

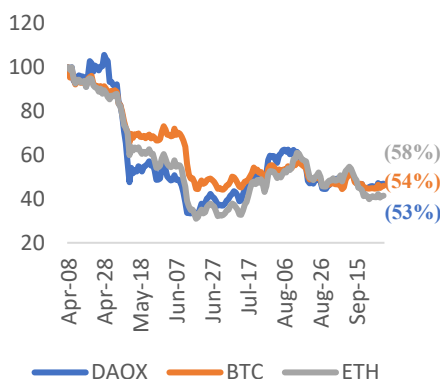
The DAOX Index

Quarterly Report

DAOX
Q3 2022

Performance as of September 30, 2022	Q3	Since Inception
DAOX	(22%)	(53%)
BTC	0%	(54%)
ETH	25%	(58%)

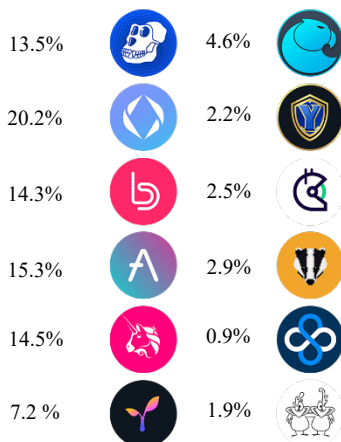
Performance Since Inception ⁽¹⁾



Note: (1) Calculated using prices from Dune Analytics via coinaprika 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 September 30, 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>

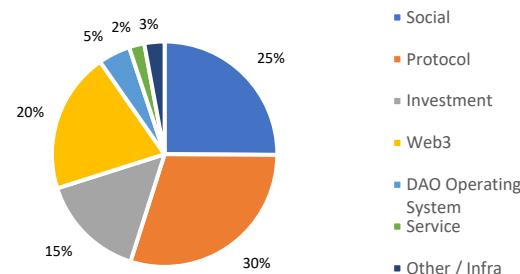
Macroeconomic Environment Overview

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 (as of September 30, 2022)



Portfolio Assets Updates

Uniswap: Recently raised \$165m in a Series B funding round to optimize the current application, develop new ones and launch NFTs in the future.

Aave: Expanding their services on other chains and starting liquidity incentives on Optimism, Aave is the top lending market for USDT, USDC and ETH borrowed. The platform also leads its competitors in terms of daily DeFi revenue.

APE: The SEC is investigating Yuga Labs for their BAYC NFT launch as well as the distribution matter of Apecoin, suspecting the token to act as a security, which falls under their scrutiny.

BitDAO: Approved the launch of EduDAO, funding university ecosystems and supporting innovators. All BIT tokens in the BitDAO Treasury are now unlocked, following the final tranche of private sale vesting completion.

ENS: Partnered with Coinbase to offer .cb usernames for the Coinbase Wallet to make traditional addresses human-readable.

YGG: Announced that YGG Japan partnered with IVC and KryptoGO to develop a wallet made for blockchain gamers, tapping into the ever-increasing number of gamers.

Radicle: Continued working and funding Radicle IDE Plugins, a collection of tools on which developers frequently settle. The Drips project started being funded and V2 smart contracts are live on the Goerli testnet.

Aragon: Working on plugins and Aragon Expert. The DAO voted on terminating the AN DAO Charter after the Delegate Voting DAO has been deployed, moving treasury funds back to the Aragon treasury.

Gitcoin: Funded alongside Gitcoin over \$70 million in public goods with their quadratic funding system.

BadgerDAO: Updated their vaults to help users simplify their journey while earning more. Yield rewards are automated and optimized.

FWB: Currently holding another worldwide, with virtual exhibitions, parties with local artists and collaborations with musicians.

StakeborgDAO: Further developing the Construct tool. Recently hinted at a new complementary product, I1, built with the community.

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.