

SMART CONTRACT SECURITY AUDIT OF



SMART CONTRACT AUDIT | SOLIDITY DEVELOPMENT & TESTING | PROJECT EVALUATION

RELENTLESSLY SECURING THE PUBLIC BLOCKCHAIN

Audit Introduction

Auditing Firm InterFi Network

Audit Architecture InterFi Echelon Auditing Standard

Language Solidity

Client Firm Zero2hero Metaverse Project

Company Website https://www.zero2hero.ltd/

Metaverse Website (UK) https://zero2hero.co.uk

Metaverse Website (Global) <u>https://zero2hero.net</u>

Telegram https://t.me/zero2herocoin/

Twitter https://twitter.com/zero2hero_uk/

Instagram (Metaverse) https://www.instagram.com/zero2hero.metaverse/

Instagram (Training) https://www.instagram.com/zero2hero.training

Discord https://discord.io/zero2hero/

YouTube https://www.youtube.com/c/zero2hero-meta/

LinkedIn https://www.linkedin.com/company/zero2hero-meta/

GitHub https://github.com/zero2hero-meta

Report Date August 01, 2022



About Zero2hero

zero2hero is an education and training metaverse platform with blockchain and virtual reality (VR) gaming experiences.

Our goal is to bring education and training one step forward, which is metaverse. We believe that with the Web3.0 technology, education and training platforms can become more interactive, realistic with VR as well as more effective and secure and is giving us the opportunity to reach larger user groups from everywhere and is making us motivated.



Smart Contract
Security Audit



Audit Summary

InterFi team has performed a line-by-line manual analysis and automated review of smart contracts. Smart contracts were analyzed mainly for common contract vulnerabilities, exploits, and manipulation hacks. According to the audit:

- Zero2hero's solidity source code has LOW RISK SEVERITY
- Zero2hero's smart contract has an ACTIVE OWNERSHIP
- Zero2hereo's smart contract owner can MINT tokens after initial contract creation.
 Community consensus is recommended to mitigate centralization risk related to mint.
- Zero2hero smart contract utilizes upgradeable contracts. Contract upgradeability allows elevated contract modification. Centralization risk related to upgradeability is HIGH

Be aware that smart contracts deployed on the blockchain aren't resistant to internal exploit, external vulnerability, or hack. For a detailed understanding of risk severity, source code vulnerability, exploitability, and audit disclaimer, kindly refer to the audit.

- Token address: 0x479F523E99c7418933774f415794075DD0160B7D
- Proxy address: 0x99b37475ebd7Dce551e6A9248673040f1d8F712f
- Blockchain: Ethereum Chain
- ☑ Verify the authenticity of this report on InterFi's GitHub: https://github.com/interfinetwork



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Audit Scope

InterFi was consulted by Zero2hero to conduct the smart contract security audit of their solidity source codes. The audit scope of work is strictly limited to the mentioned solidity file(s) only:

Zero2heroToken.sol

Solidity Source Code On Blockchain

https://etherscan.io/address/0x479f523e99c7418933774f415794075dd0160b7d#code

Solidity Source Code On InterFi GitHub

https://github.com/interfinetwork/audited-codes/blob/main/Zero2hero.sol

SHA-1 Hash

Solidity source code is audited at hash #7b93a08516df6fdc5db442a816070e3fcc337b53

Note

Proxy contract #0x99b37475ebd7Dce551e6A9248673040f1d8F712f is not audited due to being out of scope.



Audit Methodology

The scope of this report is to audit the smart contract source code of Zero2hero. InterFi has scanned contracts and reviewed codes for common vulnerabilities, exploits, hacks, and back-doors. Due to being out of scope, InterFi has not tested contracts on testnet to assess any functional flaws. Below is the list of commonly known smart contract vulnerabilities, exploits, and hacks:

Category

- Re-entrancy
- Unhandled Exceptions
- Transaction Order Dependency
- Integer Overflow
- Unrestricted Action
- Incorrect Inheritance Order
- Typographical Errors
- Requirement Violation
- Gas Limit and Loops
- Deployment Consistency
- Repository Consistency
- Data Consistency
- Token Supply Manipulation
- Access Control and Authorization
- Operations Trail and Event Generation
- Assets Manipulation
- Ownership Control
- Liquidity Access

Smart Contract Vulnerabilities

Source Code Review



InterFi's Echelon Audit Standard

The aim of InterFi's "Echelon" standard is to analyze smart contracts and identify the vulnerabilities and the hacks. Kindly note, InterFi does not test smart contracts on testnet. It is recommended that smart contracts are thoroughly tested prior to the audit submission. Mentioned are the steps used by InterFi to audit smart contracts:

