



**Investment Memo: GenesysGo's SHDW (shdwDrive)**

**Executive Summary:**

GenesysGo's SHDW (shdwDrive) presents a compelling investment opportunity in the decentralized storage sector. SHDW is powered by the D.A.G.G.E.R. protocol, offering a disruptive approach to cloud storage with its asynchronous, leaderless consensus model. Leveraging integration with Solana's ecosystem, SHDW delivers unparalleled speed, scalability, and adaptability, positioning itself as a frontrunner in the evolving decentralized storage landscape.

**Market Opportunity:**

The global cloud storage market is experiencing exponential growth, driven by increasing data volumes and the need for efficient, scalable storage solutions. Decentralized storage solutions like SHDW are poised to capture a significant share of this market, offering advantages such as enhanced security, reduced costs, and improved accessibility. While other decentralized storage solutions are currently available, shdwDrive's speed and architecture are unparalleled by incumbents like Filecoin and Arweave.

**Technology and Differentiation:**

SHDW's D.A.G.G.E.R. protocol sets it apart from traditional cloud storage solutions by enabling lightning-fast data processing without synchronized operations. This innovative consensus model, combined with integration with Solana's ecosystem, allows SHDW to deliver a seamless, on-demand storage experience with unmatched speed and scalability. Additionally, SHDW's flexibility in integrating with various virtual machines and payment layers positions it for future growth and expansion into cross-chain solutions.

Ecosystem participants can be summarized in the following categories:

- shdwOperators: Participants who provide resources to the SHDW Network via the D.A.G.G.E.R. Protocol node.
- shdwAuditors: Less powerful devices that audit the integrity of SHDW Network data.
- shdwStakers: Individuals or organizations who earn yield on their \$SHDW tokens in exchange for locking a portion of the supply in a smart contract.



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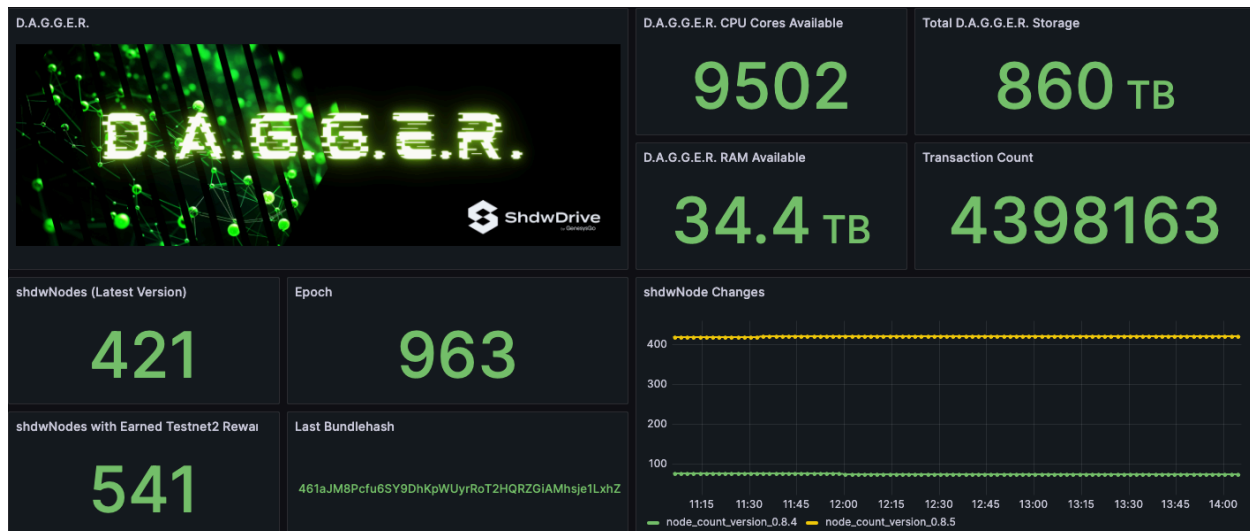
- Users: Individuals or Projects utilizing the SHDW network for data storage and access (Shadow Drive, Firethree, etc.)

### Business Model and Growth Strategy:

GenesysGo's business model revolves around providing decentralized storage services through SHDW, with revenue generated from transaction fees and storage contracts. The company aims to capitalize on the growing demand for decentralized storage by expanding its user base, enhancing platform features, and forging strategic partnerships within the blockchain and technology sectors. With a focus on user experience, scalability, and innovation, GenesysGo is well-positioned to capture market share and drive long-term growth.

### Testnet 2 Network Statistics (02/21/2024):

Following the initial Testnet 1 implementation of shdwDrive, SHDW began undergoing a secondary phase of public incentivised testing via SHDW Testnet 2. During this phase, a total of 600,000 \$SHDW will be distributed to various ecosystem participants for a range of qualified network contributions from January 16th 2024 to April 16th 2024. Due to the limited number of rewardable active operator spots, PvP among node operators has been extremely high, with over 600 operators fighting for 150 incentivised spots during the most recent coordinated network upgrade.





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**Investment Thesis:**

Investing in GenesysGo's SHDW presents a unique opportunity to gain exposure to the burgeoning decentralized storage market. With its innovative technology, strategic integration with Solana, and focus on user experience and scalability, SHDW is primed for success in an increasingly data-driven world. Investing in GenesysGo's SHDW aligns with our goal of backing disruptive technologies with significant growth potential.