

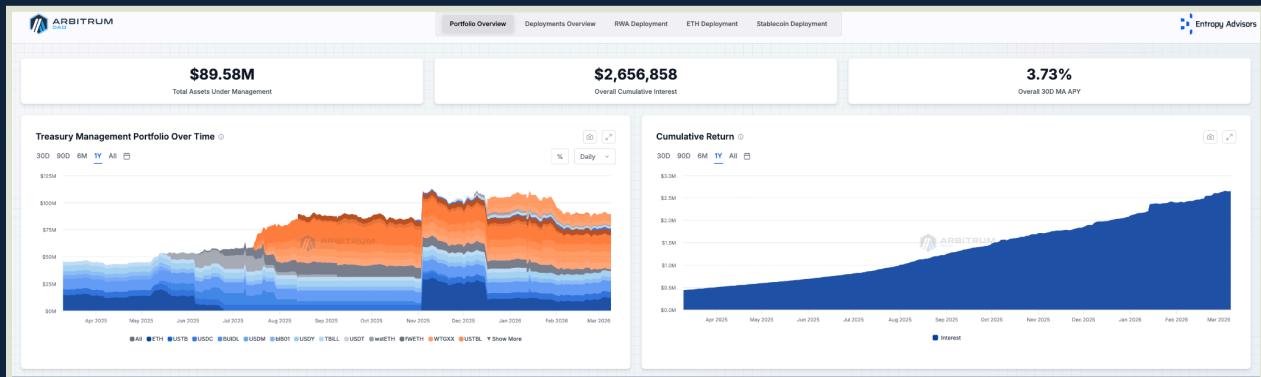
Arbitrum Treasury Management

January & February 2026 Report

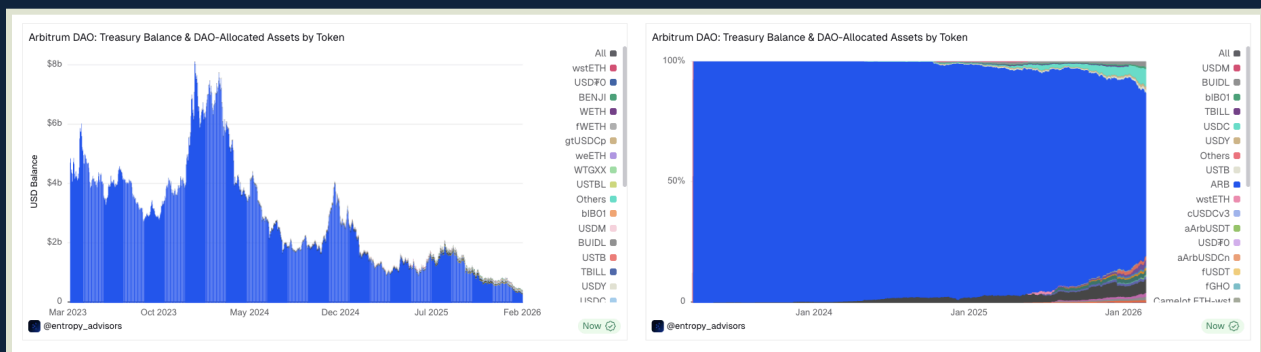
Presented by Entropy Advisors

Entropy's Treasury Management Dashboards

ARBData: Arbitrum DAO Treasury Management



Arbitrum DAO Treasury Balance & DAO-Allocated Assets



Notes On Report Data

- Data as of February 28, 2026, unless otherwise noted
- USDC reserved to cover fees paid to service providers that the ATM Council might engage with have been excluded from the portfolio, while USDC held on centralized exchanges and non-traceable wallets following ARB liquidations have been included in historical figures
- To derive figures related to volatile assets and yield earned from their deployments, this report utilizes, from time to time, increases/decreases denominated in the underlying and combines this with beginning-of-period/end-of-period prices for these assets
- This report reflects minor updates to the calculation methodologies for RWAs and APYs used in the prior reporting periods
- While the investment in USDY was made in Oct '24, tokens were only minted onchain in Dec '24 due to a 45-day minting window set by the provider. Historical holdings have been manually adjusted to include this position
- The Arbitrum Foundation also has investments in BUIDL. Due to limitations in the interest distribution mechanism, the Foundation's interest is distributed into the same wallet as the DAO's, which affects the precision of certain BUIDL-related calculations
- WTGXX interest is paid in the following month, but is accrued and reflected here in the month in which it has been earned
- The GMX GLV Vault position is assumed to constantly consist of a 50/50 allocation between WETH and USDC

