Fundamental Labs Report

1. **Type of Organization**
    a. *Fundamental Labs* is a **venture capital (VC)** firm that is exclusively focused on blockchain, Web3, and digital asset infrastructure. (Cth)
    b. Part of a larger holding under **CTH Group**, which also involves distributed computing and digital-asset operations. (Cth)
2. **Founding & Location**
    a. According to multiple sources, the firm was founded around **2016–2017**. (Crunchbase)
    b. Headquartered in **Singapore**. (CoinLaunch)
    c. Key people include **Henry Love** (Managing Partner) and **Raymond Yuan** (Co-Founder). (TeaserClub)
3. **Mission / Investment Thesis**
    a. They back foundational technologies in Web3: *blockchain protocols (Layer 1 / Layer 2)*, *open finance (DeFi)*, *Web3 infrastructure*, *NFTs*, *GameFi*, and more. (The Block)
    b. Long-term view: not just capital, but strategic support. They want to be a “partner, not just a check writer.” (CoinLaunch)
    c. They emphasize “multi-chain” growth — they believe scalability and interoperability through multiple blockchains are core to Web3’s future. (The Block)

Key Activities & What They Do

1. **Venture Investing**
    a. They invest in **early-stage Web3 / blockchain startups**: seed to growth stage. (CoinLaunch)
    b. Investment size: according to some sources, they invest **from ~$500K to $50M+**, depending on the stage. (CoinLaunch)
    c. Their portfolio is broad: they back protocol-level projects, infrastructure, DeFi, DAOs, gaming, and storage. (Cth)
2. **Strategic Support**

   a. Beyond capital: Fundamental Labs provides **operational help**, strategic advice, and access to their network to help portfolio companies scale. (CoinLaunch)
   b. Because they are part of CTH Group, they may also help with distributed computing, infrastructure, and resource coordination. (Cth)
3. **Major Investments / Notable Deals**
   a. **Binance.US:** Fundamental Labs *led* a $200 million seed round; they put in $20 million themselves. (Nasdaq)
   b. **GameFi / Web3 Gaming:** They are bullish on "play-to-earn" gaming. In 2021–2022, they backed projects such as *Genopets, StarSharks, Solchicks, NASH Metaverse, Ajuna Network, Tristan, Bullieverse*. (The Block)
   c. **Infrastructure / Layer 1s:** Their Layer-1 portfolio is "very comprehensive": includes **NEAR, Avalanche, Polkadot, Kusama, Stacks, Nervos, Conflux, PlatON**, BNB, and others. (The Block)
   d. **Oracles & Middleware:** Early backer of **Chainlink**, recognizing the importance of secure off-chain data feeding into smart contracts. (Cth)
   e. **Decentralized Storage / Storage Infrastructure:** They support decentralized storage projects (e.g., Filecoin / IPFS, Arweave) as part of their Web3 infrastructure thesis. (The Block)
   f. **DAOs / Future-of-Work:** They support DAO infrastructure; for instance, *SuperDAO OS* is in their portfolio — this is a system that tracks DAO ownership, roles, governance, etc. (Cth)
4. **Macro / Thematic Vision**
   a. Fundamental Labs envisions Web3 as more than finance — they see it enabling a new digital economy: DAOs, Metaverse, open social networks, decentralized storage. (Cth)
   b. They explicitly talk about "mass adoption" of Web 3.0. (The Block)
   c. Their strategy accounts for regulatory, technological, and network risks: by backing multi-chain projects, they reduce concentration risk and bet on interoperability. (The Block)

Impact on the Cryptocurrency Industry

1. **Accelerating Web3 Infrastructure**

    a. By funding many **Layer-1 / multi-chain protocols**, Fundamental Labs helps build the *foundations of Web3*. These are not just apps — they are the base networks on which future blockchains, DeFi, and DAOs will run.
    b. Supporting cross-chain and oracle infrastructure (e.g., Chainlink) strengthens the ecosystem's ability to connect blockchains with real-world data — essential for advanced DeFi and enterprise use cases.
2. **Boosting GameFi / Metaverse Growth**
    a. Their early and active investments in GameFi show they play a role in pushing the "play-to-earn" model, which could drive mainstream user adoption of blockchain by combining gaming and financial incentives.
    b. This also feeds into metaverse economies: not just speculative tokens, but in-game assets, virtual lands, and interoperable economies.
3. **Supporting Decentralized Governance (DAOs)**
    a. By backing DAO tools (like SuperDAO), they support a vision of Web3 where decentralized organizations can operate more efficiently and transparently.
    b. This helps build the next generation of internet-native companies and networks that don't rely on traditional corporate structures.
4. **Bridging Capital & Innovation**
    a. Their investment in **Binance.US** is particularly notable: by backing a regulated exchange, they're supporting infrastructure that connects traditional finance, U.S. users, and regulated crypto markets. (Nasdaq)
    b. Their global reach (Asia + other regions) helps bridge capital pools and talent across geographies, fueling innovation in emerging Web3 hubs.
5. **Risk Mitigation Through Diversification**
    a. Fundamental Labs' broad portfolio across DeFi, infrastructure, storage, DAOs, and gaming helps spread risk — this is important in a volatile crypto world.
    b. Their multi-chain thesis means they are less exposed to "one chain wins" risk — they believe in a web of interoperable blockchains.

Challenges & Criticisms

- **Highly Competitive VC Space:** The Web3 investment landscape is crowded. Many VCs are chasing the same "hot" themes (L1s, GameFi, DeFi), so differentiation and deal competition are strong.

- **Regulatory Uncertainty:** Investing in regulated exchanges (like Binance.US) or cross-chain infrastructure means regulatory risk is non-trivial. If regulations worsen, some of their bets could become more difficult.
- **Long Time Horizons:** Many infrastructure plays (L1s, storage, DAOs) require long-term commitment. There's risk associated with gestation periods, competition, and adoption.
- **Market Risk:** Web3 adoption is still uncertain; if macro conditions turn, many of their portfolio companies could struggle for capital or traction.

Why Fundamental Labs Matters

- They are **not just opportunistic investors**, but strategic players: Fundamental Labs is laying down bets on *the infrastructure and systems that could power Web3's future*.
- Their **multichain + interoperability thesis** acknowledges that blockchain's future is not single-chain dominance, but a network of interoperable systems.
- By investing across a broad spectrum — from GameFi to DAOs to Layer 1 — they help build a more resilient, diversified Web3 ecosystem.
- Their role in *regulated crypto infrastructure* (e.g., Binance.US) shows they understand both the crypto-native future and real-world compliance realities.

Key Metrics & Portfolio Highlights (Based on Public Data)

- According to Crunchbase, Fundamental Labs has made **around 76–79 investments**. (Crunchbase)
- Their portfolio includes *high-profile projects* such as **Coinbase**, **Polkadot**, **Binance / BNB**, among others. (CoinLaunch)
- According to The Block and Fundamental Labs' own statements, they are bullish on **GameFi**, **Web3**, **multi-chain**, **DAOs**, and **open finance**. (The Block)

Citation

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