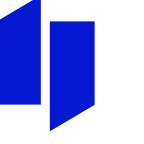




Mandate 2 April to June 2022

# Performance report

## Idle DAO Leagues



# Performance Report

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# 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/reports](https://docs.idle.finance/governance/idle-dao/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 \$2,942, MATIC \$1.22, IDLE \$1.16. Stablecoins 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.



# Protocol and DAO



# Key Financial Metrics

\$71m

Total Value Locked

-8%

TVL change wrt M1

\$57k

Protocol Fees

-38%

Fees change wrt M1



# Total Value Locked

Idle showed a minor decrease (\$77m to 71\$m, ~8%) in TVL during M2 of 2022. The reduction of the mandate's TVL can be mainly attributed to the volatility conditions of the market started in May 2022, causing an overall market deterioration. One of the main Idle integrators for example, Harvest, saw a TVL decrease from ~\$250m to ~\$30m affecting consequently the fund deployed into Idle.

-8%

Idle TVL change wrt M1-2022





# Protocol Revenues

Total revenues decreased by 38% with respect to M1-2022, primarily driven by negative market performance and volatility effects, partly offset by net new fee-generating strategies, i.e. Perpetual Yield Tranches, over the past three months.

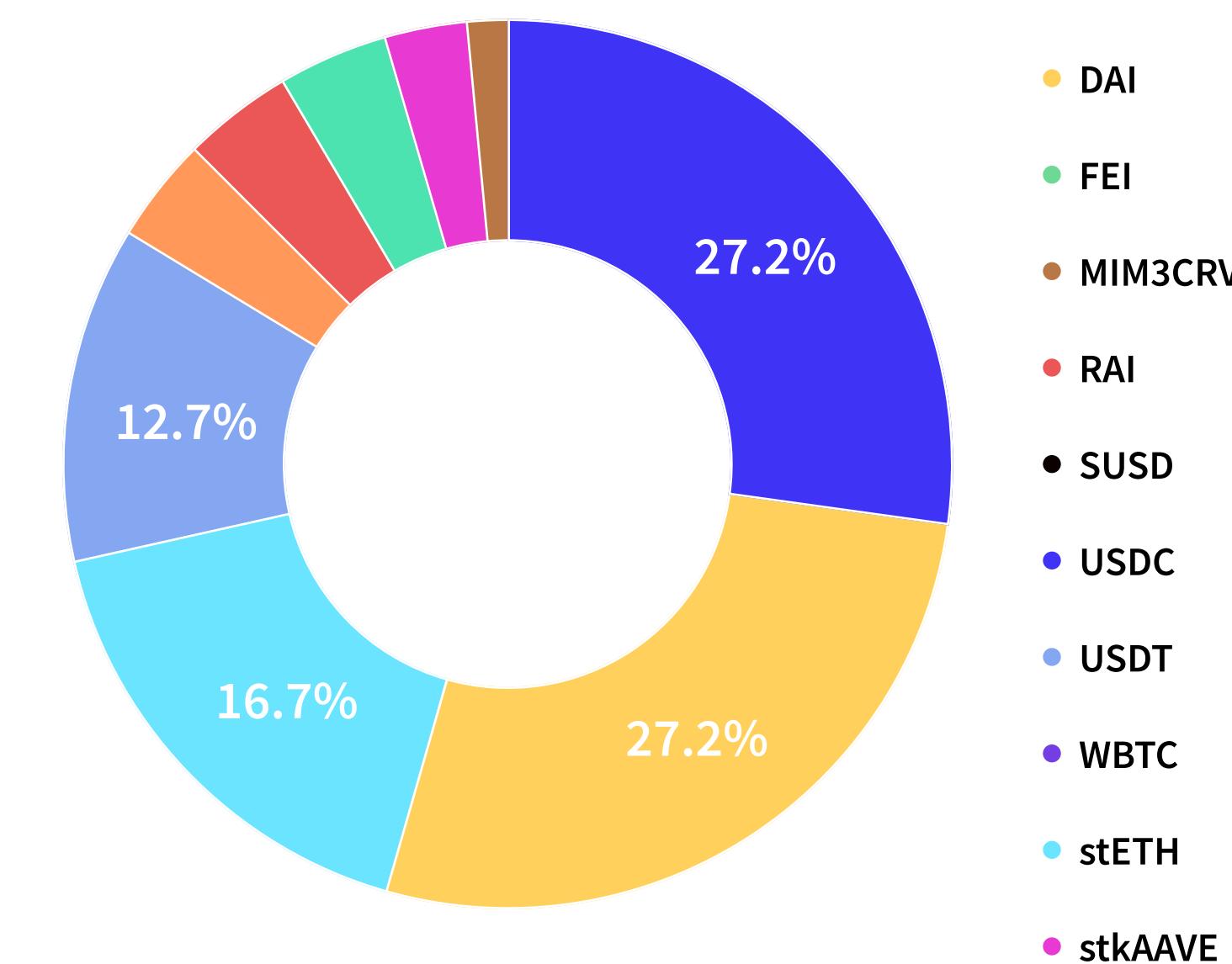
\$ 57k

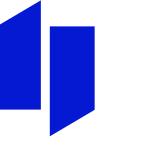
Ξ 38.6

Majority of M2 fees were generated by the Best Yield strategy's stablecoins pools (i.e. USDC, DAI and USDT respectively), i.e. ~50%.

Perpetual Yield Tranches' fees on the Lido stETH tranche started holding a significant share of the total fees generated during the mandate, i.e. ~ 17%.

**Idle Finance total revenue (% per token)**





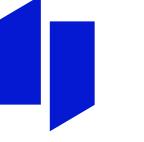
# Protocol Revenues

+89%

Protocol revenues showed a steady increase since April 2022, mainly driven by the performance fees on the USDC, DAI and USDT pool of the BY strategy.

**MoM change in revenues  
from April to June 2022**





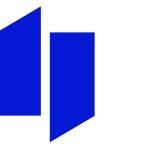
