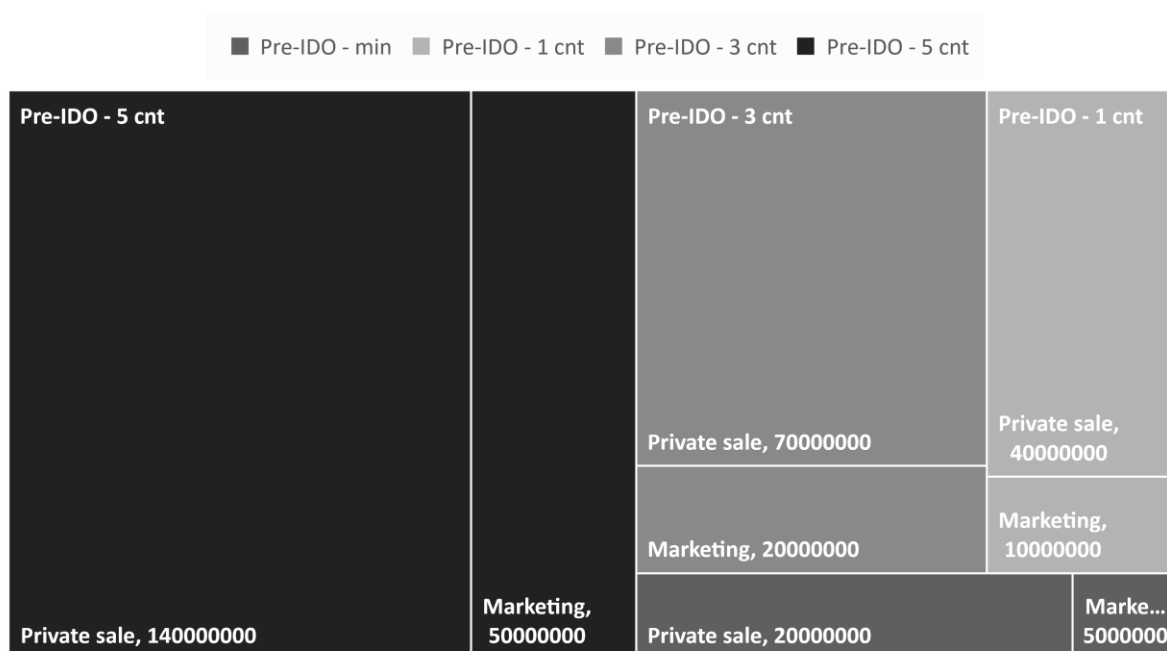
### 3. Tokenomics

Token distribution will depend on the overall success of the private sale. If we cannot raise the minimum amount – all funds will be refunded in the original funding currency. In order to offset early adaptation risks, private sale tokens will be offered with a varying discount to the listing price. The rate of the discount will decrease as the amount needed increases. The earliest supporters will get up to 40% discount on the listing price, while the latest - only up to 20%. The maximum target amount is capped at 14%. Only 25% of the initial amount will be distributed, while the remaining amount will be distributed after nine months, with 33% drops to holders selected on a lottery-based order. The selection will be made every month, with a randomly-defined day. The initial listing price will be 0.0045 EUR.