Table of Contents

- 1. DAO Treasury Management..... 1
 - 1.1 Portfolio Overview..... 1
 - 1.2 Notable Events During January & February..... 3
- 2. Treasury Mgmt. Assets & Strategies..... 4
 - 2.1 Overview of January & February..... 4
 - 2.2 RWA Positions..... 5
 - 2.2.1 Position-Level Allocations (Jan & Feb '26)..... 6
 - 2.3 ETH & ETH-Correlated Positions..... 6
 - 2.3.1 Position-Level Allocations (Jan & Feb '26)..... 9
 - 2.4 Stablecoin Positions..... 9
 - 2.5 Incentive Inflows..... 11
 - 2.6 Active ARB Positions..... 13
- 3. Disclaimers..... 14

1. DAO Treasury Management

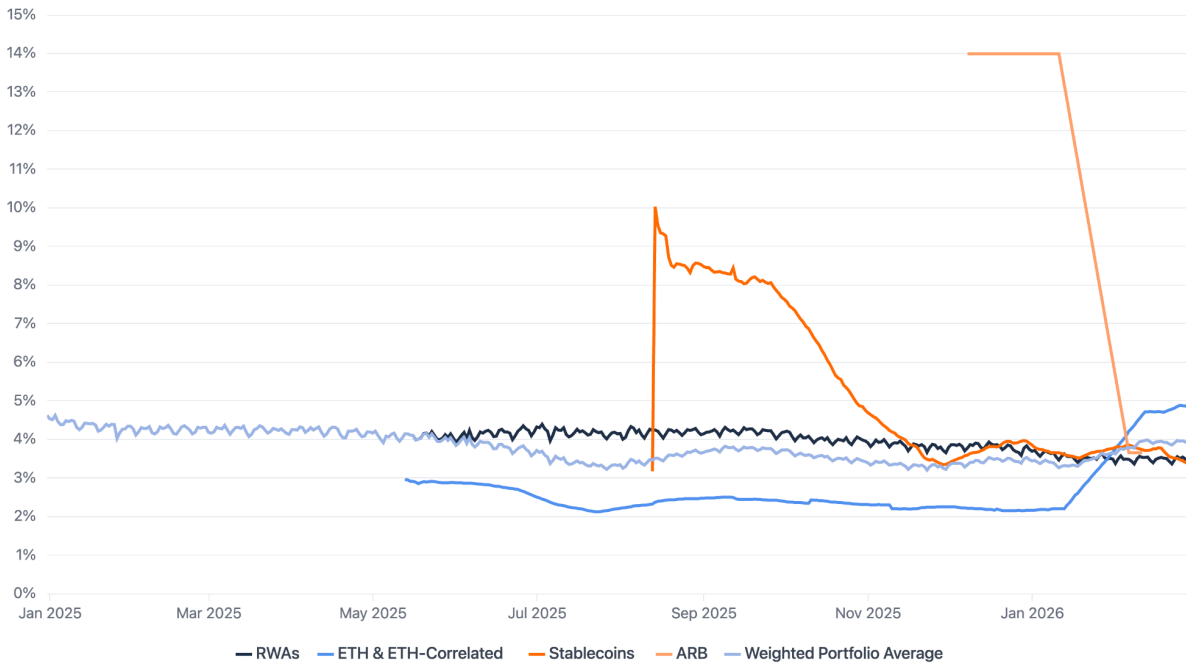
1.1 Portfolio Overview

Portfolio Size \$88M (16%) Dec-Feb Change	Volatile Asset Price Change (\$17M) Previous 2M: (\$7M)	Yield Earned & DeFi Returns \$502K +13% 2M-on-2M Change
--	--	--



