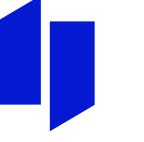




Mandate 1 **January to March 2023**

Performance report

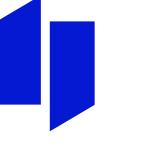
Idle DAO



Performance Report

Index

- > Key Financial Metrics 4
- > Product Suite 9
 - Best Yield strategy
 - Yield Tranches
- > DAO Financials 13
 - Summary of Financial Statements
 - Budget vs actual
- > Financial statements (detailed) 21



Important Information

- **Disclaimer:** This presentation and the information contained herein are provided solely for information purposes, and are not to be construed as a solicitation of an offer to buy or sell any securities or other financial instruments in any jurisdiction. No investment decision relating to financial instruments of or relating to Idle Finance should be made on the basis of this document. No representation or warranty is made or implied concerning, and Idle Finance assumes no responsibility for, the accuracy, completeness, reliability or comparability of the information contained herein relating to third parties, which is based solely on publicly available information. Idle Finance undertakes no obligation to update the information contained herein.
- **Available information:** Idle Finance's Performance Reports and other financial information are available at docs.idle.finance/governance/idle-dao/treasury/reports. Numbers presented in US dollars unless otherwise indicated. Currency translation of monthly income statement items of operations with a functional currency other than the US dollar (ETH, IDLE) are translated with year-to-date rates into US dollar. Main YTD tokens prices used in this report are: ETH \$1,535, MATIC \$1.11, IDLE \$0.42. Stablecoin prices are assumed equal to \$1.
- **Rounding:** Numbers presented throughout this report may not add up precisely to the totals provided in the tables and text. Percentages and percent changes disclosed in text and tables are calculated on the basis of unrounded figures. Zero values generally indicate that the respective figure is zero on an actual or rounded basis. Values which are zero on a rounded basis can be either negative or positive on an actual basis.



Key Financial Metrics



In M1-2023, Idle completed the process of integrating Yield Tranches into the Best Yield strategies, by releasing new pools:

- › Senior Best Yield on DAI, USDC, USDT, WETH
- › Junior Best Yield on DAI, USDC, USDT, WETH
- › Yield Tranches on top of Lido, Euler, Morpho and Clearpool markets.