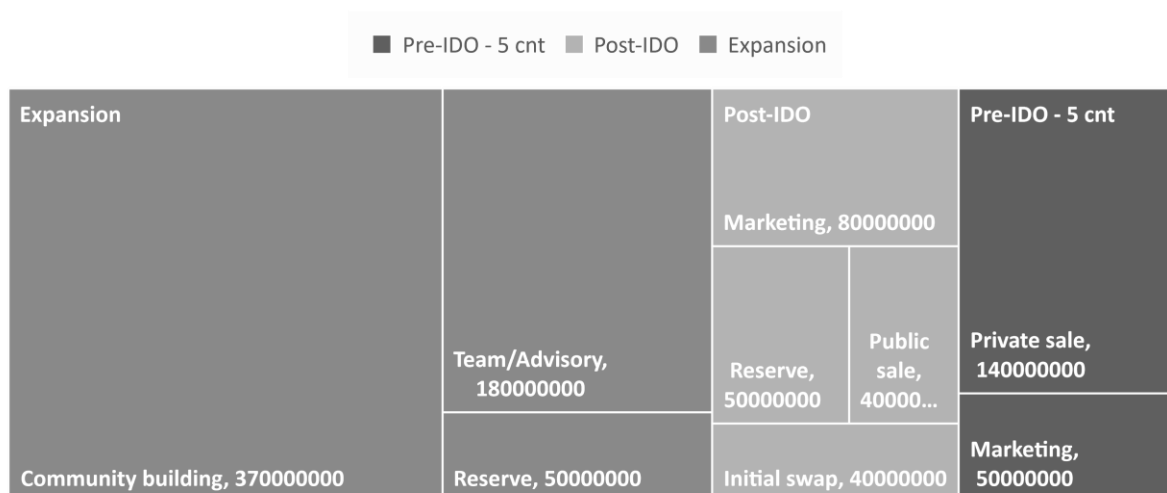


If we can raise the maximum amount – we will release our product in all Baltic countries, Poland, and Finland in the post-IDO phase. Baltics are selected due to their geographical advantages and in-depth knowledge of the local market. Based on the market size, we will achieve a break-even point in around six months after the product release. A success in only one of these markets is enough to hit this milestone.

The pre-IDO phase is divided into four tiers depending on the initial traction. If we cannot raise the minimum amount required to make this way of funding viable – everyone will be refunded. If we achieve higher traction than expected and needed for one country – we'll plan accordingly. Any outstanding tokens that will not be used in the initial stage will be burnt except for around 5% of unused tokens going into reserves.



The post-IDO token distribution will be as follows. Team and advisory tokens will not be allocated until the first expansion. The reason for it is to signal our deep commitment to the community. The first level of expansion will take place once we achieve a break-even point and become sustainable in the long run. Team and advisory funds will be spread over a two-year period. The post-pre-IDO token is guaranteed not to be minted and introduced to the secondary market at a greater pace than the burning rate. The total token supply is capped at 1bil.



### 3.1. Team

- Liutauras Petručionis, PhD – Founder, CEO, [LinkedIn](#)
- Dominykas Valutis – CTO, [LinkedIn](#)

### 3.2. Risks – Market

There is a chance that the asset value may drop over time due to market conditions, new information, or the idiosyncratic behavior of traders. Though it may not be the role of governments to protect against market risk for well-informed and well-capitalized investors in a well-functioning market, it is appropriate for them to be concerned that those conditions are met. This risk is controlled by not giving away tokens for free (with the exception of a small initial seeding done to kick-start the process).

### **3.3. Risks – Operational**

Although DeFi activity is highly automated, human operators still play a crucial role. The more decentralized the service is, the less risk you can expect associated with any single point of failure. Auxiliary services may be centralized even when the DeFi service is decentralized. At the same time, greater decentralization can make it harder to respond effectively when something goes wrong. The fewer people there are with the unique power to break a service, the fewer of those who can fix it. This risk is handled by automating as many roles as possible and empowering AI to make calculations and decisions.

### **3.4. Risks – Smart contracts**

These risks involve dealing with the code that might not perform as intended. All software tools have the potential for bugs. A programming flaw can cause a smart contract to fail to function as desired, or attackers can exploit vulnerabilities to drain funds or participate in malicious activities. For example, if the code has not been written accurately, it can allow for such exploits as reentrancy attacks. Audits of smart contracts will be used to address these risks.

### **3.5. Risks – Transaction**

It is difficult to predict what framework will become applicable to tokens in the near future and how the implementation of dedicated legal and/or regulatory frameworks will affect the price of tokens. A newly-introduced legal and regulatory framework may impede or limit the ability to hold or dispose of tokens, resulting in a financial loss on your part.

### **3.6. Miscellaneous**

Our enterprise was registered in Lithuania in February 2021 as UAB Alphahuntsman, identification 305694649.



## DISCLAIMER

This Alpha Token whitepaper is a living document. It will be constantly updated following the changing legal and technical environments and the work that our company undertakes. Moreover, this whitepaper summarizes the Alphahuntsman business model and its value, providing the introduction for potential token purchasers in connection with the proposed Alpha Token crowdsale.

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Please, also check your country's regulations if you are allowed to buy Alpha tokens. It is your responsibility to make sure that you are eligible to participate in purchasing or trading any Alpha tokens and that you don't break any laws or regulations of your country. The tax characterization of tokens is complex and largely uncertain. The uncertainty about the taxation of tokens may expose you to unforeseen future tax consequences associated with the purchase, ownership, sale, or other use of tokens. You should seek tax advice to understand what tax obligations are applied to you when purchasing, holding, transferring and utilizing tokens. Failure to comply with your tax obligations can result in severe fines and even jail time.

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While Alphahuntsman does its best to achieve the technical goals outlined in this whitepaper by focusing heavily on core technology development, please re-read the risk factors provided above.