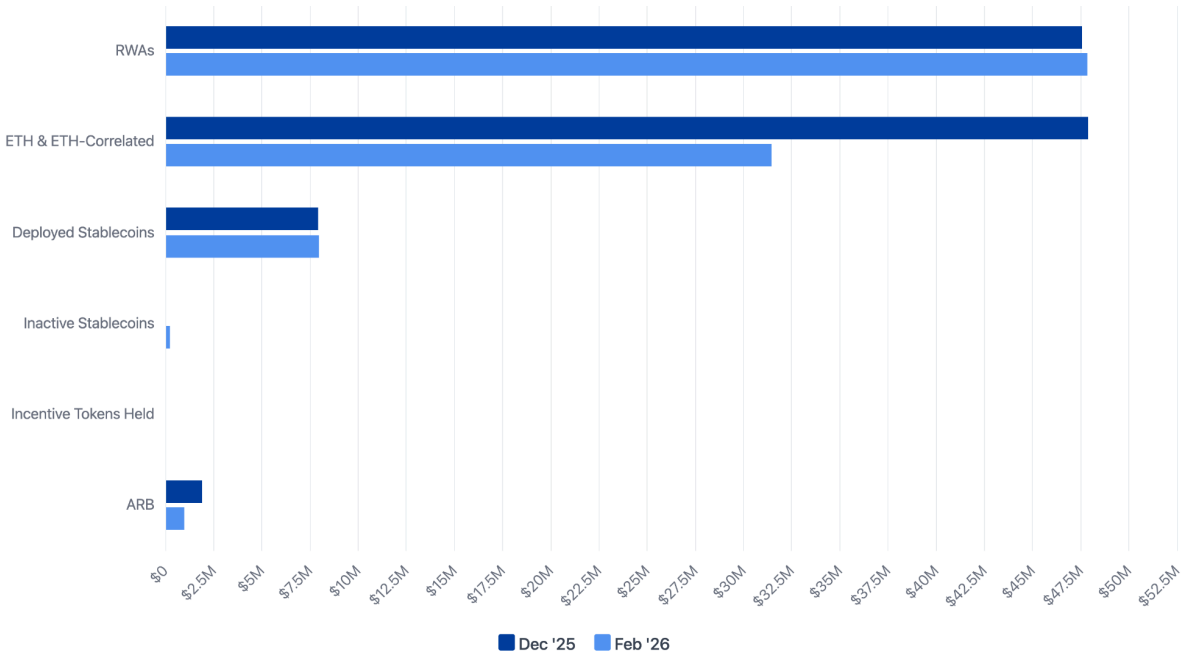
Deployment Types – 30D MA APY

Note: Excludes Camelot, Compound, & GMX. Incorporates an estimated incentives yield for kpk. Covered call returns expressed as an APR

