



Q4 2024

TreasureDAO Report



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Disclaimer

This report is prepared solely for the confidential use of the Treasure Technology Foundation ("Treasure"). In the preparation of this report, its preparer (Regen Financial) has relied upon unaudited financial and non-financial information available for all Treasure related entities. Information contained in this report has not been audited or formally reviewed, and therefore does not express an opinion or any other form of assurance on the accuracy of the information presented. No party shall be liable for any loss, damage or expense which may be caused to another party by relying on this report.

No Assurance

Unaudited financial and non-financial information available for the entity has been relied upon in the preparation of this report. Regen Financial has applied its expertise in accounting and financial reporting to assist in the preparation and presentation of these financial statements. This report and associated parties do not express an opinion or any other form of assurance on the accuracy of the information presented.

Compilation

Regen Financial, has compiled the accompanying financial statements of Treasure Technology Foundation based on information the entity has provided.

Regen Financial, has applied their expertise in accounting and financial reporting to assist in the preparation and presentation of these financial statements in accordance with the applicable financial reporting standards. The report has been compiled with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are the entity's responsibility. Since a compilation engagement is not an assurance engagement, Regen Financial is not required to verify the accuracy or completeness of the information provided to us to compile these financial statements. Accordingly, no audit opinion or a review conclusion on these financial statements has been expressed.

Basis of preparation

The accompanying Management Accounts of Treasure Technology Foundation, incorporated in the Cayman Islands, have been prepared in accordance with IFRS (International Financial Reporting Standards). The management accounts have been prepared under the historical cost convention, except where IFRS requires an alternative treatment (such as fair value). The historical cost convention uses the original cost of the assets, with adjustments for depreciation, amortisation, and impairment, as applicable.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying TreasureDAO's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, have been disclosed separately, if required.

All amounts are presented in U.S. dollars, unless otherwise indicated. The financial statements and related disclosures are presented on a going concern basis, which assumes that the TreasureDAO will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.



1. Purpose of Report

The purpose of the report is to provide the TreasureDAO community with greater visibility into the current state of the DAO's operations and financials as well as its high-level roadmap and plans. This will allow TreasureDAO community members to identify the best ways to contribute to the Treasure ecosystem.

The objectives of this report are:

- To keep DAO members informed and enable them to make the best decisions for themselves, the community, and the expansive and growing Treasure ecosystem
- To increase trust in the core contributors and council team operating on behalf of and for the benefit of all members of TreasureDAO
- To provide DAO members a report of TreasureDAO's asset holdings, giving the community peace of mind of the DAO's financial position and ensuring that the DAO's treasury and funds are not being misappropriated
- To provide a clearer, up-to-date roadmap of what is being developed and what is to come, ensuring further alignment and visibility into the DAO's broader strategy and overall future direction while balancing commercial pragmatism

Regen Financial background

Regen Financial ("Regen") has been collaborating closely with the TreasureDAO core contributing team to generate comprehensive financial reports detailing the performance of TreasureDAO and its affiliated entities. Regen Financial strives to ensure complete adherence to all pertinent regulations concerning token issuance, ongoing operations, and tax obligations.

Regen Financial's ongoing engagement with TreasureDAO encompasses the following key areas:

Financial Record-Keeping:

1. Comprehensive bookkeeping and cataloguing of all transactions from inception, encompassing both on-chain and off-chain activities.
2. Clarification of asset ownership patterns and the formulation of revenue recognition guidelines.
3. Release of an official chart of accounts and a financial statement spanning from inception to present.
4. Integration and automation of a controls architecture within the accounting framework.

Operational Controls:

1. Detailed mapping of current and projected funding flows and multi-signature configurations.
2. Creation and formalisation of a holistic multi-entity financial controls system, fortified with protective measures.
3. Thorough documentation and enactment of internal control mechanisms.

A significant part of Regen's undertaking aims at enhancing transparency and accountability, in line with suggestions and improvements raised by the community. Regen's deliverables will present an up-to-date financial statement featuring a synopsis of treasury holdings, the revenue amassed from diverse revenue channels, and the strategic reinvestment of this revenue to bolster ecosystem development. In conjunction, Regen will also furnish a detailed analysis of operational costs borne by Treasure and its affiliated entities, covering both on-chain and off-chain expenditures.



2. Key Financial Metrics

**Total Q4
Revenue
(USD)**

\$40,181

Oct 2024 - Dec 2024: Total Revenue (\$) (\$40,181) was 21% lower (-\$10,576) than Jul 2024 - Sep 2024 (\$50,758).

**Total Q4
Expenses (excl.
gains/(loss))**

\$11,319,185

Oct 2024 - Dec 2024: Total Expenses excl.realised gains/(loss) (\$11,319,185) were 30% higher (+\$2,622,331) than Jul 2024 - Sep 2024 (\$8,696,854).

**Total MV Crypto
Holdings (Dec 24)**

\$14,817,033

Dec 2024: Total MV Crypto Holdings (\$14,817,033) was 45% lower (-\$12,341,794) than Sep 2024 (\$27,158,828).

**Stablecoins
(Dec 24)**

\$3,222,908

Total stablecoin balance at the end of Q4 (31st December).