- 1. Solidity smart contract source code reviewal:
 - Review of the specifications, sources, and instructions provided to InterFi to make sure we understand the size, and scope of the smart contract audit.
 - Manual review of code, which is the process of reading source code line-by-line to identify potential vulnerabilities.
- 2. Static, Manual, and Software analysis:
 - * Test coverage analysis is the process of determining whether the test cases are covering the code and how much code is exercised when we run those test cases.
 - Symbolic execution is analyzing a program to determine what inputs cause each part of a program to execute.
 Smort Contract
- 3. Best practices review, which is a review of the smart contracts to improve efficiency, effectiveness, clarify, maintainability, security, and control based on the established industry and academic practices, recommendations, and research.
- 4. Specific, itemized, actionable recommendations to help you take steps to secure your smart contracts

<u>Automated 3P frameworks used to assess the smart contract vulnerabilities</u>

- Consensys Tools
- SWC Registry
- Solidity Coverage
- Open Zeppelin Code Analyzer
- Solidity Code Complier



Risk Classification

Smart contracts are generally designed to manipulate and hold funds denominated in ETH/BNB. This makes them very tempting attack targets, as a successful attack may allow the attacker to directly steal funds from the contract. Below are the typical risk levels of a smart contract:

Vulnerable: A contract is vulnerable if it has been flagged by a static analysis tool as such. As we will see later, this means that some contracts may be vulnerable because of a false positive.

Exploitable: A contract is exploitable if it is vulnerable and the vulnerability could be exploited by an external attacker. For example, if the "vulnerability" flagged by a tool is in a function that requires owning the contract, it would be vulnerable but not exploitable.

Exploited: A contract is exploited if it received a transaction on the main network which triggered one of its vulnerabilities. Therefore, a contract can be vulnerable or even exploitable without having been exploited.

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Risk severity	Meaning Security Audit	
! High	This level vulnerabilities could be exploited easily and can lead to asset loss,	
	data loss, asset, or data manipulation. They should be fixed right away.	
	This level vulnerabilities are hard to exploit but very important to fix, they carry	
! Medium	an elevated risk of smart contract manipulation, which can lead to high-risk	
	severity	
! Low	This level vulnerabilities should be fixed, as they carry an inherent risk of future	
	exploits, and hacks which may or may not impact the smart contract execution.	
! Informational	This level vulnerabilities can be ignored. They are code style violations and	
	informational statements in the code. They may not affect the smart contract	
	execution	



Centralization Risk

Centralization risk is the most common cause of decentralized finance hacks. When a smart contract has an active contract ownership, the risk related to centralization is elevated. There are some well-intended reasons to be an active contract owner, such as:

- Contract owner can be granted the power to pause() or lock() the contract in case of an external attack.
- Contract owner can use functions like, include(), and exclude() to add or remove wallets from fees, swap checks, and transaction limits. This is useful to run a presale, and to list on an exchange.

Authorizing a full centralized power to a single body can be dangerous. Unfortunately, centralization related risks are higher than common smart contract vulnerabilities. Centralization of ownership creates a risk of rug pull scams, where owners cash out tokens in such quantities that they become valueless. **Most important question to ask here is, how to mitigate centralization risk?** Here's InterFi's recommendation to lower the risks related to centralization hacks:

- Smart contract owner's private key must be carefully secured to avoid any potential hack.
- Smart contract ownership should be shared by multi-signature (multi-sig) wallets.
- Smart contract ownership can be locked in a contract, user voting, or community DAO can be introduced to unlock the ownership.

Zero2hero's Centralization Status

Zero2hero's smart contract has an active ownership.