# DAO Leagues Restructure

The recent market conditions led Idle Leagues to accelerate the process of reducing cost to secure the financial sustainability of the DAO. The following actions were put into effect aiming to reduce Leagues expenses by **60%**:

- Restructure of the core contributors composition
- Adjustments to the time commitment of core contributors
- Reduction in salaries of core contributors

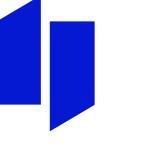
The new Leagues framework will be made up of 9 core contributors. This new lean organisational structure will help Leagues focus on building and maintaining new successful products.

[Governance post](#)



# Income Statement

\$	M1-2022	APRIL 2022	MAY 2022	JUNE 2022	M2-2022
<b>Revenues</b>	\$ <b>91,686</b>	\$ <b>6,095</b>	\$ <b>9,986</b>	\$ <b>40,962</b>	\$ <b>57,043</b>
BY fees	\$ 50,838	\$ 6,095	\$ 9,986	\$ 34,108	\$ 50,189
PYT fees	\$ 7,274	\$ -	\$ -	\$ 6,854	\$ 6,854
Extra fees	\$ 33,575	\$ -	\$ -	\$ -	\$ -
<b>Operating expense</b>	\$ <b>(157,716)</b>	\$ <b>(41,218)</b>	\$ <b>(41,492)</b>	\$ <b>(33,406)</b>	\$ <b>(116,116)</b>
Leagues rewards	\$ (109,297)	\$ (32,234)	\$ (34,234)	\$ (24,950)	\$ (91,418)
Grant rewards	\$ (13,000)	\$ (2,003)	\$ -	\$ (7,631)	\$ (9,634)
Ethereum B2B program	\$ (19,345)	\$ (1,825)	\$ -	\$ -	\$ (1,825)
Gas fees	\$ (11,361)	\$ (1,240)	\$ (5,807)	\$ (805)	\$ (7,852)
Travel and events	\$ -	\$ (1,516)	\$ (1,401)	\$ (20)	\$ (2,937)
Communication expenses	\$ (2,313)	\$ -	\$ (50)	\$ -	\$ (50)
Oracle expenses	\$ (2,400)	\$ (2,400)	\$ -	\$ -	\$ (2,400)
<b>Net Profit/(Loss)</b>	\$ <b>(66,030)</b>	\$ <b>(35,123)</b>	\$ <b>(31,506)</b>	\$ <b>7,556</b>	\$ <b>(59,073)</b>

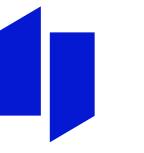


# Income Statement

The second mandate of 2022 was one of the most challenging periods for Idle protocol. Inflation continues to be high, the war in Ukraine is ongoing, as are strict Covid policies in parts of Asia. On the blockchain side multiple events, such as the collapse of the Luna ecosystem and the bankruptcies of Three Arrow Capital and Celsius, contributed significantly to change the general market sentiment causing a decline across the whole markets.