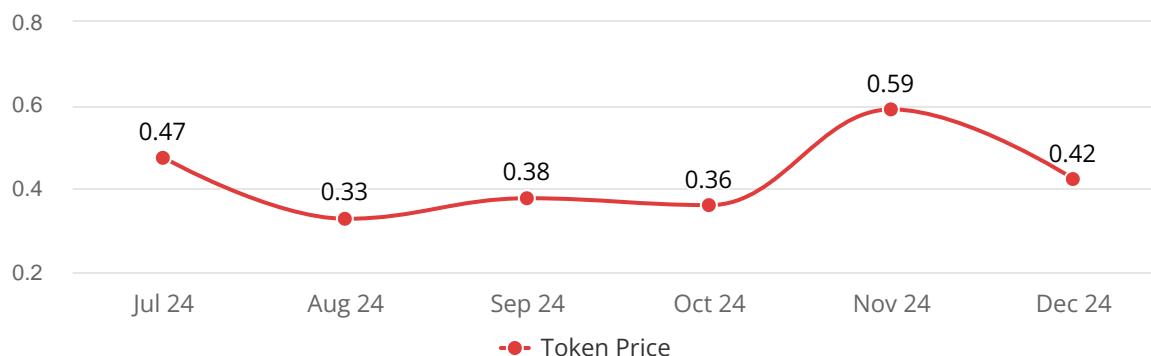




2. Quarterly Financial Summary

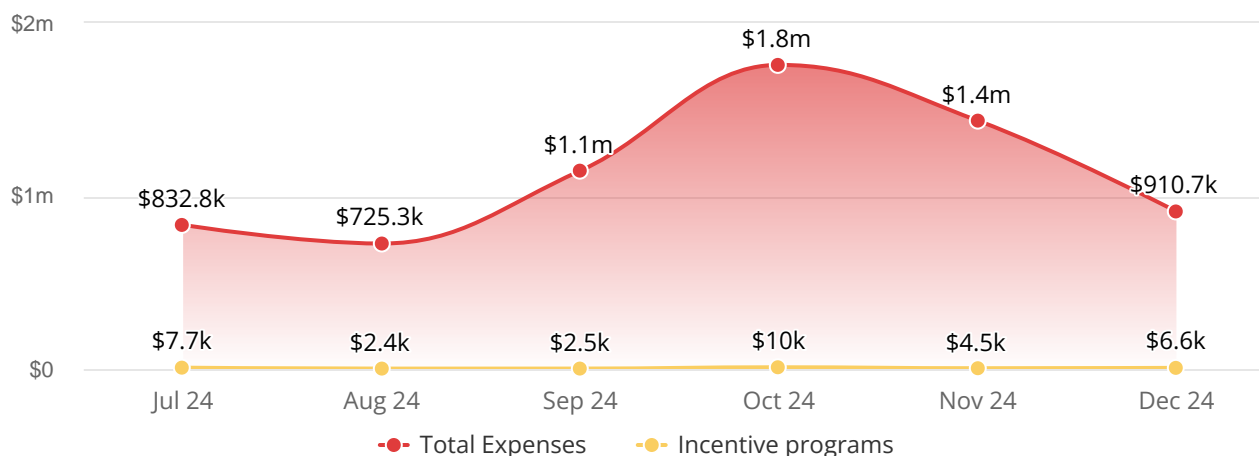
In Q4 2024, MAGIC experienced significant price fluctuations, starting at \$0.36 in October, peaking at \$0.59 in November, and declining to \$0.42 by year-end, continuing the broader downtrend seen earlier in the year. The mid-quarter peak suggested renewed market interest, likely driven by partnerships within the Treasure ecosystem as well as the launch of the Treasure chain.

Fig 1 - \$MAGIC Price (prev. 6 months)



In Q4, TreasureDAO generated revenue primarily from marketplace fees, totaling \$39,559, reflecting a 7% increase from Q3, and from Magicswap fees, which amounted to \$623, marking a 42% increase. The growth in marketplace fees is likely attributed to the launch of Treasure Chain, which is expected to drive sustained revenue growth in the future.

Fig 2 - Total Expenses (Incl COS)



TreasureDAO experienced a significant increase in expenses during Q4, primarily driven by crypto asset revaluation losses of \$7 million and a management service charge of \$1.7 million.

The management service charge covers a variety of costs, including payroll for US and Canadian employees as well as subcontractors, with key contributors from creative, partnerships, founders, marketing, and engineering teams. It also includes the budget for Darkbright/Smolbound game development, payroll, marketing, and entity structuring. Other charges include tooling costs for the marketplace, app, chain, API/SDK, and infrastructure, as well as insurance for the DAO and Foundation directors, professional fees for legal, accounting, and tax services, tax payments by the US entity, and employer contributions for employee benefits.



3. Profit and Loss Statement

Treasure Technology Foundation

	Q4 2024	Q3 2024	+/-	% +/-
	\$	\$	\$	
Income				
Marketplace Fees	39,559	36,817	▲ 2,742	7%
L1 Marketplace Fees	-	3	▼ (3)	-100%
L2 Marketplace Fees	39,559	36,813	▲ 2,745	7%
In-Game Revenue	-	13,502	▼ (13,502)	-100%
Bridgeworld In-Game Revenue	-	13,502	▼ (13,502)	-100%
Magicswap	623	439	▲ 184	42%
Magicswap Fees	623	439	▲ 184	42%
Other Revenue	317	5,441	▼ (5,124)	-94%
Total Income	40,499	56,199	▼ (15,700)	-28%
Cost of Goods Sold				
Incentive Programs	21,080	12,630	▲ 8,450	67%
Liquidity Incentives	15,588	8,188	▲ 7,400	90%
Mining Emissions	5,492	4,442	▲ 1,050	24%
Fee Sharing	311	219	▲ 92	42%
Magicswap Fee sharing	311	219	▲ 92	42%
Total Cost of Goods Sold	21,392	12,850	▲ 8,542	66%
Gross Profit	19,107	43,349	▼ (24,242)	-56%
Expense				
Professional Fees	74,636	120,845	▼ (46,209)	-38%
Consulting & Accounting	33,126	34,256	▼ (1,131)	-3%
Legal Expenses	41,511	64,069	▼ (22,558)	-35%
Audit Fees	-	22,520	▼ (22,520)	-100%
Marketing & Partnerships	380,287	29,393	▲ 350,894	1194%
Marketing Expense	56,920	26,018	▲ 30,902	119%
Partnership Expenses	323,366	3,375	▲ 319,991	9481%
Payroll	922,362	669,965	▲ 252,397	38%
Contributor Vesting Expenses	581,495	277,518	▲ 303,977	110%
Payroll - Creative & Design	88,258	86,878	▲ 1,380	2%
Payroll - Ecosystem & Partnerships	80,595	80,124	▲ 471	1%
Payroll - Marketing	39,355	50,420	▼ (11,065)	-22%
Payroll - Operations	438	595	▼ (158)	-26%
Payroll - Product & Engineering	132,221	174,430	▼ (42,209)	-24%
Treasure Delegate Council Expenses	66,673	28,122	▲ 38,551	137%
ARC Compensation	-	28,122	▼ (28,122)	-100%
Treasure Delegate Council Fees	66,673	-	▲ 66,673	
Management Service Charge	1,766,744	1,672,521	▲ 94,222	6%
Other Expenses	9,016,035	8,175,651	▲ 840,384	10%
Treasure Chain Infrastructure	35,610	-	▲ 35,610	
Smol Deployment	-	12,987	▼ (12,987)	-100%
Grant Expenditure	956,178	150,672	▲ 805,506	535%
Realised (Gains)/Loss	917,703	1,999,644	▼ (1,081,941)	-54%
Revaluation loss (Crypto Assets)	7,102,602	5,992,348	▲ 1,110,253	19%
Tooling Costs	3,942	20,000	▼ (16,057)	-80%
Total Expenses excl. revaluations and realised (gains)/loss	4,206,431	2,676,383	▲ 1,530,048	57%
Total Expense	12,236,888	10,696,498	▲ 1,540,390	14%
Net Operating Income	(12,217,780)	(10,653,149)	▼ (1,564,631)	-15%
Other Income / (Expense)				
Airdrops Received	399,598	-	▲ 399,598	
Total Other Income / (Expense)	399,598	-	▲ 399,598	
Net Profit	(11,818,182)	(10,653,149)	▼ (1,165,033)	-11%