Static Analysis

Symbol Meaning Function can modify state Function is payable S Function is locked Function can be accessed Important functionality | **IERC20Upgradeable** | Interface | ||| | L | totalSupply | External ! | NO! | | L | balanceOf | External ! | NO! | | L | transfer | External ! | P | NO! | | L | allowance | External ! | NO! | L | approve | External ! | • | NO! | | └ | transferFrom | External ! | ● |NO! | | **ERC20Upgradeable** | Implementation | Initializable, ContextUpgradeable, IERC20Upgradeable, IERC20MetadataUpgradeable ||| | L | name | Public ! | NO! | | L | symbol | Public ! | NO! | | L | decimals | Public ! | NO! | | L | totalSupply | Public ! | NO! | | L | balanceOf | Public ! | NO! | | L | transfer | Public ! | 🔎 |NO! | | L | allowance | Public ! | NO! | | L | approve | Public ! | 🔎 |NO! | | L | transferFrom | Public ! | • | NO! | | L | increaseAllowance | Public ! | Public ! | | NO! | | L | decreaseAllowance | Public ! | • INO! I | L | _transfer | Internal 🗎 | 🛑 | | | L | _mint | Internal 🔒 | 🛑 | | | L | _approve | Internal 🗎 | 🛑 | | | L | _spendAllowance | Internal = | = | |



```
| **PausableUpgradeable** | Implementation | Initializable, ContextUpgradeable |||
 👢 | __Pausable_init | Internal 🔒 | 🔴 | onlyInitializing |
| L | __Pausable_init_unchained | Internal 🍙 | 🛑 | onlyInitializing |
| L | paused | Public ! | NO! |
| L | _requireNotPaused | Internal 🗎 | | |
| L | _pause | Internal 🗎 | 🔎 | whenNotPaused |
| **<mark>OwnableUpgradeable</mark>** | Implementation | Initializable, ContextUpgradeable |||
| └ | __Ownable_init | Internal 🏻 | ● | onlyInitializing |
| └ | __Ownable_init_unchained | Internal 🔒 | 🔴 | onlyInitializing |
| L | owner | Public ! |
                      |NO ! |
| L | _checkOwner | Internal 🗎 | | |
| └ | renounceOwnership | Public ! | ● | onlyOwner |
| L | transferOwnership | Public ! | 🔎 | onlyOwner |
| └ | _transferOwnership | Internal 🏻 | ● | |
| **Initializable** | Implementation | |||
| └ | _disableInitializers | Internal 🏻 | ● | |
| **<mark>UUPSUpgradeable</mark>** | Implementation | Initializable, IERC1822ProxiableUpgradeable,
ERC1967UpgradeUpgradeable |||
| └ | __UUPSUpgradeable_init | Internal 🏻 | ● | onlyInitializing |
| └ | __UUPSUpgradeable_init_unchained | Internal 🔒 | 🛑 | onlyInitializing |
| L | proxiableUUID | External ! | notDelegated |
| L | upgradeTo | External ! | 🔴 | onlyProxy |
| L | upgradeToAndCall | External ! | 💹 | onlyProxy |
| L | authorizeUpgrade | Internal 🔒 | 🛑 | |
| **Zero2HeroToken** | Implementation | Initializable, ERC20Upgradeable, ERC20BurnableUpgradeable,
| L | <Constructor> | Public ! | • | NO! |
| └ | initialize | Public ! | ● | initializer |
| L | pause | Public ! | 🔎 | onlyOwner |
| L | unpause | Public ! | 🔎 | onlyOwner |
| L | mint | Public ! | December | OnlyOwner |
```



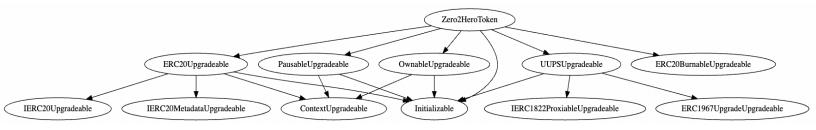
Software Analysis

Function Signatures

```
39509351 => increaseAllowance(address,uint256)
18160ddd => totalSupply()
70a08231 => balanceOf(address)
a9059cbb => transfer(address,uint256)
dd62ed3e => allowance(address,address)
095ea7b3 => approve(address,uint256)
23b872dd => transferFrom(address,address,uint256)
678bd718 => __ERC20_init(string,string)
46753fdb => __ERC20_init_unchained(string,string)
06fdde03 \Rightarrow name()
95d89b41 => symbol()
313ce567 \Rightarrow decimals()
a457c2d7 => decreaseAllowance(address,uint256)
30e0789e => transfer(address,address,uint256)
4e6ec247 => _mint(address,uint256)
6161eb18 => _burn(address,uint256)
104e81ff => _approve(address,address,uint256)
1532335e => _spendAllowance(address,address,uint256)
cad3be83 => beforeTokenTransfer(address,address,uint256)
8f811a1c => _afterTokenTransfer(address,address,uint256)
84d2023a => Pausable init()
715b3778 => Pausable init unchained()
5c975abb => paused()
abb87a6f => _requireNotPaused()
4a994e05 => requirePaused()
320b2ad9 => _pause()
fc8234cb => _unpause()
8da5cb5b => owner()
53a72975 \Rightarrow check0wner()
715018a6 => renounceOwnership()
f2fde38b => transfer0wnership(address)
d29d44ee => transfer0wnership(address)
8129fc1c => initialize()
5cd8a76b => initializeV2()
4caf63ac => _disableInitializers()
6e7fd379 => UUPSUpgradeable init()
ce8a1477 => __UUPSUpgradeable_init_unchained()
52d1902d => proxiableUUID()
3659cfe6 => upgradeTo(address)
4f1ef286 => upgradeToAndCall(address,bytes)
5ec29272 => authorizeUpgrade(address)
4cd88b76 => initialize(string,string)
8456cb59 => pause()
3f4ba83a => unpause()
40c10f19 => mint(address,uint256)
```



