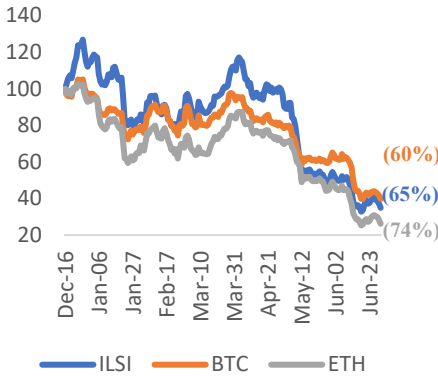


Performance at June 30, 2022	1 month	YTD	Since Inception
ILSI	(34%)	(70%)	(65%)
BTC	(38%)	(59%)	(60%)
ETH	(45%)	(72%)	(74%)

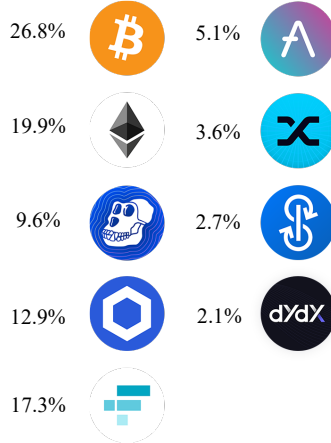
Performance Since Inception⁽¹⁾



Notes: (1) Calculated using prices from Dune Analytics via coinpaprika API. ILSI value derived from the prices of each component along with the index weightings.

Portfolio Breakdown

(as of June 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

Invest Like Stakeborg Index is a construct which seeks to provide investors macro and diversified exposure to the main narratives that stand out as opportunities in the crypto space. The key categories that have been considered are the following: Bitcoin, Ethereum, Oracles / Web 3.0, Layer 1 infrastructure / smart contract platforms, Decentralized Finance, exchange tokens and NFTs / GameFi / Metaverse.

Name	Invest Like Stakeborg Index
Ticker	ILSI
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/ils>

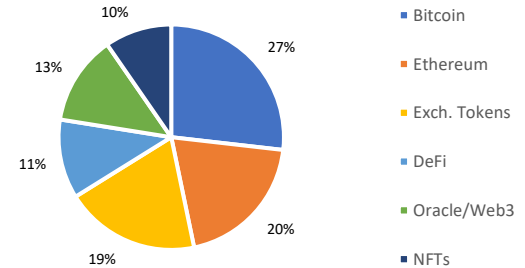
Macroenvironment Overview

Aggressive monetary policy tightening has been a drag on asset prices as liquidity has been drained from financial markets. Persistent inflation prints above expectations in the US have damaged market sentiment and pushed FED to its highest rate hike since 1994 (75bps). The upper bound FED funds interest rate currently sits at 175bps, well above the 50bps where it started the quarter, and investors are pricing in an increase to 350bps in March 2023 before a possible attempt to scale rates back. Meanwhile, divergences in major central bank approaches (notably, ECB) continue to support the US dollar.

Q2-22 was the second-worst quarter in BTC's history after Q3-11. Its price fell 59% during the quarter and 37% in June due to a mixture of macro effects and severe contagion in the sector. The bear market exposed weaknesses in counterparties across the ecosystem, including centralized lenders, funds, and protocols. Average spot volumes returned to under \$4bn after a few spikes in mid-June to over >\$10bn.

Bitcoin digital asset funds tracked by ByteTree had 835,605 BTC in AuM on June 30, a net decrease of 11,160 BTC to their holdings.

Key Narratives Breakdown



Portfolio Assets Updates

Bitcoin: Bitcoin was derailed by the poor macro backdrop, including inflation above expectations across the main developed economies, weakening consumer confidence and looming recession worries in Europe amidst a surge in oil and natural gas prices. Industry-specific events (i.e. counterparty risk and contagion / spill-over effects stemming from liquidity issues and asset/liability duration imbalances on behalf of crypto lenders, hedge funds and a number of protocols) have intensified pressures on the whole sector.

Ethereum: Ropsten public testnet completed its merge, with two others remaining before The Merge. Negative effects from deleveraging and contagion in the sector. Anchorage added ETH staking for institutional clients. Digital asset funds tracked by ByteTree had 4.3m ETH in AuM on June 30, a net decline of 77,481 ETH. ETH deposited to Beacon Chain increased by 247,232 to 13.0m as of June 30.

Aave: Aave v3 was deployed on the Ropsten testnet. Announced integration with HAL, a blockchain analytics provider, to provide notifications to users about the safety of their investment positions.

Synthetix: The introduction of atomic swaps through the SIP-120 proposal (written by Warwick, Andre Cronje and two other contributors) boosted trading volumes and fees paid. The proposal is a new exchange function for L1 that enables atomic transactions between synths by eschewing the previous fee reclamation mechanism.

Chainlink: In Q2 2022, Chainlink supported 1,000+ decentralized oracle networks, powering 1,350+ projects across 12+ blockchains. On June 7, announced the roadmap for the staking program.

dYdX: dYdX announced that v4 will be developed as a standalone blockchain based on the Cosmos SDK and Tendermint PoS consensus protocol.

APE: First demo of the Otherside metaverse announced on July 16. Passed governance proposals include AIP-41 (keep ApeCoin within the ETH ecosystem) and AIP-66 (newsletter funding allocation).

FTX: Has emerged as one of the industry's "white knights" by extending credit lines and acquiring stakes in distressed companies.

Yearn Finance: Adjusted budget for full-time contributors to reflect macro conditions. Announced collaboration with the PDI index developed by Phuture.

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.