Governance post

\$54m

Average M1 TVL

-30%

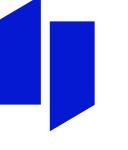
TVL change wrt M4

\$92k

M1 Strategies Fees

-10%

Fees change wrt M4

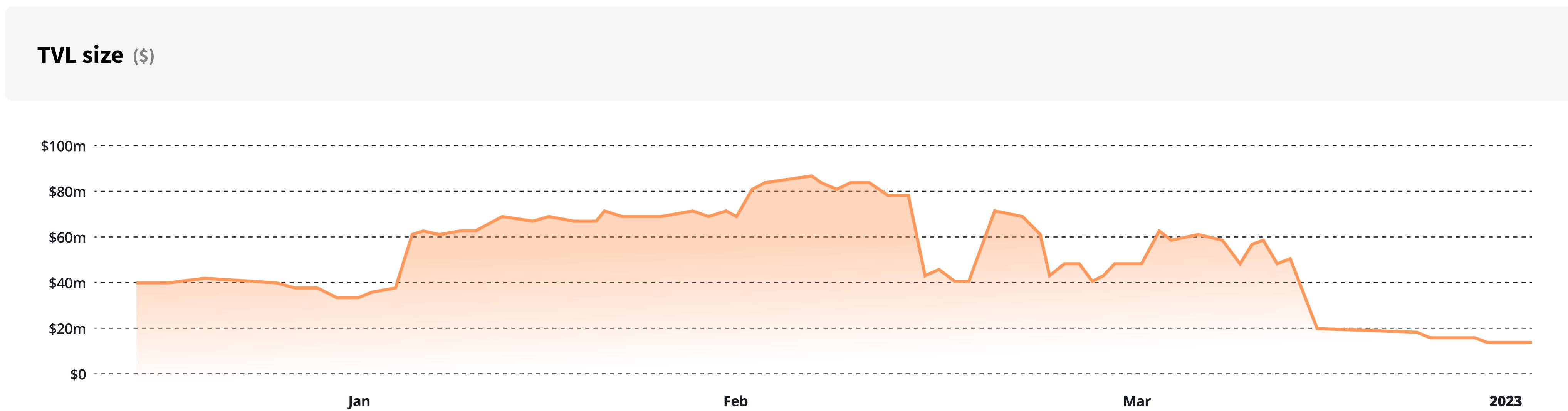


Total Value Locked

Idle showed a TVL of \$ 54,165,323 during M1 of 2023. The funds deposited into the Best Yield strategies increased by 12% and the strategy, which accounted for 38% of TVL in Q4-2022, grew to 43% in Q1-2023. The liquidity sitting in the Yield Tranches slightly decreased by ~9% and similarly its share of TVL moving from 63% in Q4-2022 to 57% in Q1-2023.

-30%

TVL change wrt M4-2022





Fees

Total fees decreased by 10% with respect to M4-2022, primarily driven by the decrease in total value locked. The majority of the fees were generated by the Lido stETH on the Yield Tranches side and by the Senior USDT strategy on the Best Yield one.