4. Balance Sheet

Treasure Technology Foundation

	Dec 24	Sep 24	+/-	% +/-
	\$	\$	\$	
Assets				
Current Assets				
Stablecoins	3,222,908	6,117,928	▼ (2,895,020)	-47%
USDC	3,222,908	6,117,928	▼ (2,895,020)	-47%
Volatile Crypto Holdings	11,594,126	21,040,900	▼ (9,446,774)	-45%
ARB	230,406	471,270	▼ (240,864)	-51%
ETH	13,496	3,315	▲ 10,181	307%
MAGIC	10,693,586	20,367,806	▼ (9,674,220)	-47%
SMOL	184,551	196,508	▼ (11,957)	-6%
gFLY	-	2,001	▼ (2,001)	-100%
wETH	124,440	-	▲ 124,440	
EIGEN	347,647	-	▲ 347,647	
LP Positions	344,176	238,684	▲ 105,492	44%
Liquidity tokens	344,176	238,684	▲ 105,492	44%
Other Asset Holdings	5,841,885	5,607,596	▲ 234,289	4%
Total Current Assets	21,003,095	33,005,108	▼ (12,002,013)	-36%
Other Assets				
Investments	3,382,732	3,205,722	▲ 177,010	6%
Total Other Assets	3,382,732	3,205,722	▲ 177,010	6%
Total Assets	24,385,827	36,210,830	▼ (11,825,004)	-33%
Liabilities and Equity				
Liabilities				
Current Liabilities				
Accruals	24,270	118,367	▼ (94,097)	-79%
Bills paid by GBS (Creditor)	695,556	608,592	▲ 86,964	14%
Intercompany loan payable	18,097,310	18,097,310	-	-
Other current Liabilities	3,078	2,767	▲ 311	11%
Total Current Liabilities	18,820,213	18,827,035	▼ (6,822)	0%
Long-Term Liabilities				
Total Long-Term Liabilities	(2,629,937)	(2,629,937)	-	-
Total Liabilities	16,190,277	16,197,098	▼ (6,822)	0%
Equity				
Current Year Earnings	(58,741,943)	(46,923,761)	▼ (11,818,182)	-25%
Owner A Share Capital	60,157,671	60,157,671	-	-
Retained Earnings	6,779,822	6,779,822	-	-
Total Equity	8,195,550	20,013,732	▼ (11,818,182)	-59%
Total Liabilities and Equity	24,385,827	36,210,830	▼ (11,825,004)	-33%

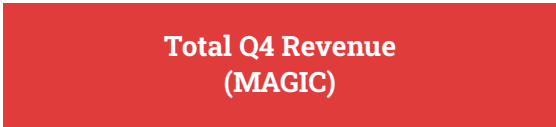


5. Revenue Analysis

Treasure currently generates revenue through marketplace fees, which include transaction fees on the resale of marketplace goods, as well as fees collected from transactions on its native decentralized exchange, Magicswap.

Revenue is primarily acquired in the form of MAGIC fees, making its value partially dependent on the appreciation or depreciation of MAGIC, particularly for fixed-price items. With the launch of Treasure Chain, a new revenue stream has emerged from chain and sequencer fees, which is expected to contribute meaningfully in the coming year. Additionally, the anticipated release of Treasure’s games throughout 2024 is expected to drive increased activity across the platform’s revenue-generating products.

Revenue increased by 7% this quarter, primarily driven by higher transaction volumes. Marketplace fees, in particular, rose by 3% compared to the previous quarter. Additionally, the strengthening of MAGIC since September contributed to higher USD-denominated revenue. While USD-based revenue figures can be volatile due to fluctuations in MAGIC’s price, transaction volume remains a more meaningful long-term metric for growth.



89,638

Oct 2024 - Dec 2024: Total MAGIC Revenue (89,638) was 22% lower (-26,002) than Jul 2024 - Sep 2024 (115,640).



5. Revenue Analysis

Revenue that is generated for the purposes of financial reporting is converted into the USD value figure at the point the transaction takes place.

Treasure's revenue is primarily influenced by two key factors: the price of MAGIC and the transaction volume on its marketplace. Since most collections on Treasure's marketplace are denominated in MAGIC, the platform is exposed to the token's price fluctuations. Additionally, the total transaction volume within a given month directly impacts revenue.

In December, there was an increase in revenue, both in USD terms and transaction volume, driven by marketplace fees. This surge is likely attributable to the launch of the Treasure chain at the end of the month, which spurred increased activity on the platform.

Fig 3 - Revenue denominated in USD

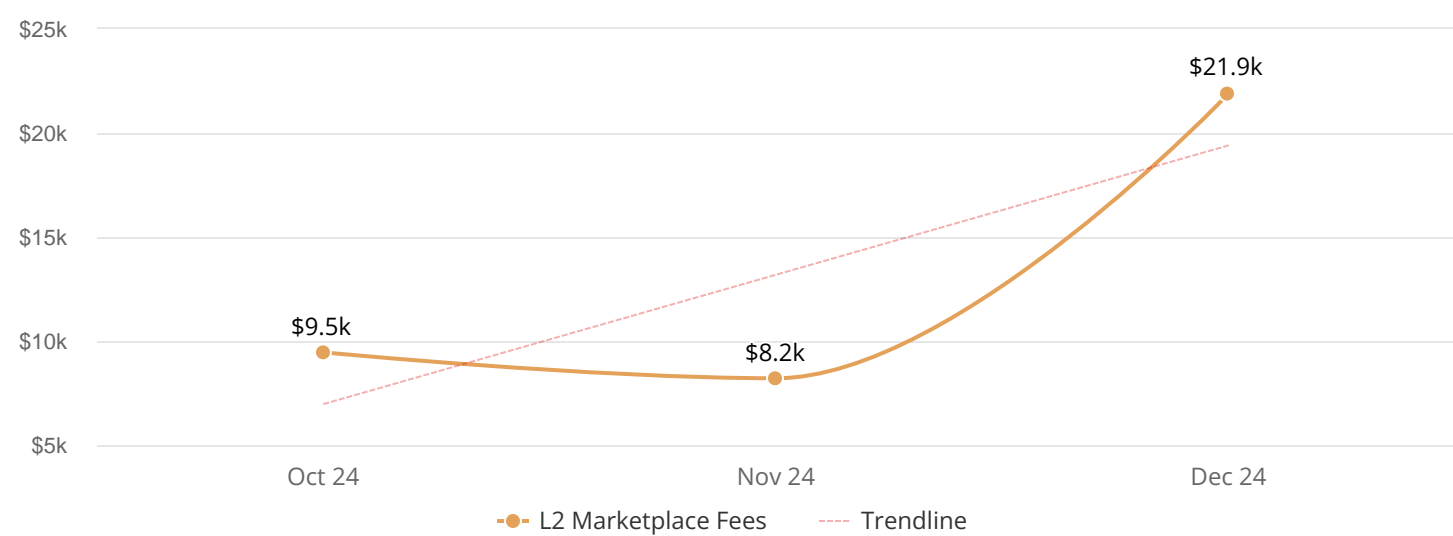
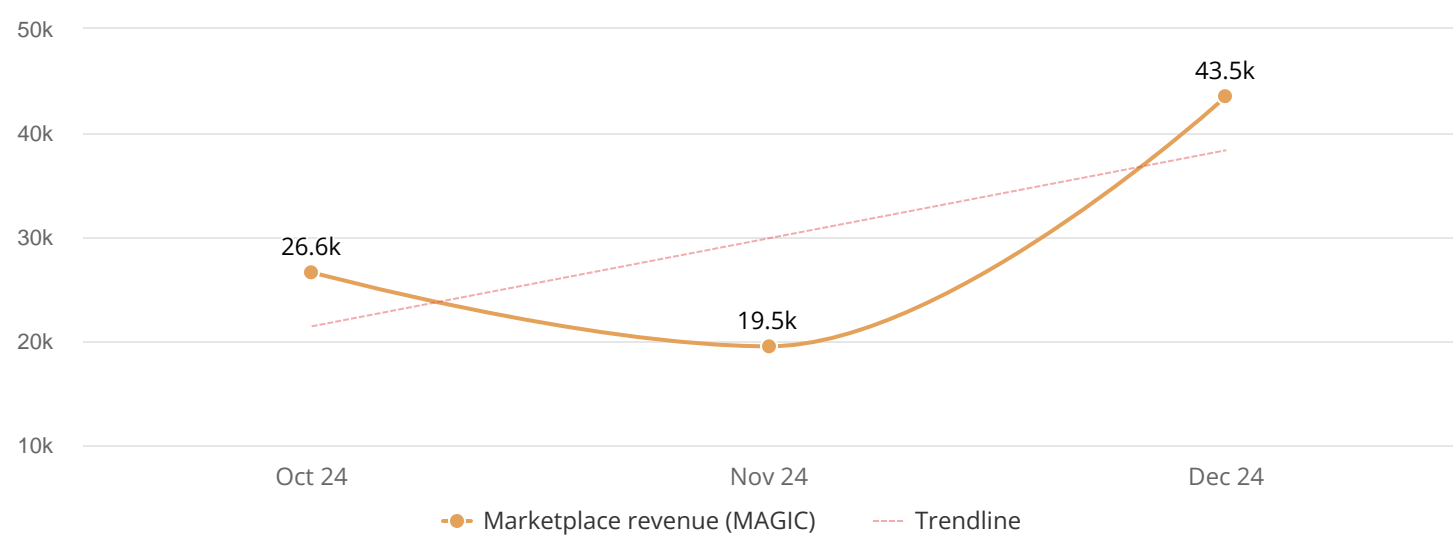


