

FINANCIAL UPDATE Q3 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 Q3 2024

Q3 2024 Financials

- Disciplined cost management
- Increase in spend q/q and y/y
- Shift in resources to Development
- Y/Y valuation gains equate to 3-month OpEx
- Treasury assets evenly split between crypto and USD-denominated assets

Q3 2024 Financials: Profit & Loss Account

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Profit & Loss (USD)	Q3 2024	Q2 2024	Q3 2023	Change Y/Y Increase / (Decrease) vs. Q3 2023
INCOME				
Gross Profit	0	0	0	-
EXPENSES				
Adoption	139,734	264,744	110,594	26%
Development	558,314	393,326	458,494	22%
Operations	338,658	226,582	252,028	34%
Total Expenses	1,036,706	884,652	821,116	26%
NET OPERATING INCOME	(1,036,706)	(884,652)	(821,116)	(26%)
)Other Income	0	0	0	-
Unrealized Gains & (Losses)	325,737	(168,079)	(94,555)	444%
Other Expenses	0	0	0	-
Net Other Income	325,737	(168,079)	(94,555)	444%
NET INCOME	(710,969)	(1,052,731)	(915,671)	22%

Q3 2024 Financials: Balance Sheet

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Balance Sheet (USD)	Q3 2024	Q2 2024	Q3 2023	Change Y/Y Increase / (Decrease) vs. Q3 2023
ASSETS				
Treasury Balances	4,282,959	5,321,010	5,233,218	(18%)
Trade Receivables	564,529	180,564	77,495	628%
Security Deposit	-	-	0	
TOTAL ASSETS	4,847,488	5,501,574	5,310,713	(9%)
LIABILITIES AND EQUITY				
Accounts Payable	253,735	196,215	3,105	8,072%
Accrued Expenses	126,580	127,218	8,000	1,482%
TOTAL CURRENT LIABILITIES	380,315	323,433	11,105	3,325%
EQUITY				
Retained Earnings	(23,109,111)	(23,109,111)	(23,094,194)	-
Equity	28,774,655	28,774,655	28,774,655	-
Net Income	(1,198,371)	(487,402)	(380,852)	(215%)
TOTAL EQUITY	4,467,173	5,178,142	5,299,609	(16%)
TOTAL LIABILITIES AND EQUITY	4,847,488	5,501,575	5,310,714	(9%)

02 OpEx v Budget

OpEx Q3 2024	Actual (USD)	Budget (USD)	Deviation (USD)	Deviation (%)
Adoption	139,734	174,755	(35,021)	(20%)
Development	558,313	490,275	68,038	14%
Operations	338,658	212,325	126,333	60%
Total	1,036,706	877,355	159,351	18%

OpEx Q3 2024		Actual (USD)	Budget (USD)	Deviation (USD)	Deviation (%)
Adoption	Headcount	120,434	127,955	(7,521)	(6%)
	Other Expenses	19,300	46,800	(27,500)	(59%)
	Total	139,734	174,755	(35,021)	(20%)
Development	Headcount	453,653	392,351	61,032	16%
	Other Expenses	104,661	97,924	6,737	7%
	Total	558,313	490,275	68,038	14%
Operations	Headcount	94,514	162,225	(67,711)	(42%)
	Other Expenses	244,144	50,100	194,044	387%
	Total	338,658	212,325	126,333	60%
Total		1,036,706	877,355	159,351	18%

Q3 2024 Financials: Operating Expenses Detail (Monthly)

OpEx Q3 2024 Monthly Averages		Actual (USD)	Budget (USD)	Deviation (USD)	Deviation (%)
Adoption	Headcount	40,145	42,652	(2,507)	(6%)
	Other Expenses	6,433	15,600	(9,167)	(59%)
	Total	46,578	58,252	(11,674)	(20%)
Development	Headcount	151,218	130,784	20,434	16%
	Other Expenses	34,887	32,641	2,246	7%
	Total	186,104	163,425	22,679	14%
Operations	Headcount	31,505	54,075	(22,750)	(42%)
	Other Expenses	81,381	16,700	64,681	387%
	Total	112,886	70,755	42,111	60%
Total		345,569	292,452	53,117	18%

03 Treasury Balances

Treasury Balances	Q3 2024	Q3 2023	Change Y/Y (USD) vs. Q3 2023	Change Y/Y (%) vs. Q3 2023
Constant Currency				
BTCUSD Price*	27,983	27,983	0	0%
TOTAL ASSETS (USD)	¹ 3,787,558	5,310,714	(1,523,155)	(29%)
Implied Runaway (Mos)	13	18	(5)	
Current Currency				
BTCUSD Price*	63,329	27,983	35,546	126%
TOTAL ASSETS (USD)	² 4,847,488	5,310,714	(463,225)	(9%)
Implied Runaway (Mos)	16	18	(2)	

¹ Without impact of asset price changes

² With impact of asset price changes

*Proxy for asset prices. See Appendix for details.