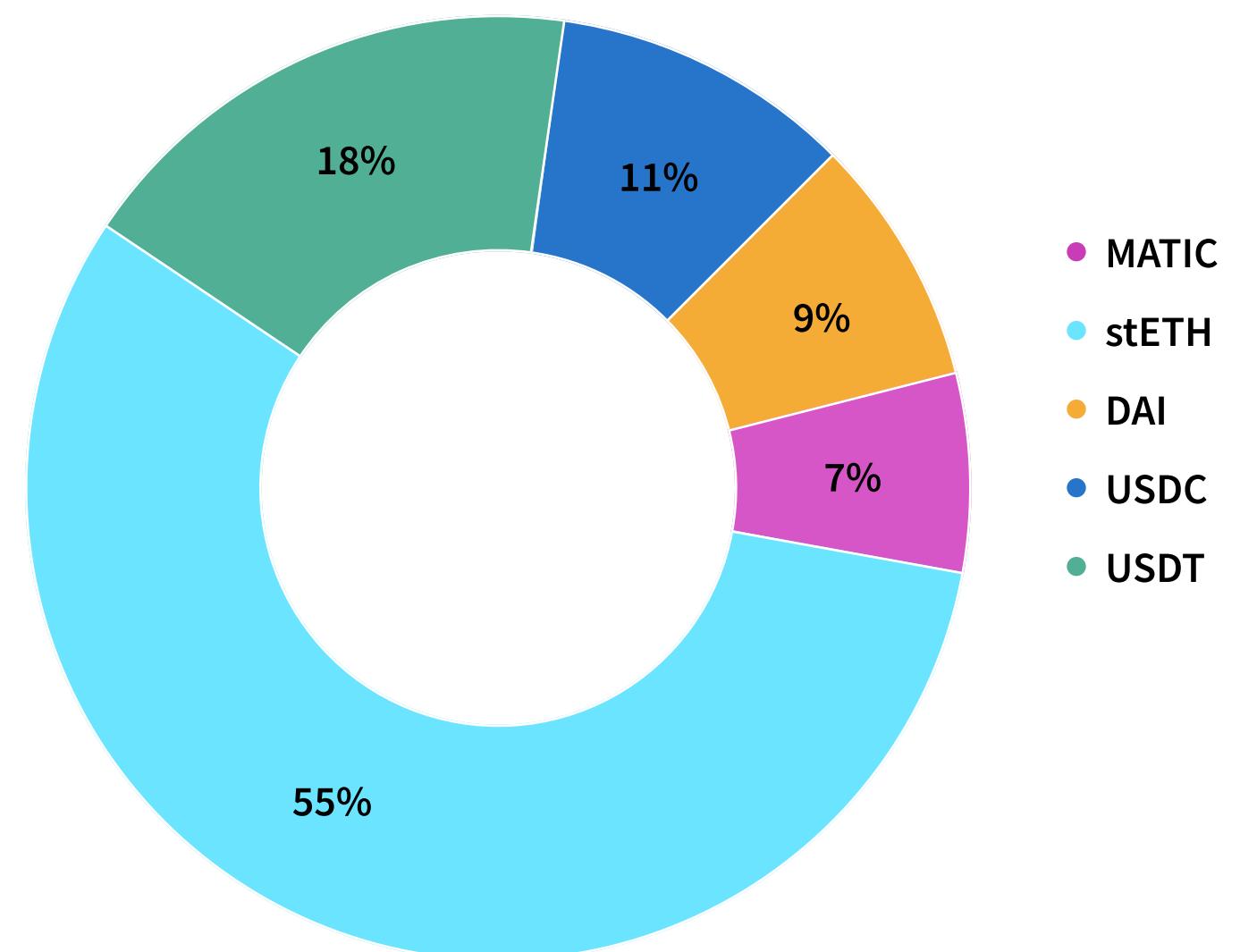
\$92k

Ξ 60

The Best Yield strategies generated ~30% of the total fees. The senior stablecoin pools (i.e. DAI, USDC and USDT) were still the dominant BY pools by TVL and fees.

Yield Tranches' fees accounted for ~70% of the M1 inflow.

Total fees (% per token)



- MATIC
- stETH
- DAI
- USDC
- USDT



Fees

High yield generating strategies, such as Lido stETH YTs, made possible to keep the fees in line with end of 2022, in spite of a decrease in the liquidity deposited in Idle's pools.

-10%

Fees change wrt M1-2023





Product Suite



Best Yield

Senior DAI	
Fees	\$7,765
Costs	\$535
Profit	\$7,230
Profit margin	93%

Senior USDC	
Fees	\$5,408
Costs	\$727
Profit	\$4,681
Profit margin	87%

Senior USDT	
Fees	\$12,374
Costs	\$1,883
Profit	\$10,491
Profit margin	85%

Senior WETH	
Fees	\$628
Costs	\$68
Profit	\$560
Profit margin	89%

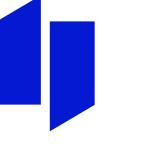
Junior DAI	
Fees	\$25
Costs	\$0
Profit	\$25
Profit margin	100%

Junior USDC	
Fees	\$90
Costs	\$0
Profit	\$90
Profit margin	100%

Junior USDT	
Fees	\$158
Costs	\$279
Profit	-\$121
Profit margin	0%

Junior WETH	
Fees	\$5
Costs	\$0
Profit	\$5
Profit margin	100%

 New strategies



Yield Tranches

 stETH	
Protocol	Lido
Fees	\$49,635
Costs	\$257
Profit	\$49,378
Profit margin	99%

 MATIC	
Protocol	Lido
Fees	\$5,678
Costs	\$455
Profit	\$5,224
Profit margin	92%

 DAI	
Protocol	Euler
Fees	\$4
Costs	\$8
Profit	-\$4
Profit margin	100%

 USDC	
Protocol	Euler
Fees	\$16
Costs	\$79
Profit	-\$63
Profit margin	0%

 USDT	
Protocol	Euler
Fees	\$4
Costs	\$36
Profit	-\$31
Profit margin	0%

 agEUR	
Protocol	Euler
Fees	\$0
Costs	\$0
Profit	\$0
Profit margin	100%

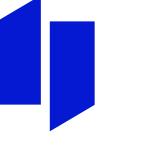
 DAI stk	
Protocol	Euler
Fees	\$1,022
Costs	\$-
Profit	\$1,022
Profit margin	100%