Fig 4 - Revenue denominated in MAGIC





6. Overall Cost Analysis

Costs are recorded at the time each transaction occurs, whether on-chain or off-chain. All accruals have been accounted for within the financial accounting system, and the accrual basis is consistently applied throughout the preparation of the accounts.

The key expense categories for Q4 are as follows:

6a) Human Capital Costs (including recruitment costs): **\$340,867**

6b) Professional Fees: **\$141,309**

6c) Marketing & Partnerships: **\$380,287**

6d) Liquidity & Mining Incentives (Cost of Sales): **\$21,080**

A detailed analysis of these expense categories is provided in the following sections.

Fig 5 - Expenses (\$)

	Oct 24	Nov 24	Dec 24	Total
Expense Account				
Marketing & Partnerships Total	51,857	240,038	88,392	380,287
Payroll Total	126,308	111,382	103,177	340,867
Contributor Vesting Expenses	82,500	401,980	97,015	581,495
Professional Fees Total	52,123	41,299	47,888	141,309
Grant Expenditure	706,743	170,574	78,860	956,178
Management Service Charge	749,925	492,804	524,015	1,766,744
Tooling Costs	1,494	0	2,448	3,942
Liquidity Incentives & Mining Emissions	10,014	4,502	6,564	21,080
Total Expenses	1,780,964	1,462,579	948,359	4,191,901

Q4 Payroll

\$340.9k

October 2024 - December 2024: Payroll costs total (\$340.9k) was 13% lower (-\$51.6k) than July 2024 - September 2024 (\$392.4k).

Q4 Contributor Vesting Expenses

\$581,495

Oct 2024 - Dec 2024: Contributor Vesting Expenses (\$581,495) was 110% higher (+\$303,977) than Jul 2024 - Sep 2024 (\$277,518).

Q4 Management Service Charge

\$1.8m

October 2024 - December 2024: Management Service Charge (\$1.8m) was 6% higher (+\$94.2k) than July 2024 - September 2024 (\$1.7m).

Total human capital cost is significantly lower compared to Q3. The notable decrease is attributable to changes made to the Product and Engineering team structure.

Contributor vesting expenses in Q4 represent the third-largest cost. The increase in these costs is primarily due to payments made to contributors for services rendered to the Treasure DAO.

The management service charge is invoiced quarterly but payments are made almost monthly to contribute to the services provided by third party organizations.



6. Overall Cost Analysis

Q4 Grant Expenditure

\$956,178

Oct 2024 - Dec 2024: Grant Expenditure (\$956,178) was 535% higher (+\$805,506) than Jul 2024 - Sep 2024 (\$150,672).

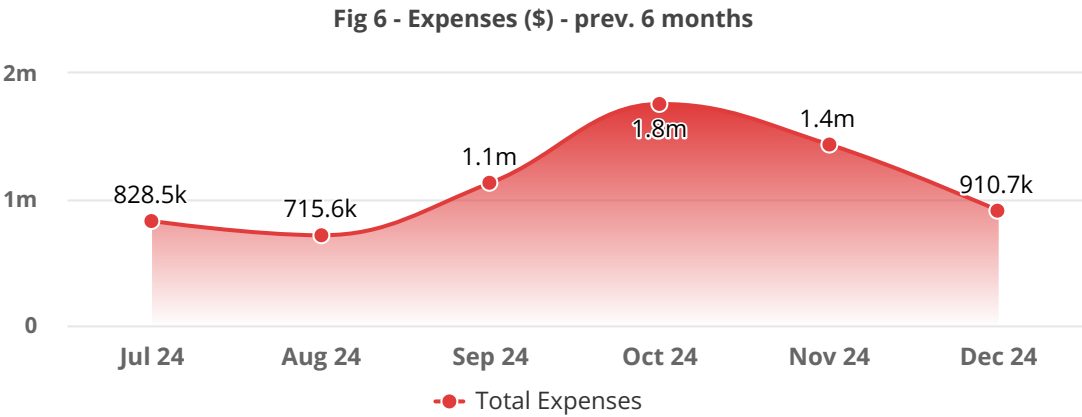
Payments are made for achieving specific milestones, which are predefined project goals. Funds are allocated to meet targets, and cash is paid to upon successful completion of these milestones.

Q4 Tooling Costs

\$3,942

Oct 2024 - Dec 2024: Tooling Costs (\$3,942) was 80% lower (-\$16,057) than Jul 2024 - Sep 2024 (\$20,000).

Tooling costs refer to the expenses associated with acquiring, maintaining, or developing the tools and systems needed to manage the DAO's treasury effectively. This includes software for financial tracking, smart contract development, and other infrastructure necessary for the DAO's operations.



TreasureDAO incurs a range of expenses, including mining, liquidity, payroll, and other on-chain costs. In addition, it engages with various service providers on an arm's-length basis, incurring management service fees for oversight, administration, and operational support. These fees are recorded as expenses in financial statements, ensuring transparency in cost allocation and providing an accurate reflection of the organization's financial position.