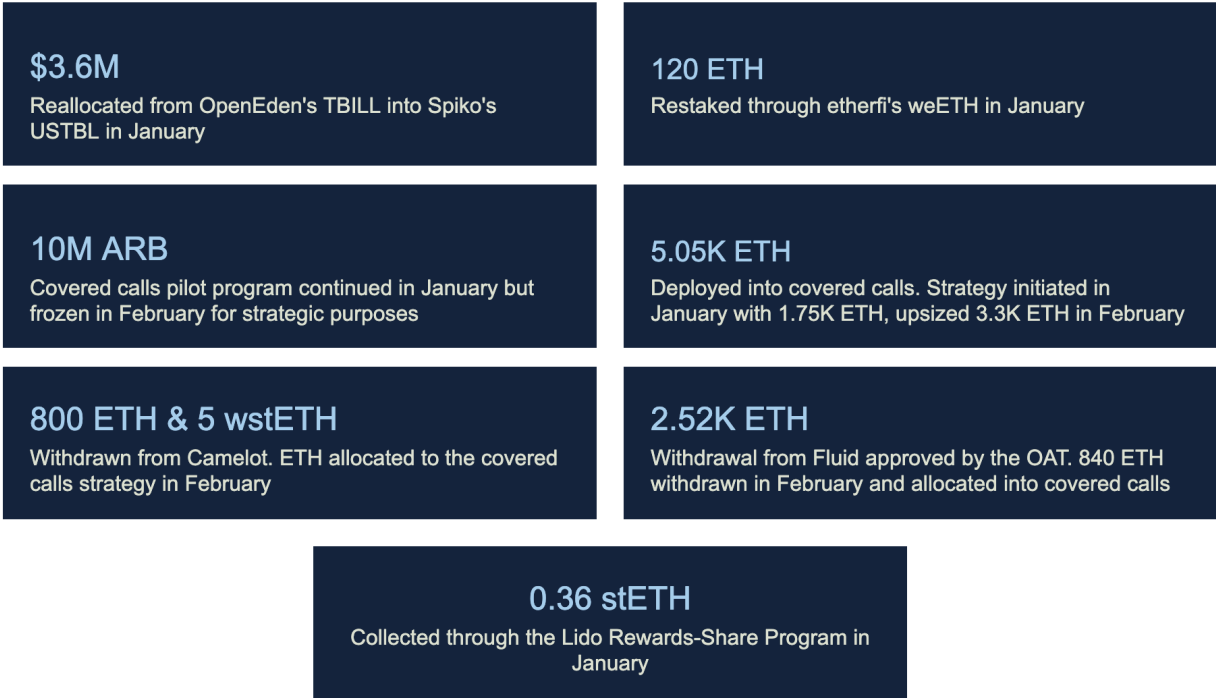


Asset Allocation Across Different Categories

All categories within the maximum acceptable weight ranges as defined in the IPS



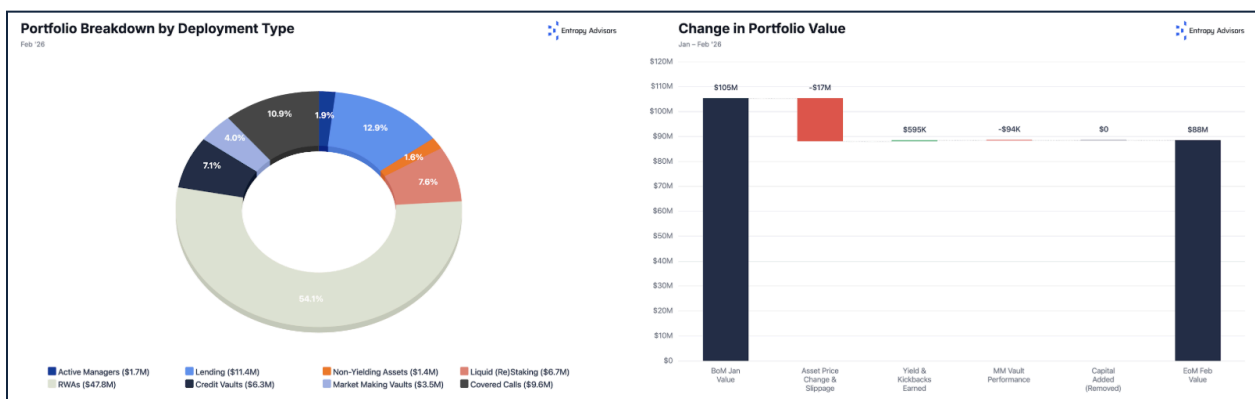
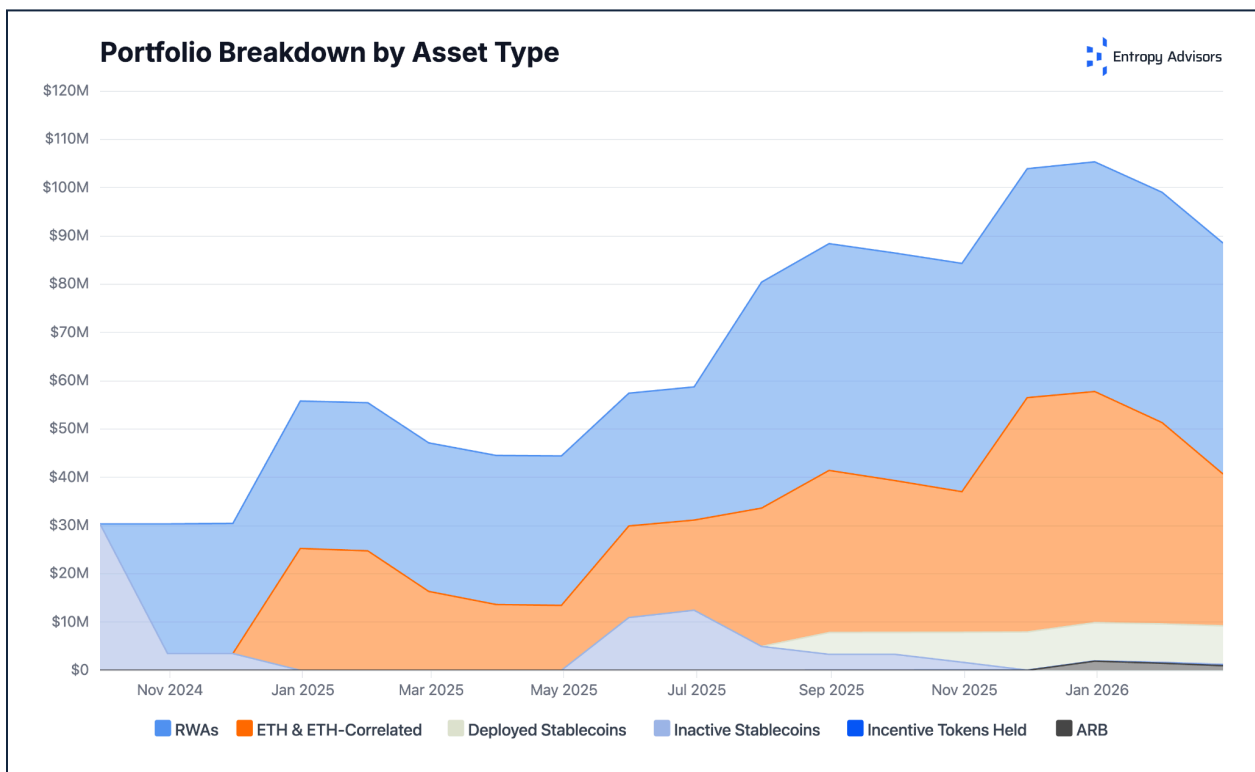
1.2 Notable Events During January & February



