

FINANCIAL UPDATE Q1 2024

Important Notices

This presentation includes unaudited financial statements and forward-looking information about Sovryn's outlook. The statements are based on current expectations, estimates, and projections regarding the factors that may impact the Protocol's future performance, including global economic conditions and the economic conditions of the markets that are significant for Sovryn. These expectations, estimates, and projections are generally identifiable by statements containing words such as "expects," "believes," "estimates," "targets," "plans," "outlook," "on track," "2024 framework," or similar expressions.

However, there are numerous risks and uncertainties beyond Sovryn's control that could cause its actual results to differ materially from the forward-looking information and statements made in this presentation and could affect the Protocol's ability to achieve any or all of its stated targets. The critical factors that could cause such differences include, among others:

- Business risks associated with the volatile global economic environment and political conditions;
- Costs associated with legal and compliance activities;
- Market acceptance of new products and services;
- Changes in governmental regulations, asset values, and currency exchange rates; and
- Other factors that , from time to time, may be discussed in the Protocol's Investor or Community Updates.

While Sovryn believes that its expectations reflected in any forward-looking statement are based upon reasonable assumptions, it cannot assure that those expectations will be achieved. Note that this presentation contains non-GAAP measures of performance.

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01 Financials Q1 2024

Q1 2024 Financials

- Expenses managed to budget
- Resourcing largely unchanged y/y
- Stable team with low churn
- Significant treasury asset valuation gains

Q1 2024 Financials: Profit & Loss Account

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Profit & Loss (USD)	Q1 2024	Q4 2023	Q1 2023	Change Y/Y Increase / (Decrease) vs. Q1 2023
INCOME				
Gross Profit	0	0	0	-
EXPENSES				
Adoption	205,240	191,389	178,524	15%
Development	405,386	483,414	534,226	(24%)
Operations	234,448	327,696	296,249	(21%)
Total Expenses	845,073	1,002,499	1,008,999	(16%)
NET OPERATING INCOME	(845,073)	(1,002,499)	(1,008,999)	16%
Other Income	0	0	0	-
Unrealized Gains & (Losses)	1,410,402	1,215,618	1,644,428	(14%)
Other Expenses	0	0	0	-
Net Other Income	1,410,402	1,215,618	1,644,428	(14%)
NET INCOME	565,329	213,119	635,429	(11%)

Q1 2024 Financials: Balance Sheet

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Balance Sheet (USD)	Q1 2024	Q4 2023	Q1 2023	Change Y/Y Increase / (Decrease) vs. Q1 2023
ASSETS				
Treasury Balances	6,509,347	5,604,527	6,546,024	(1%)
Trade Receivables	87,004	85,554	299,409	(71%)
Security Deposit	-	-	0	
TOTAL ASSETS	6,596,352	5,690,081	6,845,433	(4%)
LIABILITIES AND EQUITY				
Accounts Payable	183,110	3,110	314,387	(42%)
Accrued Expenses	182,369	21,427	215,157	(15%)
TOTAL CURRENT LIABILITIES	365,479	24,537	529,544	(31%)
EQUITY				
Retained Earnings	(23,109,111)	(23,094,194)	(23,094,194)	-
Equity	28,774,655	28,774,655	28,774,655	-
Net Income	565,329	(14,917)	635,429	(11%)
TOTAL EQUITY	6,230,873	5,665,544	6,315,890	(1%)
TOTAL LIABILITIES AND EQUITY	6,596,352	5,690,081	6,845,433	(4%)

02 OpEx v Budget

OpEx Q1 2024	Actual (USD)	Budget (USD)	Deviation (USD)	Deviation (%)
Adoption	205,240	166,459	36,781	22%
Development	405,386	465,093	(59,707)	(13%)
Operations	234,448	200,175	34,273	17%
Total	845,073	833,727	11,346	1%

OpEx Q1 2024		Actual (USD)	Budget (USD)	Deviation (USD)	Deviation (%)
Adoption	Headcount	98,849	121,659	(22,810)	(19%)
	Other Expenses	106,391	46,800	(59,591)	127%
	Total	205,240	168,459	36,781	22%
Development	Headcount	247,434	366,810	(119,376)	(33%)
	Other Expenses	157,952	98,283	59,669	61%
	Total	405,386	465,093	(59,707)	(13%)
Operations	Headcount	126,986	150,075	(23,089)	(15%)
	Other Expenses	107,462	50,100	57,362	114%
	Total	234,448	200,175	34,273	17%
Total		845,073	833,727	11,346	1%

Q1 2024 Financials: Operating Expenses Detail (Monthly)

OpEx Q1 2024 Monthly Averages		Actual (USD)	Budget (USD)	Deviation (USD)	Deviation (%)
Adoption	Headcount	32,950	40,553	(7,603)	(19%)
	Other Expenses	35,464	15,600	19,864	127%
	Total	68,413	56,153	12,260	22%
Development	Headcount	82,478	122,270	(39,762)	(33%)
	Other Expenses	52,651	32,761	19,890	61%
	Total	135,129	155,031	(19,902)	(13%)
Operations	Headcount	42,329	50,025	7,696	(15%)
	Other Expenses	35,821	16,700	19,121	114%
	Total	78,149	66,725	11,424	17%
Total		281,691	277,909	3,762	1%