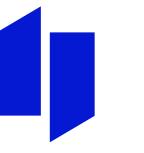
Idle saw a decrease in both TVL and fees generated by the protocol that affected the capacity of self sustain the DAO expenses and operations. The major expenses of the mandate were related to Leagues contributors rewards. A restructure has already started with the aim to decrease the costs and increase the efficiency of the funds devoted to the core contributors of the Idle DAO.

Despite the adverse market conditions, the Idle protocol keeps on building and close new partnerships with the goal to make the protocol more resilient against future market shocks.



# Balance Sheet

ASSETS	\$	LIABILITY & EQUITY	\$
<b>Current assets</b>		<b>Current liabilities</b>	
Cash and cash equivalents	\$ 58,246	Borrowings	\$ 37,337
Investments	\$ 506,605		
Total current assets	\$ 564,851	Total liabilities	\$ 37,337
<b>Long-term assets</b>		<b>Other</b>	
DAO reserves	\$ 5,131,665		
Total long-term assets	\$ 5,131,665	Total stakeholder equity	\$ 5,659,179
<b>Total assets</b>	<b>\$ 5,696,516</b>	<b>Total liabilities and stakeholder equity</b>	<b>\$ 5,696,516</b>



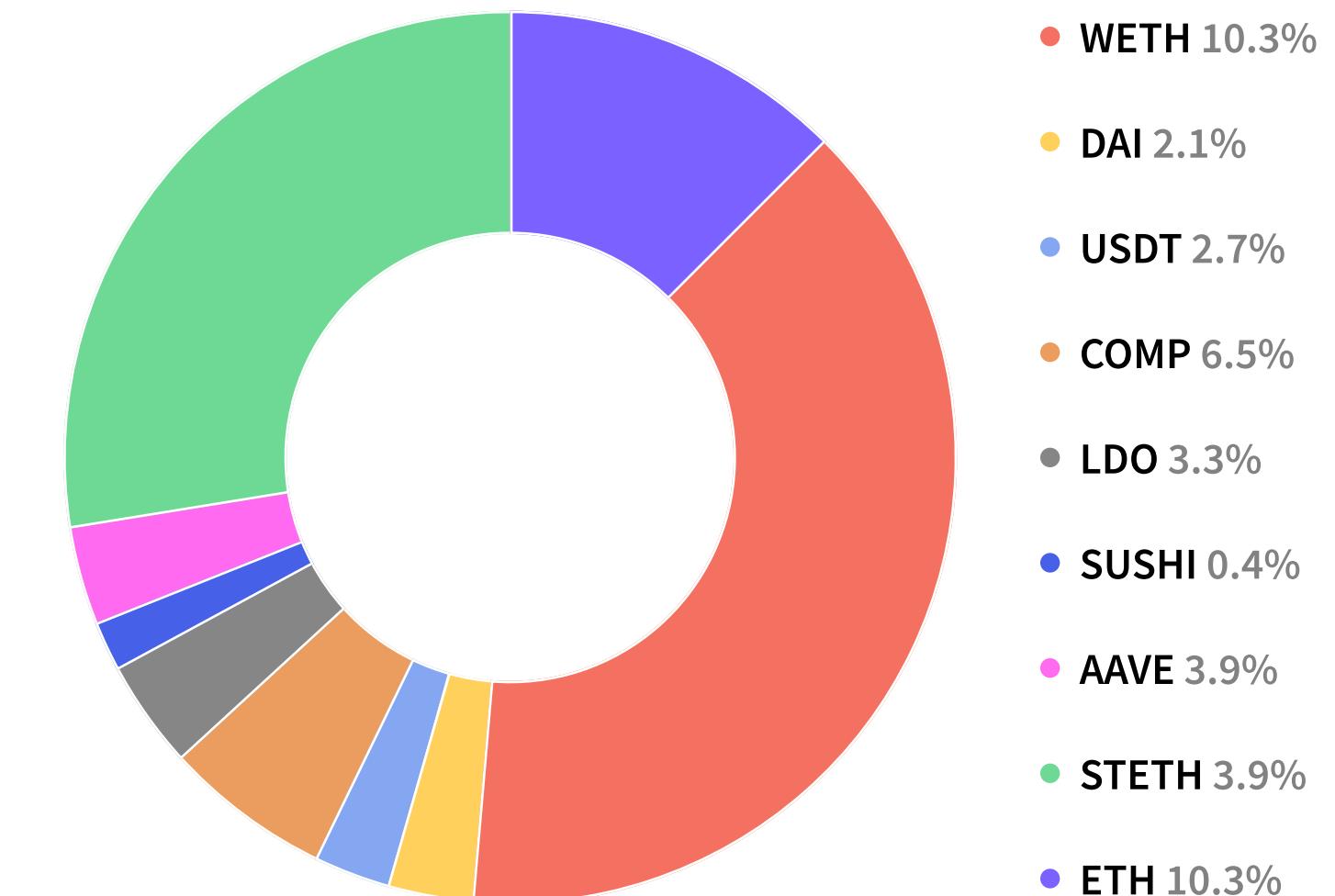
# Balance Sheet

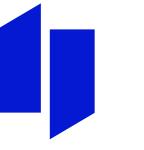
In M2-2022 the Idle DAO's total assets increased to \$5,969,516 mainly related to DAO's reserves (IDLE) and because of an increase in the investments of the protocol (denominated in ETH, IDLE and MATIC). Cash and cash equivalent stayed constant due to the volatility affecting the market during the mandate.

Idle DAO has \$37k in liabilities related to MAI borrowing in QiDAO. Stakeholders equity (denominated in IDLE) summed up to \$5,659,179 showing a decrease with respect to M1-2022. This is mainly caused by the high correlation of IDLE and ETH and the price decrease that had affected both tokens.

The balance sheet expanded in 2022, mostly owing to the treasury management strategies of Idle DAO Leagues.

**Idle Finance total revenue (% per token)**





# Budget vs Actual

BUDGET VS ACTUAL	M2 BUDGET	ACTUAL	USAGE (%)	M2 DIFFERENCE