Inheritance Graph





Smart Contract
Security Audit



Manual Analysis

Function	Description	Available	Status
Total Supply	provides information about the total token supply	Yes	Passed
Balance Of	provides account balance of the owner's account	Yes	Passed
Transfer	executes transfers of a specified number of tokens to a specified address	Yes	Passed
Approve	allow a spender to withdraw a set number of tokens from a specified account	Yes	Passed
Allowance	returns a set number of tokens from a spender to the owner	Yes	Passed
Burn	executes transfers of a specified number of tokens to a burn address	Yes	Passed
Mint	executes the creation of a specified number of tokens and adds it to the total supply	Yes	! Low
Lock / Pause	locks or pauses all or some function modules of the smart contract	Yes	! Low
Transfer Ownership	executes transfer of contract ownership to a specified wallet	Yes	Passed
Renounce Ownership	executes transfer of contract ownership to a dead address	Yes	Passed



Notable Information

elevated contract modification.



Smart contract utilizes EIP-1822: Universal Upgradeable Proxy Standard (UUPS). The functions included in the smart contract can perform an upgrade of an {ERC1967Proxy}, when this contract is set as the implementation behind such a proxy. The _authorizeUpgrade function must be overridden to include access restriction to the upgrade mechanism.

```
contract UUPSUpgradeable is Initializable, IERC1822ProxiableUpgradeable,
ERC1967UpgradeUpgradeable
```

Smart contract owner can **mint** tokens after initial contract creation/deployment.
Community consensus is recommended to mitigate centralization risk related to mint.

```
function mint(address to, uint256 amount) public onlyOwner {
   _mint(to, amount);
```

Smart contract owner can pause and unpause the smart contract function modules.

```
function pause() public onlyOwner {
    _pause();
function unpause() public onlyOwner {
    _unpause();
```



Smart contract utilizes redundant code for transfer0wnership(). Ideal transfer ownership code should look be written like:

```
function transferOwnership(address newOwner) public virtual onlyOwner {
    require(newOwner != address(0), "Ownable: new owner is the zero address");
    emit OwnershipTransferred(_owner, newOwner);
    _owner = newOwner;
```



Smart Contract
Security Audit



SWC Attacks

SWC ID	Description	Status
SWC-101	Integer Overflow and Underflow	Passed
SWC-102	Outdated Compiler Version	! Informational
SWC-103	Floating Pragma	Passed
SWC-104	Unchecked Call Return Value	Passed
SWC-105	Unprotected Ether Withdrawal	Passed
SWC-106	Unprotected SELF-DESTRUCT Instruction	Passed
SWC-107	Re-entrancy	Passed
SWC-108	State Variable Default Visibility	Passed
SWC-109	Uninitialized Storage Pointer	Passed
swc-110	Assert Violation Smart Contract	Passed
swc-111	Use of Deprecated Solidity Functions	Passed
SWC-112	Delegate Call to Untrusted Callee	Passed
SWC-113	DoS with Failed Call	Passed
SWC-114	Transaction Order Dependence	Passed
SWC-115	Authorization through tx.origin	Passed
SWC-116	Block values as a proxy for time	Passed
SWC-117	Signature Malleability	Passed
SWC-118	Incorrect Constructor Name	Passed