2. Treasury Mgmt. Assets & Strategies

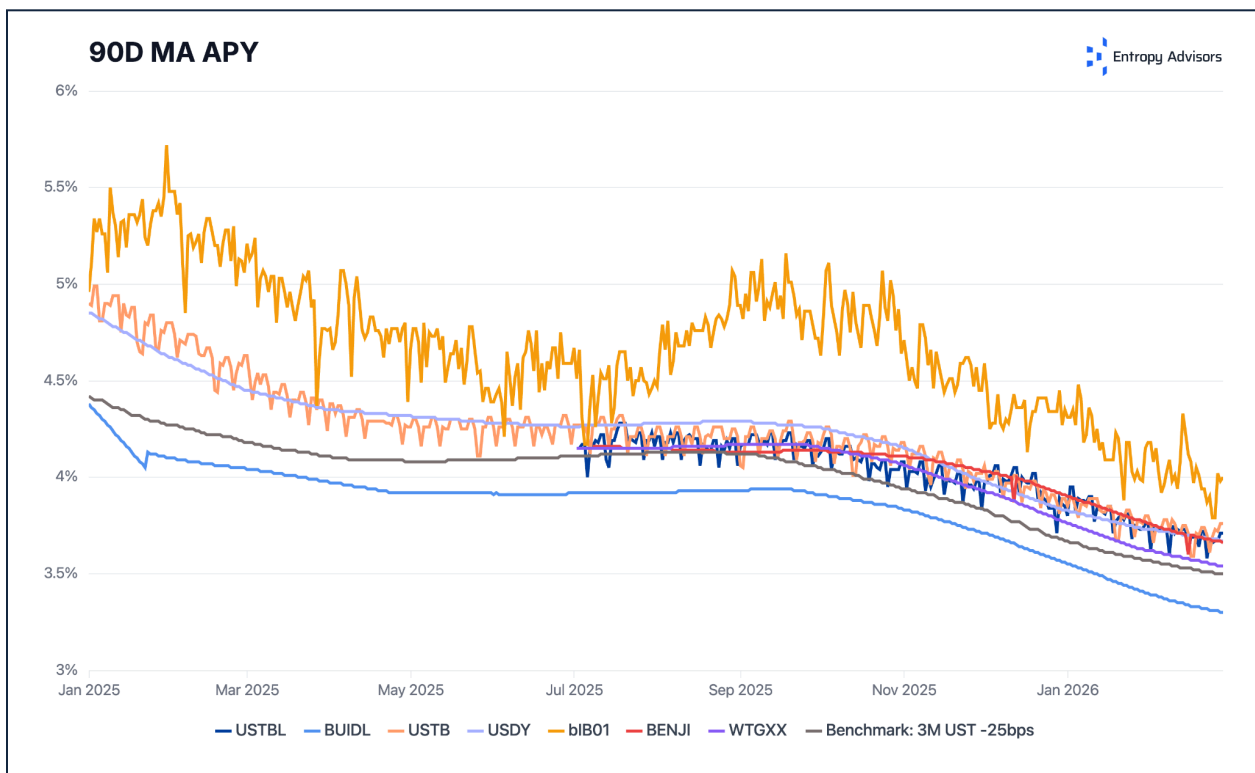
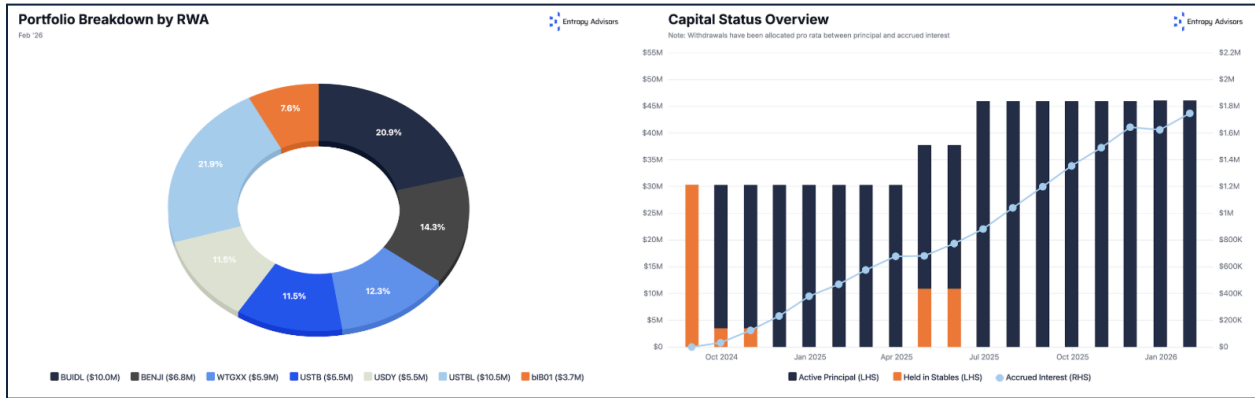
2.1 Overview of January and February