Leagues rewards	\$ (113,700)	\$ (91,418)	80%	\$ 22,282
CL Operations	\$ (10,000)	\$ (50)	1%	\$ 9,950
DL Operations	\$ (10,000)	\$ (11,104)	111%	\$ (1,104)
TL Operations	\$ (19,500)	\$ (11,718)	60%	\$ 7,782
	\$ <b>(153,200)</b>	\$ <b>(114,291)</b>		\$ <b>38,909</b>

Budget vs Actual including the Ethereum B2B rewards (refunded by the DAO)

Ethereum B2B rewards	\$ -	\$ (116,116)
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# Budget vs Actual

The budget of M2-2022 summed up to \$153k (18% decrease with respect to M1-2022 budget), with ~75% devoted to cover the Leagues rewards and ~25% to cover the Operation expenses.

Out of \$153k budgeted, only \$114k were used (-17% decrease with respect to the actual budget amount of M1-2022) with an excess balance of \$39k.

Operations costs of the Communication and the Development League showed the most extreme % of usage, with the former League using only ~1% of the funds budgeted and the latter League exceeding the budgeted amount by 10%.

M2-2022 budget hasn't been pulled out via an IIP from any DAO fund, but Leagues autonomously managed excess inventories and reserves from previous activities; in essence, Leagues were able to self-found M2 mandate via treasury management activities without impacting the DAO treasury.



# Ecosystem



# B2B Programs and Grants

	TOKEN	PRICE	AMOUNT	\$ VALUE
<b>B2B programs</b>			<b>3,884</b>	<b>\$ 4,664</b>
Ethereum B2B rewards	IDLE	\$ 1.16	1,570	\$ 1,821
Polygon B2B rewards	MATIC	\$ 1.22	2,314	\$ 2,823
<b>Grants</b>			<b>20,425</b>	<b>\$ 16,749</b>
RFP-03 grant to Limechain	IDLE	\$ 1.16	1,212	\$ 1,406
RFP-09 grant to IdleHusbandry	IDLE	\$ 1.16	1,904	\$ 2,209
RFP-B grant to Elmol	IDLE	\$ 1.16	2,500	\$ 2,900
RFP-18 grant to Liveduo	IDLE	\$ 1.16	5,474	\$ 6,350
RFP-11 grant to Nikolas-con	IDLE	\$ 1.16	6,249	\$ 7,249
RFP-07 grant to IdleHusbandry	IDLE	\$ 1.16	3,086	\$ 3,580
<b>Total</b>			<b>24,309</b>	<b>\$ 21,393</b>