 USDC stk	
Protocol	Euler
Fees	\$4,345
Costs	\$661
Profit	\$3,684
Profit margin	85%

 USDT stk	
Protocol	Euler
Fees	\$3,967
Costs	\$581
Profit	\$3,385
Profit margin	85%

 WETH stk	
Protocol	Euler
Fees	\$576
Costs	\$182
Profit	\$394
Profit margin	68%

 New strategies



Yield Tranches

DAI	
Protocol	Morpho (Aave)
Fees	\$4
Costs	\$94
Profit	-\$90
Profit margin	0%

USDC	
Protocol	Morpho (Aave)
Fees	\$3
Costs	\$36
Profit	-\$32
Profit margin	0%

USDT	
Protocol	Morpho (Aave)
Fees	\$18
Costs	\$117
Profit	-\$100
Profit margin	0%

WETH	
Protocol	Morpho (Aave)
Fees	\$0
Costs	\$0
Profit	\$0
Profit margin	100%

DAI	
Protocol	Clearpool
Fees	\$3
Costs	\$0
Profit	\$3
Profit margin	100%

USDC	
Protocol	Clearpool
Fees	\$3
Costs	\$0
Profit	\$3
Profit margin	100%

New strategies



DAO Financials



Income Statement

The macro economics trends kept on being adverse during this first mandate of 2023. Nonetheless ETH and consequently the DeFi ecosystem saw an improvement in prices. DAO Leagues released new Best Yield strategies offering now risk adjusted solutions also in the Yield aggregation layer. New Yield Tranches hit the markets as well.

Idle DAO saw a decrease in fees generated with respect to M4-2023. The major expenses of the mandate were related to Leagues contributors rewards. Starting from February on, Idle Labs joined the Leagues and increased the rewards distribution substantially.

In March, one of the underlying markets of the BY strategies and the dedicated Yield Tranches, i.e. Euler, was hacked. This caused a freeze of ~\$6m in liquidity causing a reduction in the overall yield generated by the Idle's strategies.

[Governance post](#)



Income Statement

\$	JANUARY 2023	FEBRUARY 2023	MARCH 2023	M1-2023
Revenues	\$ 24,100	\$ 17,191	\$ 16,445	\$ 57,736
BY fees	\$ 3,209	\$ 29	\$ 3,208	\$ 6,446
YTs fees	\$ 20,891	\$ 17,162	\$ 13,237	\$ 51,289
Operating expense	\$ (21,857)	\$ (30,387)	\$ (53,206)	\$ (105,451)
Leagues rewards	\$ (14,626)	\$ (12,887)	\$ (45,191)	\$ (72,704)
Grant rewards	\$ (4,400)	\$ -	\$ (1,110)	\$ (5,500)
B2B rewards	\$ -	\$ (13,419)	\$ (664)	\$ (14,084)
Gas fees	\$ (2,381)	\$ (4,081)	\$ (6,251)	\$ (13,163)
Net Profit/(Loss)	\$ 2,242	\$ (13,196)	\$ (36,762)	\$ (47,715)
Stakers reward	\$ (1,605)	\$ (15)	\$ (1,604)	\$ (3,223)
Retained earnings	\$ 638	\$ (13,211)	\$ (38,365)	\$ (50,938)