Following challenging market conditions in Q4, ETH continued trending downwards in January and February. The price decreased by ~ 36% over the two months, leading to a ~\$16M loss in the value of the DAO's ETH and ETH-correlated positions. No new capital additions were made to the aggregate portfolio, with the total holdings falling from \$105M to \$88M. As of February end, the portfolio comprised ~36% ETH & ETH-correlated assets, ~54% RWAs, ~9% stablecoins, ~1% ARB (inactive), and 4bps incentive tokens.



2.2 RWA Positions

In January, ~\$3.6M worth of OpenEden’s TBILL was liquidated and reallocated into Spiko’s USTBL. The ATMC is actively looking for possible further ways to consolidate the RWA holdings, with decisions mainly driven by risk-adjusted return profiles as well as opportunities to strengthen ecosystem-related partnerships. Over January and February, the DAO earned ~\$256K in interest from RWAs.



2.2.1 Position-Level Allocations (Jan & Feb '26)

Asset	Issuer	Principal	Principal & Accrued Interest	Jan & Feb Interest	30D MA APY	Accrued Interest
BUIDL	BlackRock	\$9,500,609	\$10,007,653	\$50,459	3.24%	\$507,043
BENJI	Franklin Templeton	\$6,691,332	\$6,848,765	\$39,010	3.59%	\$157,433
WTGXX	WisdomTree	\$5,735,428	\$5,863,054	\$32,966	3.49%	\$127,626
USTB	Superstate	\$5,194,875	\$5,495,784	\$30,194	3.45%	\$300,909
USDY	Ondo Finance	\$5,194,875	\$5,493,070	\$31,560	3.56%	\$298,195
USTBL	Spiko	\$10,303,987	\$10,466,083	\$48,615	3.42%	\$162,096
blB01	Backed Finance	\$3,463,250	\$3,657,523	\$19,284	4.08%	\$194,273
TBILL	OpenEden	\$0	\$0	\$3,848	n/a	\$0
Total	—	\$46,084,356	\$47,831,932	\$255,936	3.49%	\$1,747,576

Note: withdrawals have been allocated pro rata between principal and accrued interest