# B2B Programs and Grants

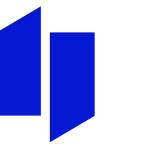
During M2-2022, the Ethereum and Polygon business to business programs distributed ~\$5k in incentives to integrators, with a split 40-60% between \$IDLE (Ethereum B2B program) and \$MATIC (Polygon B2B program).

Six grants were completed during M2, including back-end as well as new strategies development made by both long-term Grants' contributors and new developers. Grantees were rewarded with 20k \$IDLE (~\$17k).

- **RFP-B** CDO factory to let users create personalized CDOs using Idle Perpetual Yield Tranches
- **RFP-09** Port mStable Idle Perpetual Yield Tranches to Polygon
- **RFP-07** Create a leveraged yield farming strategy for Idle Perpetual Yield Tranches (part 1 completed)
- **RFP-11** Upgrade Fee Collector
- **RFP-18** Idle Perpetual Yield Tranches for Ribbon Finance on Ethereum
- **RFP-03** Monitoring tools on Forta



# Product Suite



# Best Yield

ETHEREUM

 DAI
Fees <b>\$14,394</b>
Costs <b>\$1,517</b>
Profit <b>\$12,877</b>
Profit margin <b>89%</b>

 USDC
Fees <b>\$9,989</b>
Costs <b>\$1,601</b>
Profit <b>\$8,389</b>
Profit margin <b>84%</b>

 USDT
Fees <b>\$10,569</b>
Costs <b>\$0</b>
Profit <b>\$10,569</b>
Profit margin <b>100%</b>

 TUSD
Fees <b>\$2</b>
Costs <b>\$2,927</b>
Profit <b>(\$2,925)</b>
Profit margin <b>-99%</b>

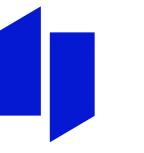
 SUSD
Fees <b>\$26</b>
Costs <b>\$0</b>
Profit <b>\$26</b>
Profit margin <b>100%</b>

 WBTC
Fees <b>\$2</b>
Costs <b>\$0</b>
Profit <b>\$2</b>
Profit margin <b>100%</b>

 WETH
Fees <b>\$0</b>
Costs <b>\$0</b>
Profit <b>\$0</b>
Profit margin <b>-%</b>

 RAI
Fees <b>\$642</b>
Costs <b>\$602</b>
Profit <b>\$40</b>
Profit margin <b>6%</b>

 FEI
Fees <b>\$660</b>
Costs <b>\$2,938</b>
Profit <b>(\$2,278)</b>
Profit margin <b>-99%</b>



# Best Yield

POLYGON

DAI	
Fees	\$6
Costs	\$0
Profit	\$6
Profit margin	100%

USDC	
Fees	\$19
Costs	\$0
Profit	\$19
Profit margin	100%

WETH	
Fees	\$0
Costs	\$0
Profit	\$0
Profit margin	-%



# Perpetual Yield Tranches

ETHEREUM

DAI		FEI		stETH		FRAX3Crv		MIM3Crv		steCrv		alUSD3Crv	
Protocol	Idle	Protocol	Idle	Protocol	Lido	Protocol	Convex	Protocol	Convex	Protocol	Convex	Protocol	Convex
Fees	\$353	Fees	\$517	Fees	\$101,638	Fees	\$648	Fees	\$135	Fees	\$118	Fees	\$456
Costs	\$1,578	Costs	\$325	Costs	\$1,212	Costs	\$1,623	Costs	\$794	Costs	\$280	Costs	\$1,565
Profit	(\$1,226)	Profit	\$192	Profit	\$100,427	Profit	(\$974)	Profit	(\$659)	Profit	(\$162)	Profit	(\$1,109)
Profit margin	-99%	Profit margin	37%	Profit margin	99%	Profit margin	-99%						
3EUR		mUSD3Crv		pBTCCrv		USDC		DAI		USDT			
Protocol	Convex	Protocol	Convex	Protocol	Convex	Protocol	Euler	Protocol	Euler	Protocol	Euler		
Fees	\$86	Fees	\$0	Fees	\$377	Fees	\$10	Fees	\$12	Fees	\$17		
Costs	\$93	Costs	\$2,784	Costs	\$0	Costs	\$120	Costs	\$325	Costs	\$105		
Profit	(\$7)	Profit	(\$2,784)	Profit	\$377	Profit	(\$110)	Profit	(\$313)	Profit	(\$89)		
Profit margin	-9%	Profit margin	-99%	Profit margin	100%	Profit margin	-99%	Profit margin	-99%	Profit margin	-99%		