03 Treasury Balances

Treasury Balances	Q1 2024	Q1 2023	Change Y/Y vs. Q1 2023	Change Y/Y vs. Q1 2023
Constant Currency				
BTCUSD	28,462.94	28,462.94	-	-
TOTAL ASSETS (USD)	1 4,226,430	6,845,433	(2,619,003)	(38%)
Implied Runway (Mos)	15	24	(9)	(38%)
Current Currency				
BTCUSD	69,702.15	28,462.94	41,239.21	145%
TOTAL ASSETS (USD)	2 6,596,352	6,845,433	(249,081)	(4%)
Implied Runway (Mos)	23	24	(1)	(4%)

1 Asset balance with the impact of asset price changes eliminated

2 Asset balance with the impact of asset price changes shown

Q1 2024 Financials: Treasury Balances CONSTANT Currency Y/Y

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Q1 2023	BTC	BitPro	ETH	BNB	MOC	SOV*	USD**	USD***	Total (USD)
Balance	108.51	-	131.65	50.68	209,406.43	414,610.86	2,862,194	299,409	6,845,433
Price	28,462.94	30,597.66	1,813	314.95	0.0166	0.8132	1.0000	1.0000	
USD	3,088,542	-	238,688	15,962	3,476	337,162	2,862,194	299,409	

45%
9%
46%

Q1 2024	BTC	BitPro	ETH	BNB	MOC	SOV*	USD**	USD***	Total (USD)
Balance	36.93	4.08	122.45	114.43	250,530.76	346,474.55	2,419,493	87,004	4,226,430
Price	28,462.94	30,597.66	1,813	314.95	0.0166	0.8132	1.0000	1.0000	
USD	1,051,245	124,725	222,000	36,040	4,159	281,753	2,419,493	87,004	

28%
13%
59%
Δ (2,619,003)

(*) SOV is originating from the Watcher and other liquidity-related activities only. SOV held by the Treasury reported separately.

(**) USD stablecoins; (***) Accounts Receivable.

Q1 2024 Financials: Treasury Balances CURRENT Currency Y/Y

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Q1 2023	BTC	BitPro	ETH	BNB	MOC	SOV*	USD**	USD***	Total (USD)
Balance	108.51	-	131.65	50.68	209,406.43	414,610.86	2,862,194	299,409	6,845,433
Price	28,462.94	30,597.66	1,813	314.95	0.0166	0.8132	1.0000	1.0000	
USD	3,088,542	-	238,688	15,965	3,476	337,162	2,862,194	299,409	

46%

11%

43%

Q1 2024	BTC	BitPro	ETH	BNB	MOC	SOV*	USD**	USD***	Total (USD)
Balance	36.93	4.08	122.45	114.43	250,530.76	346,474.55	2,419,493	87,004	6,596,352
Price	69,702.15	75,000.00	3,505.03	576.40	0.1085	1.9840	1.0000	1.0000	
USD	2,574,366	305,723	429,208	65,958	27,194	687,406	2,419,493	87,004	

44%

19%

37%

Δ (249,081)

(*) SOV is originating from the Watcher and other liquidity-related activities only. SOV held by the Treasury reported separately.

(**) USD stablecoins; (***) Accounts Receivable.

04 SOV

Programmatic and Non-Programmatic Distributions

Source	2021	2022	2023	Q1 2024	Claimed/ Withdrawn	Supplied
Available for Distributions*	7,741,307	15,838,571	11,829,032	14,996,684	-	-
Programmatic Distributions	2,231,272	3,189,584	2,545,916	791,154	8,757,926	10,066,335
Non-Programmatic Distributions	872,904	2,087,735	2,971,951	206,797	6,139,388	6,432,154
Total Distributions	3,104,177	5,277,319	5,517,867	997,951	14,897,314	16,498,489
Remaining Balance	4,637,130	10,561,252	6,311,165	13,998,733	-	-
Remaining Balance (%)	60%	67%	53%	93%	-	-

(* Available in the Adoption and Development Funds as per the SOV Emission Schedule)

Programmatic Distributions

Type	2021	2022	2023	Q1 2024	Claimed/ Withdrawn	Supplied	% (Total)
Liquidity Mining	2,176,942	2,841,556	1,876,431	379,593	7,274,522	8,054,335	80%
Staking	54,330	348,028	645,428	407,135	1,454,921	1,962,000	19.5%
Zero SP Subsidies	-	-	24,057	4,426	28,483	50,000	0.5%
Total	2,231,272	3,189,584	2,945,916	791,154	8,757,926	10,066,335	100%

Non-Programmatic Distributions

Type	2021	2022	2023	Q1 2024	Claimed/ Withdrawn	Supplied	% (Total)
Contributor Bonus	65,602	101,448	1,890,000	120,000	2,177,050	2,177,050	34%
Contributor Comp	319,206	950,162	660,471	43,552	1,973,391	1,973,391	32%
Strategic Round	436,805	716,536	0	0	1,153,342	1,293,528	20%
Bug Bounty	3,480	24,503	420,980	1,803	450,766	450,766	7%
Development Bounty	34,473	283,161	0	10,000	327,634	327,634	5%
Adoption Bounty	13,339	11,925	500	31,441	57,205	57,205	1%
Total	872,904	2,087,735	2,971,951	206,797	6,139,387	6,279,574	100%

05 Q&A



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DEFI FOR BITCOIN