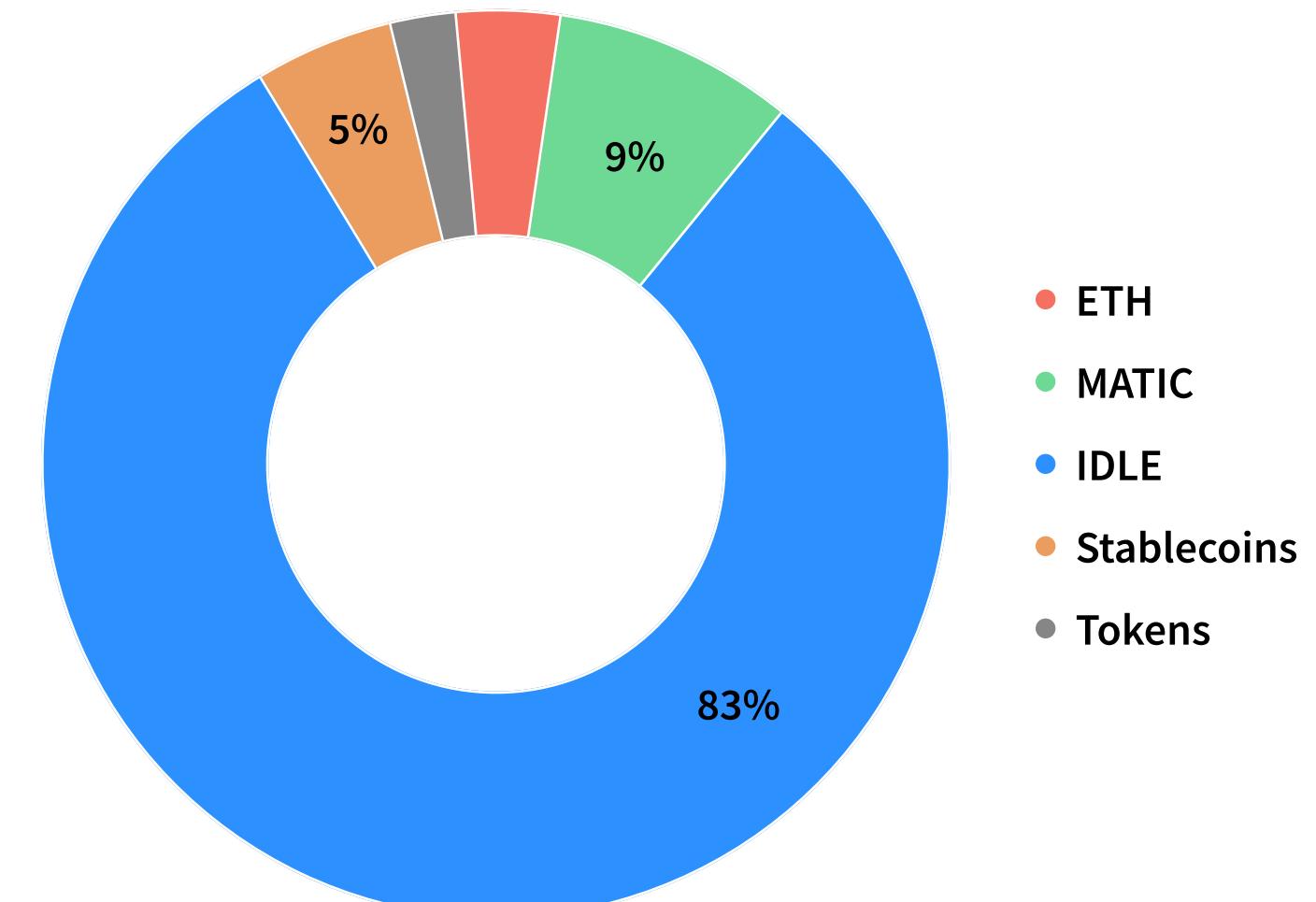
Balance Sheet

In M1-2023 the Idle DAO's total assets shrank to \$2,025,407 mainly due to the price impact on DAO's treasury balances. Cash and cash equivalent decreased by ~40% with respect to the last mandate holdings.

No new borrowing positions have been opened during the mandate.

DAO's reserves (mainly in IDLE) summed up to \$1,637,416 showing a decrease with respect to M4-2022. This was mainly caused by the high correlation of IDLE and ETH and the down trend affecting both tokens and the ecosystem as a whole.