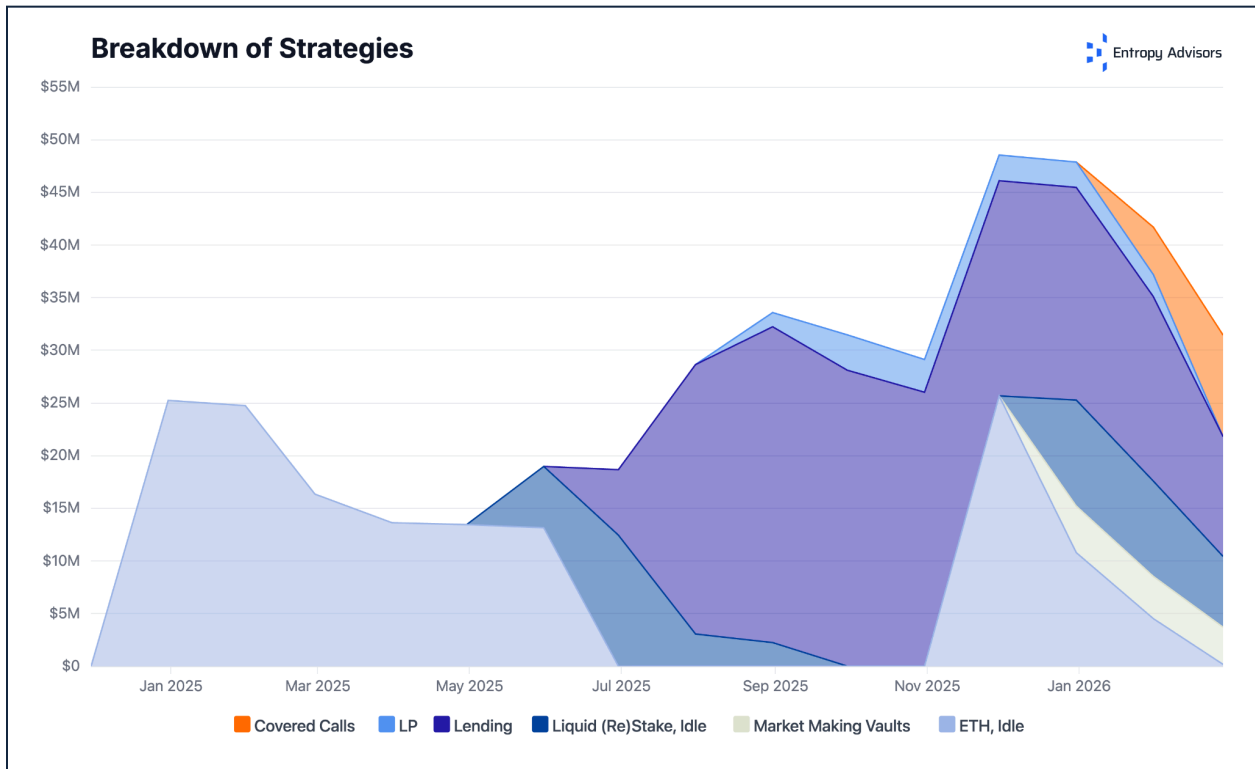
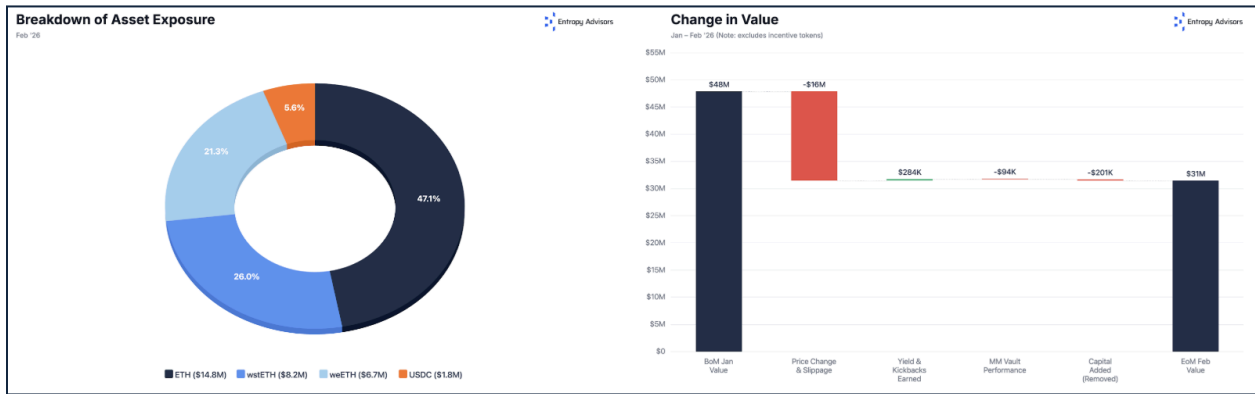
2.3 ETH & ETH-Correlated Positions

The AF deployed the remaining 120 ETH of the OAT-approved 3.5K ETH position into etherfi's weETH in January. Following the OAT's approval of initiating a 3.5K ETH covered call strategy, 1.75K ETH was allocated during January, with the remainder deployed in February.