Beyond management fees, human capital remains the largest expense. TreasureDAO relies on a highly skilled core contributor base dedicated to the growth and development of the ecosystem. This workforce includes specialists across engineering, design, marketing, and economic strategy—roles that are in high demand within the Web3 space. To attract and retain top talent, TreasureDAO offers competitive salaries and incentive packages, aligning with market conditions to secure the expertise necessary for its continued success.



6a. Human Capital Costs

The success of Treasure now and in the future is reliant upon the core contributors within the organization. There are multiple working groups within the Treasure Technology Foundation. These are as follows:

(Figures shown are Q4 actuals)

- Product & Engineering - **\$132,220**
- Creative & Design - **\$88,258**
- Ecosystem & Partnerships - **\$80,595**
- Marketing - **\$39,355**

Fig 7 - Payroll breakdown

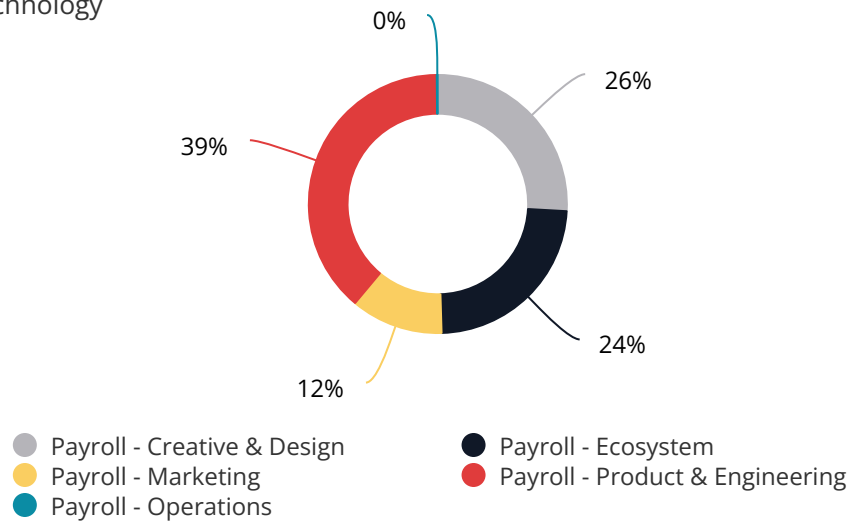
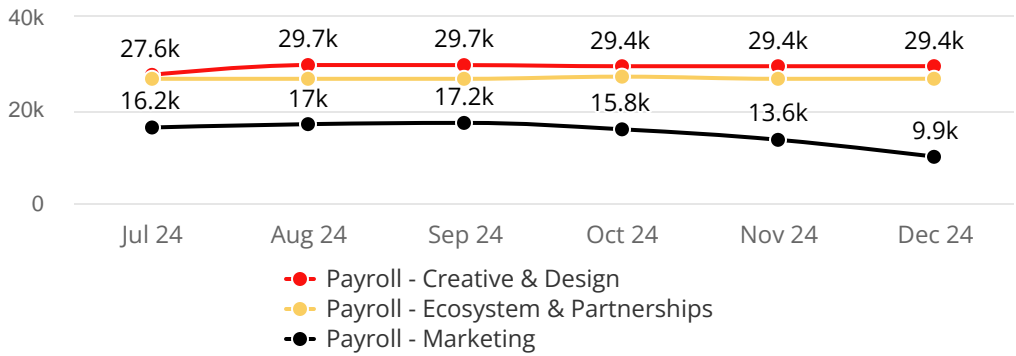


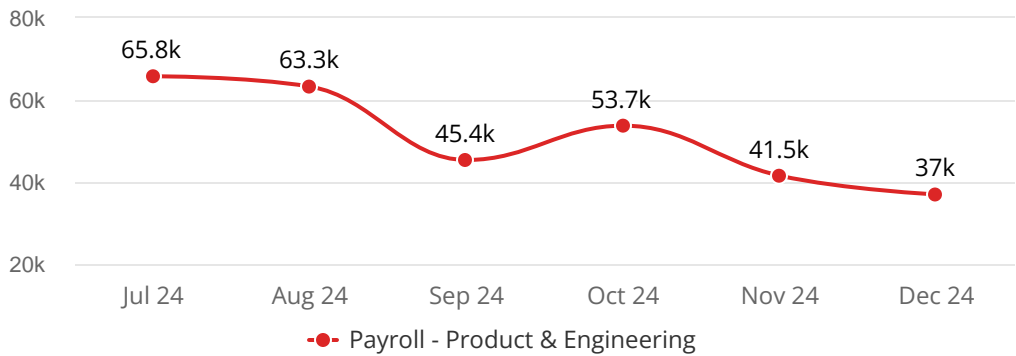
Fig 8 - Non-Technical Payroll Cost



Outside of Technical costs - Creative and Design payroll has represented the largest cost throughout the last quarter, totalling \$88,258, following the same trend observed towards the end of the previous quarter.

Payroll for non-technical roles at Treasure saw a 4% decrease owing to an overall reduction in labour costs.

Fig 9 - Technical Payroll Cost



As expected in an early-stage, technology-driven organization that is in the building and growth phase of its lifecycle, there is a strong focus on the developers in the Product & Engineering department which accounts for 40% of the payroll costs.



6b. Professional Fees

Professional fees throughout the last quarter are broken down into the following areas:

Q4 Audit & Legal Fees

\$41,511

Oct 2024 - Dec 2024: Audit & Legal (\$41,511) was 52% lower (-\$45,078) than Jul 2024 - Sep 2024 (\$86,589).

Q4 Accounting & Consultancy Fees

\$33.1k

October 2024 - December 2024: Consulting & Accounting (\$33.1k) was 3% lower (-\$1.1k) than July 2024 - September 2024 (\$34.3k).

Q4 Treasure delegate council fees

\$66,673

Oct 2024 - Dec 2024: Treasure Delegate Council Fees (\$66,673) was 0% higher (+\$66,673) than Jul 2024 - Sep 2024 (\$0).

Audit Fees

TreasureDAO incurs audit fees for smart contract audits, ensuring the security and integrity of its blockchain-based contracts. These audits review the contracts they have deployed to identify vulnerabilities and ensure compliance with best practices.

Legal Fees

TreasureDAO’s legal fees cover trademark protection, regulatory compliance, and general legal support for the Treasure Chain. These expenses also help strengthen partnerships and ensure smooth ecosystem operations.