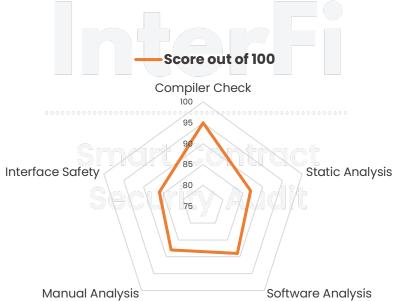


SWC-119	Shadowing State Variables	Passed
SWC-120	Weak Sources of Randomness from Chain Attributes	Passed
SWC-121	Missing Protection against Signature Replay Attacks	Passed
SWC-122	Lack of Proper Signature Verification	Passed
SWC-123	Requirement Violation	Passed
SWC-124	Write to Arbitrary Storage Location	Passed
SWC-125	Incorrect Inheritance Order	Passed
SWC-126	Insufficient Gas Griefing	Passed
SWC-127	Arbitrary Jump with Function Type Variable	Passed
SWC-128	DoS With Block Gas Limit	Passed
SWC-129	Typographical Error	Passed
SWC-130	Right-To-Left-Override control character (U+202E)	Passed
SWC-131	Presence of unused variables	Passed
SWC-132	Unexpected Ether balance	Passed
SWC-133	Hash Collisions With Multiple Variable Length Arguments	Passed
SWC-134	Message call with the hardcoded gas amount	Passed
SWC-135	Code With No Effects (Irrelevant/Dead Code)	! Informational
SWC-136	Unencrypted Private Data On-Chain	Passed



Risk Status & Radar Chart

Risk Severity	Status
High	No high severity issues identified
Medium	No medium severity issues identified
Low	2 low severity issue identified
Informational	2 informational severity issues identified
Centralization Risk	Active contract ownership with contract upgradeability privilege
	Score out of 100





Auditor's Verdict

InterFi team has performed a line-by-line manual analysis and automated review of smart contracts. Smart contracts were analyzed mainly for common contract vulnerabilities, exploits, and manipulation hacks. According to the audit:

- Zero2hero's smart contract source code has LOW RISK SEVERITY
- Zero2hero's smart contract has an ACTIVE OWNERSHIP
- Zero2hero smart contract utilizes upgradeable contracts. Contract upgradeability allows elevated contract modification. Centralization risk related to upgradeability is HIGH



Note for stakeholders

- Be aware that active smart contract owner privileges constitute an elevated impact on smart contract safety and security.
- If the smart contract is not deployed on any blockchain at the time of the audit, the contract can be modified or altered before blockchain development. Verify contract's deployment status in the audit report.
- Make sure that the project team's KYC/identity is verified by an independent firm.
- Always check if the contract's liquidity is locked. A longer liquidity lock plays an important role in the project's longevity. It is recommended to have multiple liquidity providers.
- Examine the unlocked token supply in the owner, developer, or team's private wallets. Understand the project's tokenomics, and make sure the tokens outside of the LP Pair are vested or locked for a longer period.



Important Disclaimer

InterFi Network provides contract development, testing, auditing and project evaluation services for blockchain projects. The purpose of the audit is to analyze the on-chain smart contract source code and to provide a basic overview of the project. **This report should not be transmitted, disclosed, referred to, or relied upon by any person for any purpose without InterFi's prior written consent.**

InterFi provides the easy-to-understand assessment of the project, and the smart contract (otherwise known as the source code). The audit makes no statements or warranties on the security of the code. It also cannot be considered as enough assessment regarding the utility and safety of the code, bug-free status, or any other statements of the contract. While we have used all the data at our disposal to provide the transparent analysis, it is important to note that you should not rely on this report only — we recommend proceeding with several independent audits and a public bug bounty program to ensure the security of smart contracts. Be aware that smart contracts deployed on a blockchain aren't resistant to external vulnerability, or a hack. Be aware that active smart contract owner privileges constitute an elevated impact on smart contract safety and security. Therefore, InterFi does not guarantee the explicit security of the audited smart contract.

The analysis of the security is purely based on the smart contracts alone. No applications or operations were reviewed for security. No product code has been reviewed.

This report should not be considered as an endorsement or disapproval of any project or team.

The information provided in this report does not constitute investment advice, financial advice, trading advice, or any other sort of advice and you should not treat any of the report's content as such. Do conduct your due diligence and consult your financial advisor before making any investment decisions.



About InterFi Network

InterFi Network provides intelligent blockchain solutions. InterFi is developing an ecosystem that is seamless and responsive. Some of our services: Blockchain Security, Token Launchpad, NFT Marketplace, etc. InterFi's mission is to interconnect multiple services like Blockchain Security, DeFi, Gaming, and Marketplace under one ecosystem that is seamless, multi-chain compatible, scalable, secure, fast, responsive, and easy to use.

InterFi is built by a decentralized team of UI experts, contributors, engineers, and enthusiasts from all over the world. Our team currently consists of 6+ core team members, and 10+ casual contributors. InterFi provides manual, static, and automatic smart contract analysis, to ensure that project is checked against known attacks and potential vulnerabilities.

To learn more, visit https://interfi.network

To view our audit portfolio, visit https://github.com/interfinetwork

To book an audit, message https://t.me/interfiaudits