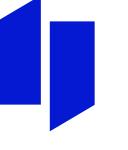
Treasury (% per token)





Balance Sheet

ASSETS	\$	LIABILITY & EQUITY	\$
Current assets		Current liabilities	
Cash and cash equivalents	\$ 98,523	Borrowings	\$ -
Investments	\$ 289,469	Total liabilities	\$ -
Total current assets	\$ 387,991	Other	
Long-term assets		Total tokenholders reserves	\$ 2,073,122
DAO reserves	\$ 1,637,416	Net profit/(loss)	\$ (47,715)
Total long-term assets	\$ 1,637,416	Total liabilities and tokenholders reserves	\$ 2,025,407
Total assets	\$ 2,025,407		



Budget vs Actual

The budget of M4-2022 summed up to \$105k with an increase in overall expenses due to a re-organization of the Leagues structure. Majority of the budget was again devoted to cover the Leagues rewards and only a minor part of it was used for the Operation expenses.

Out of \$105k budgeted for Leagues rewards, \$98k were used (~94% usage).

The only significant Leagues operations costs of the mandate were the ones incurred by the Treasury and the Development Leagues, which spent ~\$7k.

Overall the M1 budget followed the expectations, with a \$6k excess capital.

[**Governance post**](#)



Budget vs Actual

BUDGET VS ACTUAL	M1 BUDGET	ACTUAL	USAGE (%)	M1 DIFFERENCE
Leagues rewards	\$ (94,169)	\$ (91,301)	97%	\$ 2,868
CL Operations	\$ -	\$ -	-%	\$ -
DL Operations	\$ (3,000)	\$ (3,000)	100%	\$ -
TL Operations	\$ (7,500)	\$ (4,253)	57%	\$ 3,247
	\$ (104,669)	\$ (98,554)		\$ 6,116



[Twitter](#) • [Discord](#) • [Docs](#) • [Medium](#)

info@idle.finance idle.finance



Financial Statements



Income Statement

\$	JANUARY 2023	FEBRUARY 2023	MARCH 2023	M1-2023
Revenues	\$ 24,100	\$ 17,191	\$ 16,445	\$ 57,736
BY fees	\$ 3,209	\$ 29	\$ 3,208	\$ 6,446
Stakers' rewards (50%)	\$ 1,605	\$ 15	\$ 1,604	\$ 3,223
Rebalancer fund (30%)	\$ 963	\$ 9	\$ 962	\$ 1,934
Fee treasury (20%)	\$ 642	\$ 6	\$ 642	\$ 1,289
YTs fees	\$ 20,891	\$ 17,162	\$ 13,237	\$ 51,289
Operating expense	\$ (21,857)	\$ (30,387)	\$ (53,206)	\$ (105,451)
Leagues rewards (previous month)	\$ (14,626)	\$ (12,887)	\$ (45,191)	\$ (72,704)
Stablecoins (USDC)	\$ (9,478)	\$ (8,646)	\$ (39,996)	\$ (58,120)
IDLE (IDLE)	\$ (5,148)	\$ (4,241)	\$ (5,195)	\$ (14,584)
Grant rewards	\$ (854)	\$ (1,708)	\$ (2,038)	\$ (4,600)
Governance Mining program (IDLE)	\$ (4,400)	\$ -	\$ -	\$ (4,400)
Immunefy Bug Bounty (USDC)	\$ -	\$ -	\$ (1,100)	\$ (1,100)
B2B rewards	\$ -	\$ (13,419)	\$ (664)	\$ (14,084)
Harvest (IDLE)	\$ -	\$ (5,700)	\$ (441)	\$ (6,141)
Spool (IDLE)	\$ -	\$ (1,726)	\$ (223)	\$ (1,949)
Kris (IDLE)	\$ -	\$ (248)	\$ -	\$ (248)
Swissborg (MATIC)	\$ -	\$ (5,745)	\$ -	\$ (5,745)
Gas fees	\$ (2,831)	\$ (4,081)	\$ (6,251)	\$ (13,163)
Gas fees (ETH)	\$ (974)	\$ (1,011)	\$ (463)	\$ (2,448)
Finance wallet funding (ETH)	\$ (1,535)	\$ -	\$ (1,136)	\$ (2,671)
Developers refunds (ETH)	\$ (322)	\$ -	\$ -	\$ (322)
Rebalancer top up (ETH)	\$ -	\$ (3,070)	\$ (4,605)	\$ (7,676)
Meta delegates refunds (ETH)	\$ -	\$ -	\$ (46)	\$ (46)
Net Profit/(Loss)	\$ 2,242	\$ (13,196)	\$ (36,762)	\$ (47,715)
Stakers reward	\$ (1,605)	\$ (15)	\$ (1,604)	\$ (3,223)
Retained earnings	\$ 638	\$ (13,211)	\$ (38,365)	\$ (50,938)