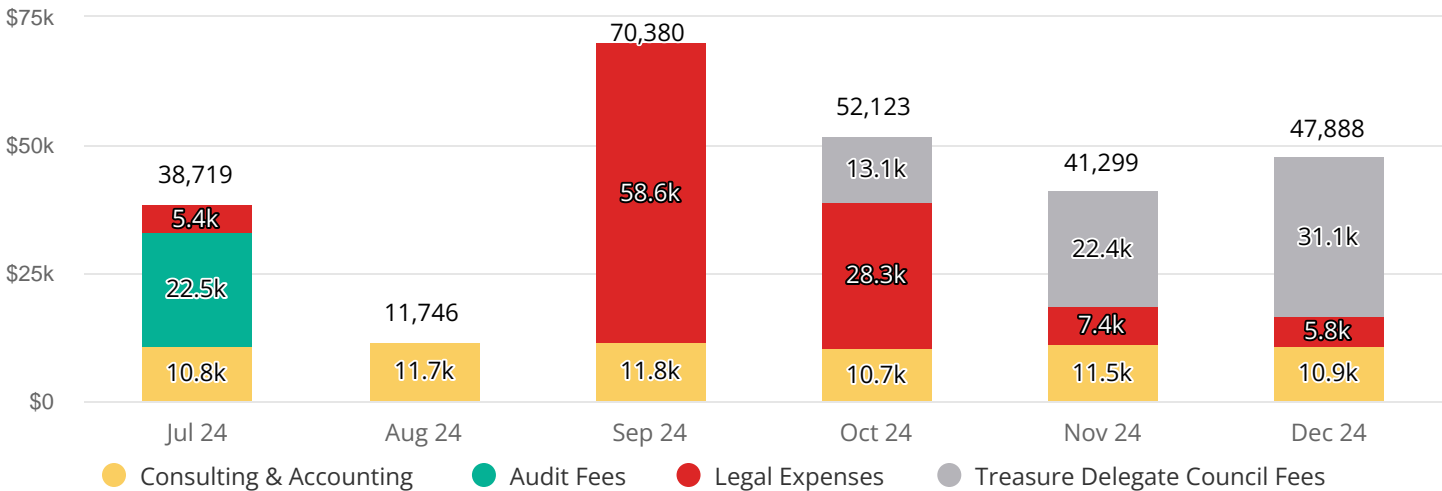
Accounting and Consultancy fees

Accounting and consulting fees have increased drastically compared to the previous quarter. Our relationship with Regen Financial continues to strengthen as our long-term financial service provider. This strategic partnership will enable both organizations to align effectively and foster mutual growth as Treasure expands.

Treasure delegate council fees

TreasureDAO’s Delegate Council fees cover expenses related to decision-making processes within the organization, including compensation for founders and key contributors involved in governance and strategic direction. This expense takes the place of Arc compensation and started in December 2024.

Fig 10 - Professional Fees





6c. Marketing, Partnerships and Investments

Treasure continued to broaden its partnerships with game studios in Q4 2024, aligning with its vision of an interconnected gaming network. Q4 saw a major gaming partnership with Calamity and Strider as part of Smolbound incubation to strengthen the DAO’s development efforts.

From a marketing and treasury standpoint, Q4 marked an 119% increase from Q3. These marketing expenses highlights a targeted approach to ecosystem growth, ensuring that partnerships and marketing initiatives drive engagement while maintaining long-term treasury sustainability.

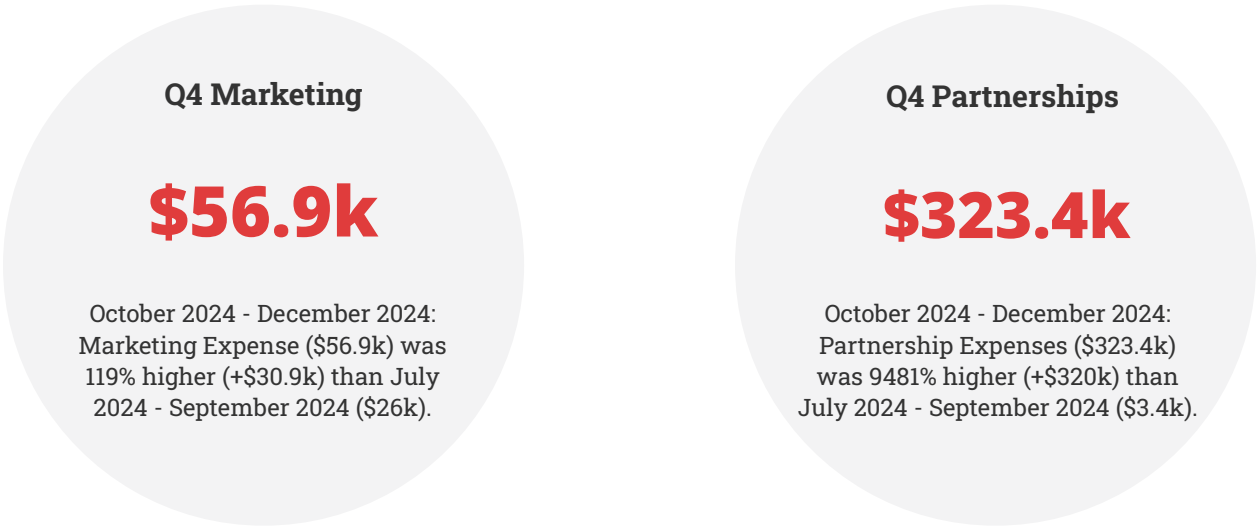
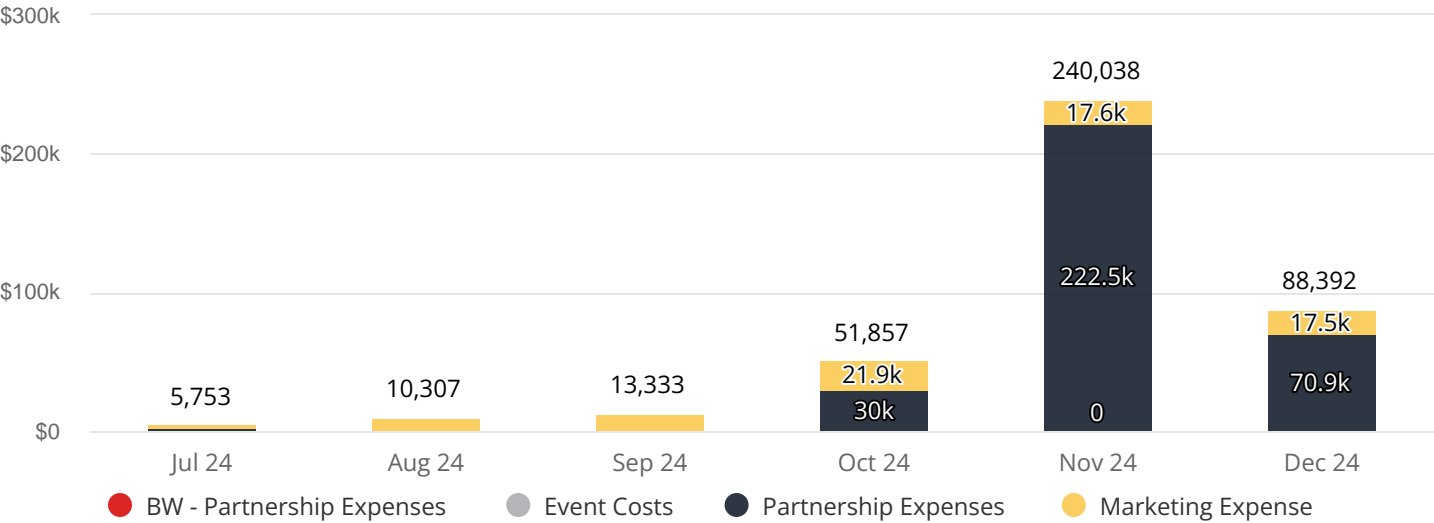