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# Financial Statements



# Income Statement

\$	M1-2022	APRIL 2022	MAY 2022	JUNE 2022	M2-2022
<b>Revenues</b>	<b>\$ 91,686</b>	<b>\$ 6,095</b>	<b>\$ 9,986</b>	<b>\$ 40,962</b>	<b>\$ 57,043</b>
BY fees	\$ 50,838	\$ 6,095	\$ 9,986	\$ 34,108	\$ 50,189
Stakers' rewards	\$ 50,838	\$ 6,095	\$ 9,986	\$ 34,108	\$ 50,189
Rebalancer fund	\$ 30,503	\$ 3,657	\$ 5,992	\$ 20,465	\$ 30,113
Fee treasury	\$ 20,335	\$ 2,438	\$ 3,994	\$ 13,643	\$ 20,076
Total BY fees (ETH/USD)	\$ 101,675	\$ 12,191	\$ 19,972	\$ 68,216	\$ 100,378
PYTs fees	\$ 7,274	\$ -	\$ -	\$ 6,854	\$ 6,854
MIM (MIM)	\$ -	\$ -	\$ -	\$ 677	\$ 677
stETH (ETH)	\$ 7,724	\$ -	\$ -	\$ 6,177	\$ 6,177
Extra fees	\$ 33,575	\$ -	\$ -	\$ -	\$ -
rescueFunds (SUSHI)	\$ 33,375	\$ -	\$ -	\$ -	\$ -
<b>Operating expense</b>	<b>\$ (157,716)</b>	<b>\$ (41,218)</b>	<b>\$ (41,492)</b>	<b>\$ (33,406)</b>	<b>\$ (116,116)</b>
Leagues rewards (previous month)	\$ (109,297)	\$ (32,234)	\$ (34,234)	\$ (24,950)	\$ (91,418)
Stablecoins (USDC)	\$ (49,060)	\$ (15,792)	\$ (18,302)	\$ (12,960)	\$ (47,054)
\$IDLE (IDLE)	\$ (60,237)	\$ (16,442)	\$ (15,932)	\$ (11,990)	\$ (44,364)
Grant rewards	\$ (13,000)	\$ (2,003)	\$ -	\$ (7,631)	\$ (9,634)
Governor Bravo (\$IDLE)	\$ (3,000)	\$ -	\$ -	\$ -	\$ -
mStable PYT (\$IDLE)	\$ (3,000)	\$ -	\$ -	\$ -	\$ -
RFP-B (\$IDLE)	\$ (1,000)	\$ -	\$ -	\$ -	\$ -
RFP-5 (\$IDLE)	\$ (3,500)	\$ -	\$ -	\$ -	\$ -
DegenDogs (\$IDLE)	\$ (2,500)	\$ -	\$ -	\$ -	\$ (2,500)
Limechain (\$IDLE/USDC)	\$ -	\$ (2,003)	\$ -	\$ -	\$ (2,003)
RFP-11 (\$IDLE)	\$ -	\$ -	\$ -	\$ (3,131)	\$ (3,131)
RFP-18 (\$IDLE)	\$ -	\$ -	\$ -	\$ (3,000)	\$ (3,000)
Leveraged strategies (\$IDLE)	\$ -	\$ -	\$ -	\$ (1,500)	\$ (1,500)
Ethereum B2B program	\$ (19,345)	\$ (1,825)	\$ -	\$ -	\$ (1,825)
Harvest (\$IDLE)	\$ (14,011)	\$ (1,825)	\$ -	\$ -	\$ (1,825)
Yearn (\$IDLE)	\$ (3,379)	\$ -	\$ -	\$ -	\$ -
GRO (\$IDLE)	\$ (1,955)	\$ -	\$ -	\$ -	\$ -
Gas fees	\$ (11,361)	\$ (1,240)	\$ (5,807)	\$ (805)	\$ (7,852)
Gas fees (ETH)	\$ (4,266)	\$ (798)	\$ (182)	\$ (214)	\$ (1,194)
Finance wallet funding (WETH)	\$ -	\$ -	\$ (2,594)	\$ -	\$ (2,594)
Developers refunds (WETH)	\$ (3,205)	\$ (442)	\$ (438)	\$ (591)	\$ (1,470)
Rebalancer top up (ETH)	\$ (3,891)	\$ -	\$ (2,594)	\$ -	\$ (2,594)
Travel and events	\$ -	\$ (1,516)	\$ (1,401)	\$ (20)	\$ (2,937)
Conferences refunds (USDC)	\$ -	\$ (1,516)	\$ (133)	\$ (20)	\$ (1,669)
Idle X SpaghettETH (USDC)	\$ -	\$ (798)	\$ (1,268)	\$ 0	\$ (1,268)
Communication expenses	\$ (2,313)	\$ -	\$ (50)	\$ -	\$ (50)
Voicer PYTs video (USDC)	\$ (280)	\$ -	\$ -	\$ -	\$ -
PYTs video production (USDC)	\$ (1,983)	\$ -	\$ -	\$ -	\$ -
Stickers for conferences (USDC)	\$ (50)	\$ -	\$ (50)	\$ -	\$ (50)
Oracle expenses	\$ (2,400)	\$ (2,400)	\$ -	\$ -	\$ (2,400)
Chainlink invoice (LINK)	\$ (2,400)	\$ (2,400)	\$ -	\$ -	\$ (2,400)
<b>Net Profit/(Loss)</b>	<b>\$ (66,030)</b>	<b>\$ (35,123)</b>	<b>\$ (31,506)</b>	<b>\$ 7,556</b>	<b>\$ (59,073)</b>