04 SOV

Summary Programmatic and Non-Programmatic Distributions

Source	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024	Claimed/ Withdrawn	Supplied
Available for Distributions*	7,741,307	15,838,571	11,829,032	14,996,684	15,857,288	16,717,892	-	-
Programmatic Distributions	2,231,272	3,189,584	2,545,916	791,154	403,748	175,860	9,337,534	10,705,542
Non-Programmatic Distributions	872,904	2,087,735	2,971,951	206,797	186,769	75,154	6,401,311	6,541,497
Total Distributions	3,104,177	5,277,319	5,517,867	997,951	590,518	251,014	15,738,845	17,247,038
Remaining Balance	4,637,130	10,561,252	6,311,165	13,998,733	15,266,770	16,446,878	-	-
Remaining Balance (%)	60%	67%	53%	93%	96%	98%	-	-

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

Programmatic Distributions

Type	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024	Claimed/ Withdrawn	Supplied	% (Total)
Liquidity Mining	2,176,942	2,841,556	1,876,431	379,593	178,731	89,151	7,542,404	8,416,195	78%
Staking	54,330	348,028	645,428	407,135	223,516	85,002	1,763,440	2,239,347	21%
Zero SP Subsidies	-	-	24,057	4,426	1,501	1,706	31,690	50,000	1%
Total	2,231,272	3,189,854	2,545,916	791,154	403,748	175,860	9,337,534	10,705,542	100%

Non-Programmatic Distributions

Type	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024	Claimed/ Withdrawn	Supplied	% (Total)
Contributor Bonus	65,602	101,448	1,890,000	120,000	33,824	0	2,210,874	2,210,874	34%
Contributor Comp	319,206	950,162	660,471	43,552	63,714	40,033	2,077,138	2,077,138	32%
Strategic Round	436,805	716,536	0	0	0	0	1,153,342	1,293,528	20%
Bug Bounty	3,480	24,503	420,980	1,803	5,331	0	456,097	456,097	7%
Development Bounty	34,473	283,161	0	10,000	0	0	327,634	327,634	5%
Adoption Bounty	13,339	11,925	500	31,441	13,634	0	70,839	70,839	1%
Liquidity Mining	0	0	0	0	70,267	35,120	105,387	105,387	2%
Total	872,904	2,087,735	2,971,951	206,797	186,769	75,154	6,401,411	6,541,497	100%

05 Q&A

06 Appendix

Q3 2024 Financials: Treasury Balances CONSTANT CURRENCY Y/Y

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Q3 2023	BTC	BitPro	ETH	BNB	MOC	SOV*	USD**	USD***	Total (USD)
Balance	80.98	4.07	131.57	52.73	201,566.98	417,103.88	2,484,798	77,495	5,310,713
Price	27,984	30,876	1,645,64	233.00	0.1200	0.25	1.0000	1.0000	
USD	2,266,122	125,565	216,510	11,759	24,188	104,276	2,484,798	77,495	
45%		7%					48%		

Q3 2024	BTC	BitPro	ETH	BNB	MOC	SOV*	USD**	USD***	Total (USD)
Balance	13.60	4.08	232.73	116.11	327,786.29	448,271.02	2,156,316	564,529	3,787,558
Price	27,984	30,876	1,645,64	233.00	0.1200	0.25	1.0000	1.0000	
USD	380,568	125,858	382,991	25,893	39,334	112,068	2,156,316	564,529	
13%		15%					72%		

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

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

Q3 2024 Financials: Treasury Balances CURRENT CURRENCY Y/Y

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Q3 2023	BTC	BitPro	ETH	BNB	MOC	SOV*	USD**	USD***	Total (USD)
Balance	80.98	4.07	131.57	52.73	201,566.98	417,103.88	2,484,798	77,495	5,310,713
Price	27,984	30,876	1,645.64	233.00	0.1200	0.2500	1.0000	1.0000	
USD	2,266,122	125,565	216,510	11,759	24,188	104,276	2,484,798	77,495	
45%		7%					48%		

Q3 2024	BTC	BitPro	ETH	BNB	MOC	SOV*	USD**	USD***	Total (USD)
Balance	13.60	4.08	232.73	116.11	327,786.29	448,271.02	2,156,316	564,529	4,847,488
Price	63,329	77,895	2,603.06	567,26	0.1085	0.5367	1.0000	1.0000	
USD	861,255	317,525	605,813	65,865	35,580	240,605	2,156,316	564,529	
24%		20%					56%		

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

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



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DEFI FOR BITCOIN