Fig 11 - Marketing & Partnerships





6d. Liquidity and Mining Incentives

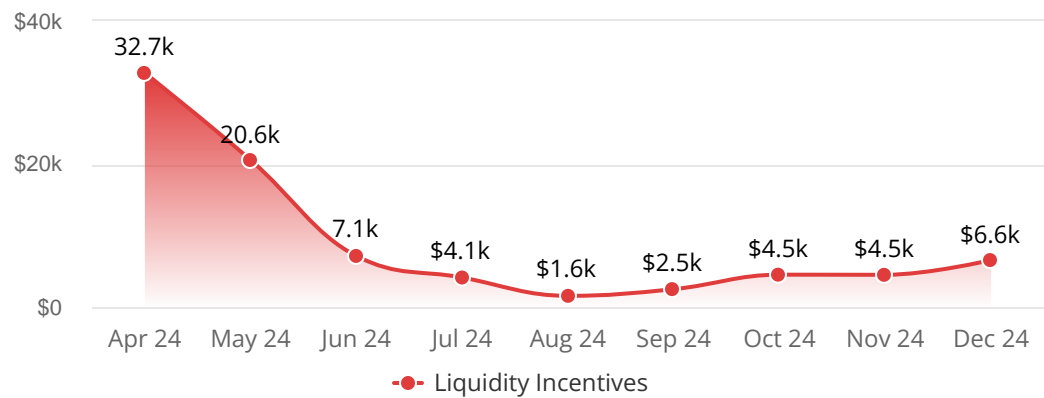
During Q4 2024, liquidity incentives and mining emissions played a crucial role in shaping Treasure’s treasury strategy. While liquidity incentives remained stable for most of the quarter, a slight increase towards the end resulted in a 52% rise in spending, reaching \$15.6k, compared to \$8.2k in Q3. Despite this uptick, the overall declining trajectory aligns with Treasure’s broader strategic shift towards sustainable emissions management, reducing reliance on excessive token incentives.

This transition was guided by a series of Treasure Improvement Proposals (TIPs):

- **TIP-35** initiated the gradual reduction of emissions, setting the foundation for a more sustainable approach.
- **TIP-42** reallocated emissions, ensuring MAGIC tokens were deployed more efficiently.
- **TIP-43** facilitated the migration of incentives to the Treasure Chain, reducing dependency on emissions while maintaining liquidity for ecosystem participants.

By integrating these strategies, Treasure has strengthened its treasury management, optimising capital deployment while ensuring the ecosystem remains liquid and financially sustainable. The combined effects of liquidity incentives, mining emissions reduction, and protocol advancements indicate a long-term shift towards a more resilient and self-sustaining economic model for Treasure.

Fig 12 - Liquidity Incentives



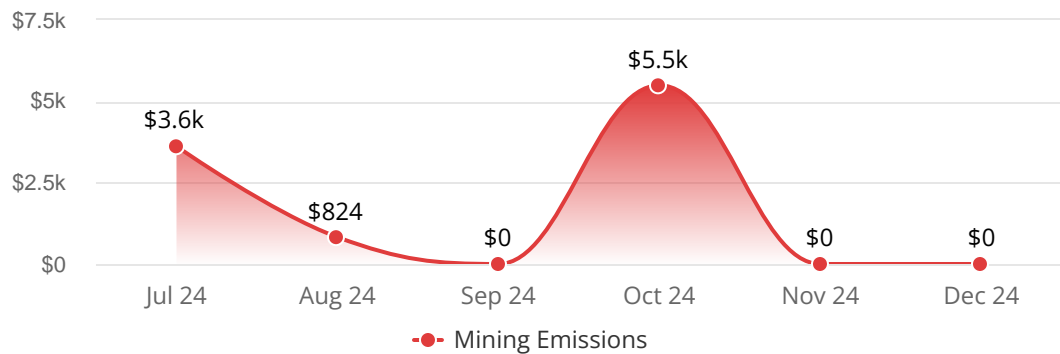
Q4 Liquidity Incentives

\$15.6k

October 2024 - December 2024: Liquidity Incentives (\$15.6k) was 90% higher (+\$7.4k) than July 2024 - September 2024 (\$8.2k).

Mining emissions are accounted for slightly differently than liquidity incentives. Due to the nature of the distribution of these rewards it is not feasible to track each individual reward. However we have tracked the seeding of the Harvesters and Mines.

Fig 13 - Mining Emissions



Q4 Mining Emissions

\$5.5k

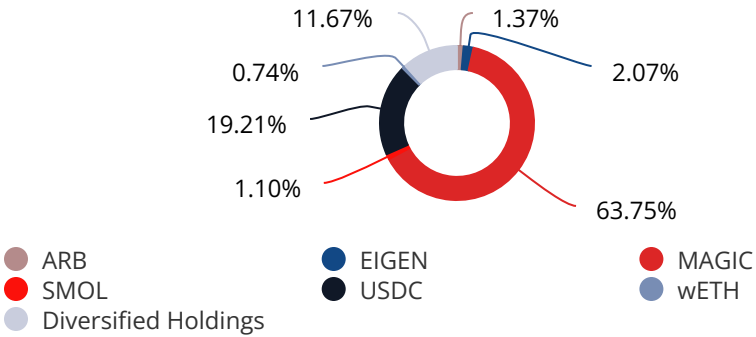
October 2024 - December 2024: Mining Emissions (\$5.5k) was 24% higher (+\$1.1k) than July 2024 - September 2024 (\$4.4k).



7. Treasury Holdings - Market Value

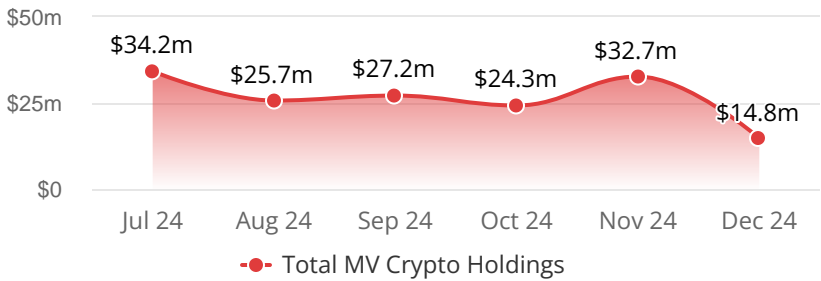
This section presents the Treasury Holdings of the organization based on the market value of each asset as of December 31st, using end-of-day market prices. The treasury includes a diversified portfolio of crypto assets, stablecoins, and other holdings, reflecting the organization's financial position at the reporting date. Given the volatility of crypto markets, these valuations are subject to fluctuations and may not reflect future treasury value.