# Balance Sheet

ASSETS		\$
<b>Current assets</b>		
<b>Cash and cash equivalents</b>		
Ether	ETH	\$ 5,992
Wrapped Ether	WETH	\$ 26,391
Matic	MATIC	\$ -
Wrapped Matic	WMATIC	\$ 16
USD Coin	USDC	\$ 122
Dai Stablecoin	DAI	\$ 1,219
Tether USD	USDT	\$ 1,557
Synth sUSD	SUSD	\$ -
Fei USD	FEI	\$ 28
Rai Reflex Index	RAI	\$ 39
Compound	COMP	\$ 3,791
Lido DAO token	LDO	\$ 1,914
ChainLink token	LINK	\$ 134
Aave token	AAVE	\$ 2,267
Staked Aave token	stkAAVE	\$ 95
IdleCDO stETH	wstETH	\$ 14,415
<b>Investments</b>		
IDLE on Aave	IDLE	\$ 80,139
Wrapped Ether on Aave	WETH	\$ 39,581
IDLE on Uniswap	IDLE	\$ 21,074
Wrapped Ether on Uniswap	WETH	\$ 11,750
Sushi on Sushiswap	SUSHI	\$ 197
Aave on Aave Safety Module	AAVE	\$ 16,854
sUSD on Synthetix	SUSD	\$ 68
Wrapped Matic on Aave	WMATIC	\$ 172,090
Wrapped Matic on Mai Finance	WMATIC	\$ 164,859
<b>Total current assets</b>		\$ 564,851
<b>Long-term assets</b>		
DAO's reserves		\$ 5,131,665
Ecosystem fund	IDLE	\$ 1,341,095
Long term rewards	IDLE	\$ 3,022,698
Fee treasury	IDLE	\$ 6,689
Treasury League multisig	IDLE	\$ 433,968
Liquidity mining incentives	IDLE	\$ 327,215
<b>Total assets</b>		\$ 5,696,516
LIABILITY AND EQUITY		\$
<b>Current liabilities</b>		
Borrowings		\$ 37,337
MAI borrowing on MAI Finance	MAI	\$ 37,337
<b>Total liabilities</b>		\$ 37,337
<b>Other</b>		
Total stakeholders equity		\$ 5,659,179
<b>Total liabilities and stakeholders equity</b>		\$ 5,696,516