Balance Sheet

ASSETS		\$
Current assets		
Cash and cash equivalents		
Wrapped Ether	WETH	\$ 98,523
Matic	MATIC	\$ 16,653
USD Coin	USDC	\$ 5,918
Lido DAO token	LDO	\$ 29,321
Alchemix token	ALCX	\$ 2,160
Safe token	SAFE	\$ 1,067
		\$ -
Investments		
Best Yield Junior on Idle	WETH	\$ 289,469
Senior Morpho (Aave) Yield Tranches on Idle	WETH	\$ 9,595
Senior Lido Yield Tranches on Idle	stETH	\$ 2,395
Junior Euler staking Yield Tranches on Idle	WETH	\$ 9,922
Best Yield Junior on Idle	DAI	\$ 4,298
Senior Clearpool-Portofino Yield Tranches on Idle	DAI	\$ 9.373
Junior Clearpool-Portofino Yield Tranches on Idle	DAI	\$ 2,677
Senior Euler Yield Tranches on Idle	DAI	\$ 1,000
Junior Euler staking Yield Tranches on Idle	DAI	\$ 1,703
Senior Morpho (Aave) Yield Tranches on Idle	DAI	\$ 1,998
Junior Morpho (Aave) Yield Tranches on Idle	DAI	\$ 2,000
Best Yield Junior on Idle	USDC	\$ 2,500
Senior Euler Yield Tranches on Idle	USDC	\$ 19
Senior Morpho (Aave) Yield Tranches on Idle	USDC	\$ 3,122
Junior Morpho (Aave) Yield Tranches on Idle	USDC	\$ 2,500
Senior Clearpool-Portofino Yield Tranches on Idle	USDC	\$ 2,499
Junior Clearpool-Portofino Yield Tranches on Idle	USDC	\$ 1,000
Best Yield Junior on Idle	USDT	\$ 1,000
Senior Euler Yield Tranches on Idle	USDT	\$ 10,013
Senior Morpho (Aave) Yield Tranches on Idle	USDT	\$ 2,674
Junior Morpho (Aave) Yield Tranches on Idle	USDT	\$ 2,500
Senior Clearpool-Fasanara Yield Tranches on Idle	USDT	\$ 2,499
Junior Clearpool-Fasanara Yield Tranches on Idle	USDT	\$ 4,992
Senior Lido Yield Tranches on Idle	MATIC	\$ 4,976
Boosted 3pool on Balancer	3 pool	\$ 175,438
Liquidity pool 1 on Uniswap	WETH, IDLE	\$ 10,159
Liquidity pool 2 on Uniswap	WETH, IDLE	\$ 29,779
Total current assets		\$ 387,991
Long-term assets		
DAO's reserves		\$ 1,637,416
Ecosystem fund	IDLE	\$ 462,935
Long term rewards	IDLE	\$ 1,085,767
Fee treasury	IDLE	\$ 2,403
Treasury League multisig	IDLE	\$ 86,311
Total assets		\$ 2,025,407
LIABILITY AND EQUITY		\$
Current liabilities		
Borrowings		\$ -
Total liabilities		\$ -
Other		
Total tokenholders reserves		\$ 2,073,122
Net profit/(loss)		\$ (47,715)
Total liabilities and tokenholders reserves		\$ 2,025,407