Fig 14 - Treasury Holdings (\$) Market Value



MAGIC comprises the majority of the treasury holdings at 63.75%, followed by USDC at 19.21% as well as diversified holdings at 11.67%. This distribution reflects a strong concentration in MAGIC, the primary token of the Treasure ecosystem, while also maintaining a substantial stablecoin reserve to support operational stability and financial flexibility.

Fig 15 - MV of Treasury Holdings



The trend highlights a steady decline initially, followed by a steep drop in the final month primarily due to crypto asset revaluations which is a requirement as part of US GAAP, which reflects the MAGIC token price as at 31 Dec 2024.

Fig 16 - Treasury Assets (Market Value)

Dec 24	
	Market Value (USD)
ARB	\$230,406.26
EIGEN	\$347,646.57
ETH	\$13,495.85
MAGIC	\$10,693,585.95
SMOL	\$184,551.43
USDC	\$3,222,907.64
wETH	\$124,439.75
Total	\$16,774,841



7. Impairment of Crypto assets - Realized Gains/Loss

This section examines the impairment of treasury-held crypto assets at year-end, assessing their fair value and recognizing any declines in carrying value due to market fluctuations, liquidity constraints, or other relevant factors. The evaluation ensures that the financial statements accurately reflect the impact of market conditions on the organization's asset holdings.

Fig 17 - Treasury Assets (Market Value)

Dec 24		
Crypto Assets	Dec 2024	Impairment at Year End
ARB	\$230,406.26	
EIGEN	\$347,646.57	\$51,952
MAGIC	\$10,693,585.95	\$15,748,687
SMOL	\$184,551	\$11,957
ETH	\$13,496	
wETH	\$124,440	
Diversification Holding Account	\$1,957,808	\$319,027
Total	\$13,551,934	\$16,131,623

Q4 Revaluation loss (Crypto Assets)

\$7,102,602

Oct 2024 - Dec 2024:
Revaluation loss (Crypto
Assets) was \$7,102,602.

Realized (Gains)/ loss on Crypto Assets

Realized gains and losses on crypto asset revaluations are critical when assessing the fair market value of crypto holdings, especially during impairment reviews.

For Q4, the revaluation of crypto assets reflects a value of \$7,102,602. Adjustments are made when the carrying amount exceeds the recoverable amount, in line with accounting standards, to account for market and token price volatility.



8. Runway Analysis

Runway Calculation Methodology

In previous iterations of the transparency report, the runway was calculated based on actual historical costs. This approach provided a retrospective view of our financial sustainability, grounded in past expenditure patterns.

However, for this iteration, the methodology has been updated to calculate the runway based on forecasted cost changes. This forward-looking approach is intended to provide a more accurate projection of our financial trajectory by taking into account anticipated adjustments in Treasure's cost structure.

This change in methodology ensures that financial projections are better aligned with future cost dynamics and strategic business decisions. We believe this approach provides a more relevant basis for assessing financial position and planning for the future.

Stablecoin Runway

Given the delay in the publication of this report. Instead of providing the runway balance at the end of December we have rolled this forward to provide an up to date balance at the end February.

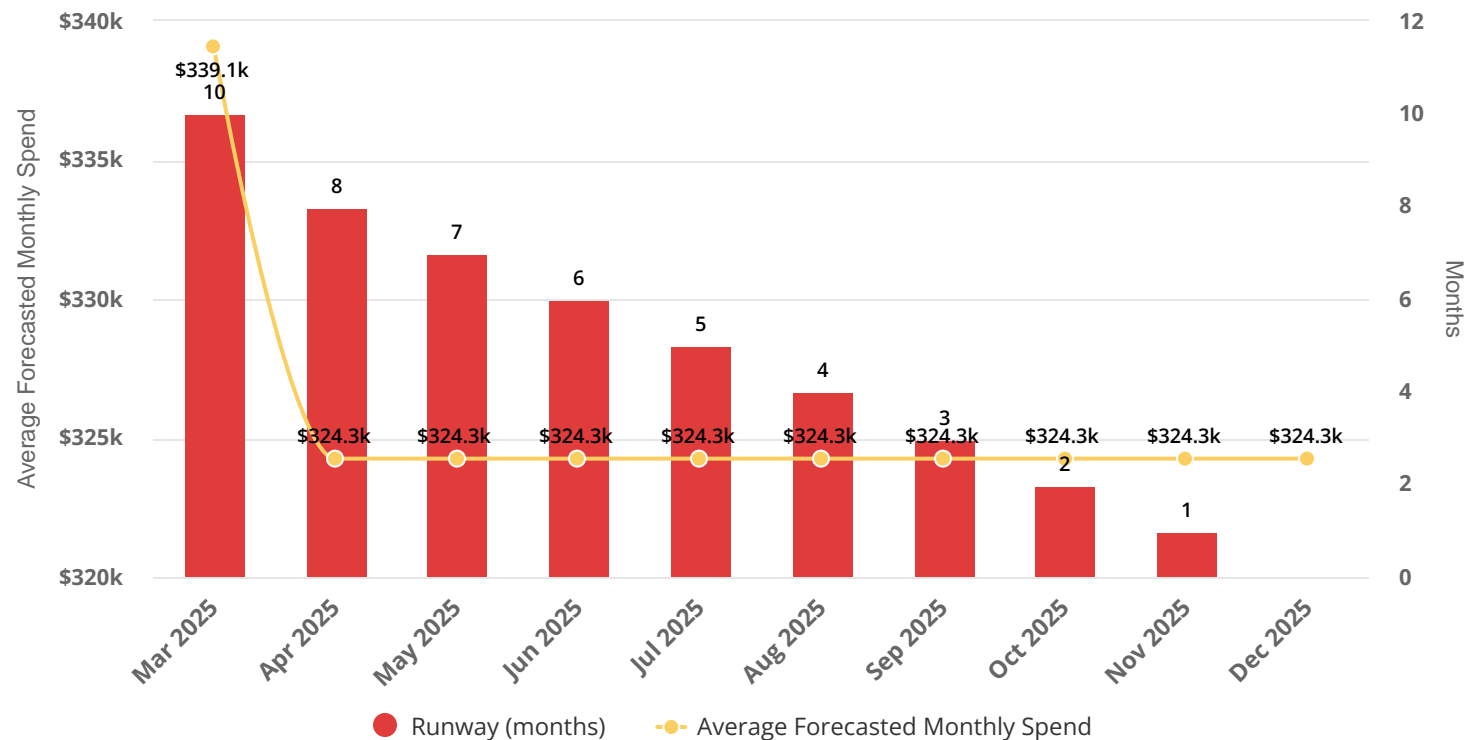
As of February 28, 2025, the stablecoin holdings amounted to **\$ 3,234,771** . The projected average monthly expenditure for the period from March 2025 to December 2025 is estimated at **\$339,085**.

► The current runway is estimated to be **10 months, extending until December 2025**

The runway has been calculated using the following formula:

Runway (months) = Stablecoin holdings as of February, 2025 / Average forecasted monthly expenditure (March 2025 - December 2025)

Fig 18 - Stablecoin Runway (months)





9. Credits

This report has been prepared by Regen Financial Limited.

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