

The DAOX Index

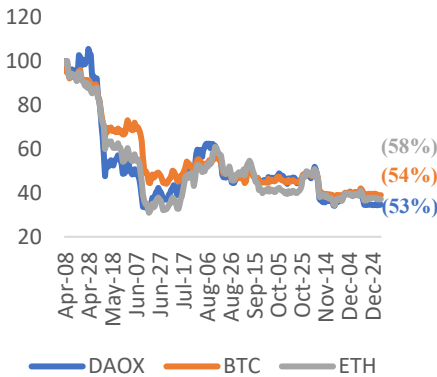
Quarterly Report

DAOX

Q4 2022

Performance as of December 31, 2022	Q4	Since Inception
DAOX	(25.80%)	(65.36%)
BTC	(14.27%)	(61.02%)
ETH	(9.43%)	(62.84%)

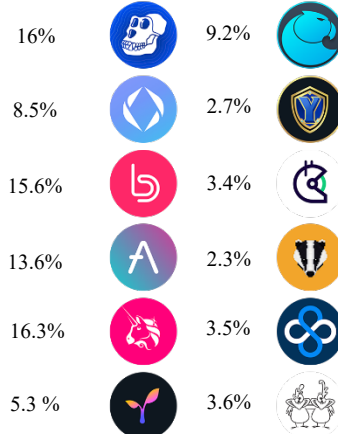
Performance Since Inception ⁽¹⁾



Note: (1) Calculated using prices from Dune Analytics via coinnaprika API. DAOX value derived from the prices of each component along with the index weightings. DAOX inception as of April 9, 2022.

Portfolio Breakdown

(as of December 31, 2022)



About StakeBorg

StakeBorg is a leading crypto hub focused on increasing the adoption of blockchain and crypto at all levels through education, community building, media and consulting activities. StakeBorg has been active in the DAO industry by establishing the StakeBorg DAO community. Fees related to StakeBorg-sponsored indexes are regularly transferred to the DAO treasury.

Investment Thesis

The DAOX Index is a construct which seeks to provide investors with a diversified exposure to the nascent and crypto-native DAO space. DAOX includes the two largest Protocol DAOs by market capitalization. From the non-Protocol DAOs landscape, DAOX includes projects with robust liquidity and relevant size. The overarching narratives in the DAO landscape are considered in order to maintain an appropriate level of diversification.

Name	The DAOX Index
Ticker	DAOX
Exchanges	TokenSets, SushiSwap
Methodology	Adjusted market capitalisation-weighting
Rebalancing period	Interval-based (3 months)
Expense ratio	0.95% (transferred to StakeBorgDAO)

More details on: <https://docs.stakeborgdao.com/products/dao>

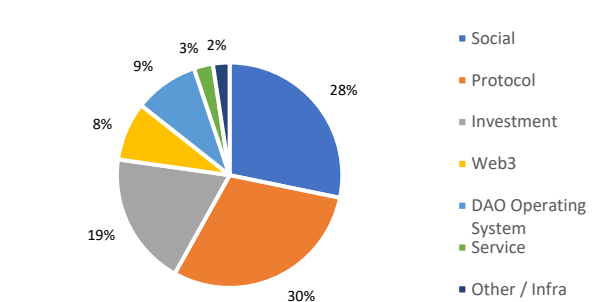
Macroeconomic Environment Overview

Following increasingly high inflation data, the FED alongside ECB, BOE and more has continued hiking rates. In the September meeting, the FED maintained the 0.75% rate increase for a third time, thus bringing the borrowing costs to the highest point since 2008. The stock, bond and crypto markets reacted accordingly: the downturn continued with S&P 500 and BTC touching their supports, all the while BTC has shown relative strength and decreased correlation to the leading indices.

Recent events have greatly impacted the valuation of all DAOs which, under great stress (treasuries worth significantly dropping, \$1.1b wiped out only during the last 30 days) continue staying afloat, with voters and proposal makers slowly and steadily increasing.

The most impacted DAOs are the small-sized ones, for without or with little funding, keeping people motivated with financial incentives proves to be hard. In the past few months, there seems to be an ongoing trend of DeFi DAOs taking higher losses than the rest of the categories.

Key Narratives Breakdown



Portfolio Assets Updates

Uniswap: Enabled NFT trading directly on the platform to past users of Genie and has advanced discussions (but not completely implemented) about turning on the fee switch.

Aave: Recently integrated Chainlink's Proof of Reserves for increased security for v2 and v3. The project also transitioned to its third version in Q4 with more and more assets and it is already deployed on 6 out of 7 intended chains.

APE: Staking is live for everyone but US citizens, where staking raises regulatory concerns with the SEC. The DAO has launched a community-driven NFT marketplace for Yuga Labs NFTs featuring fewer fees for transactions with ApeCoin. A Community Council has been created to help future initiatives.

BitDAO: Approved the buyback of BIT tokens worth \$100M in the first 50 days of Jan 2023 using treasury funds and funded Mantle, a Ethereum L2 network.

ENS: Bringing in over \$9.4m in revenue in Q4, ENS is among the top 10 dapps in terms of revenue in the second half of 2022. They've established a partnership with Coinbase to bring /id web3 usernames to users and selected a treasury manager to obtain sustainable funds, regardless of economic environment.

YGG: Completed the second season of the Guild Advancement Program, focusing on in-game achievements in all games played by the DAO's members.

Radicle: Launched a series of podcasts to connect with builders and develop relationships and also launched a monthly newsletter.

Aragon: Researched a new way of voting, Batched Ratified Voting, allowing off-chain voting with on-chain execution. Helped introduce blockchain voting in traditional organizations by supporting Vocdoni and moved onto a new governance framework, delegate governance.

Gitcoin: Launched a pilot programme with UNICEFINnovate to fund 10 projects to support young people and affected communities.

BadgerDAO: Listed on Aave's v3 market and changed the token emission programme to allow for flexible actions, bootstrapping new products and generating strong yields.

FWB: Focused on events as their core competitive advantage, launching a v3 program for 2023. Also launched the beta version of the FWB app.

StakeBorgDAO: Continued developing Construct and approved the start of development (and funding) on 11, the tool for democratizing access to DAO financial data.

Disclaimer

The material contained or referred to herein: (a) Is not (and is not intended to be) an offer to buy or sell (or a solicitation of an offer to buy or sell) digital assets, nor does it constitute investment, legal, tax or other advice; and (b) has been obtained, derived or is otherwise based upon sources which are believed to be reliable. However, no guarantee can be (or is) provided in relation to the accuracy or completeness of the same. To the extent permissible at law, StakeBorg does not accept: (i) any liability arising from the use, misuse or non-use of the material contained or referred to herein; or (ii) responsibility for any financial loss incurred as a result of a decision to invest in one or more digital assets.

Key Risks

Crypto assets are a highly volatile asset class. Your capital is at risk. The value of crypto assets can go down as well as up and you can lose your entire investment.

Past performance is not an indication of future performance.

Exchange rate fluctuations may affect the value of investments.