As communicated in previous reports, the OAT approved the reallocation of the DAO's Camelot and Fluid positions. The former was wound down in early February, with the Fluid withdrawals having been executed in multiple tranches to ensure users weren't negatively affected, and to let the market stabilize at a new equilibrium over time. 840 ETH was withdrawn in late February, and two other tranches of ~840 ETH each in early March. Of the withdrawn ETH, 1.55K ETH was used to upsize the covered calls strategy in February. As of the end of February, 5.05K ETH had been activated through covered calls, and the strategy will be further upsized shortly with the currently idle ETH from Fluid.

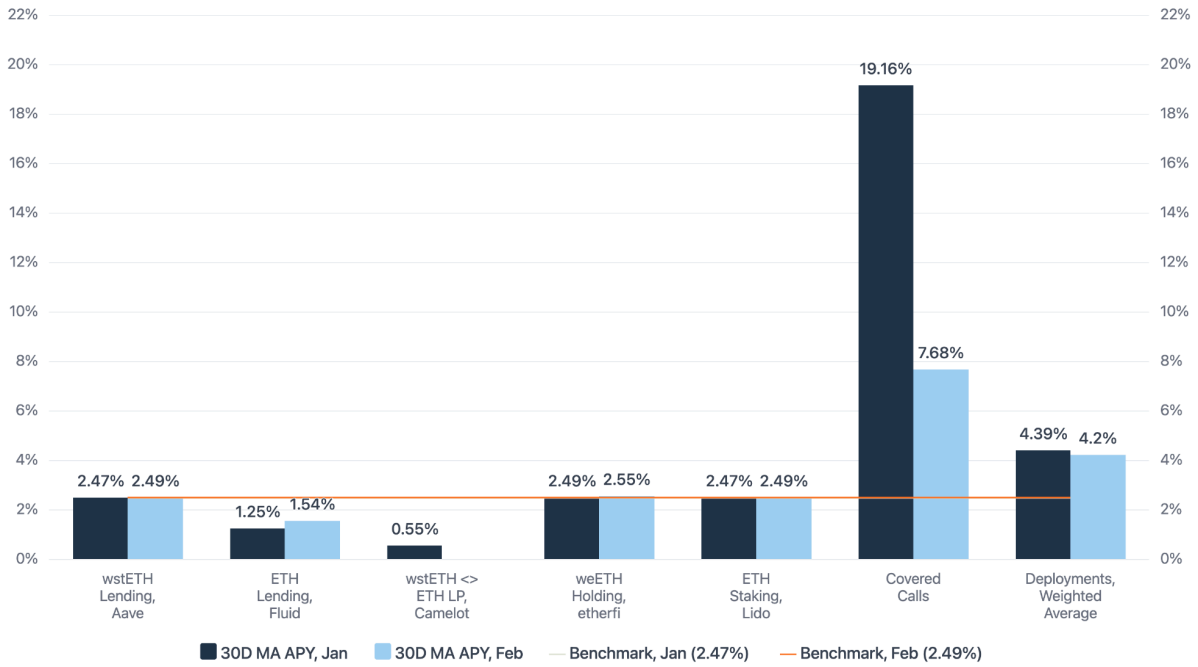
The GMX GLV WETH-USDC Vault recorded a cumulative performance loss of ~\$100K as of February month-end (performance is an estimation of vault fees earned, exposure to trader PnL, and rebalancing actions), having generated ~\$20K during the month but lost ~\$115K in January. However, it's important to note that since roughly 50% of ETH originally deposited into the vault was immediately converted into USDC, the position has provided notable downside protection as the price of ETH has continued to trend lower. At the end of February, the position's value was ~\$660K higher than it would have been had the DAO passively held the 1.5K ETH.

Finally, the DAO continues earning rewards through Lido's revenue-share program, having received 0.36 stETH in January, covering the Q4 '25 period.



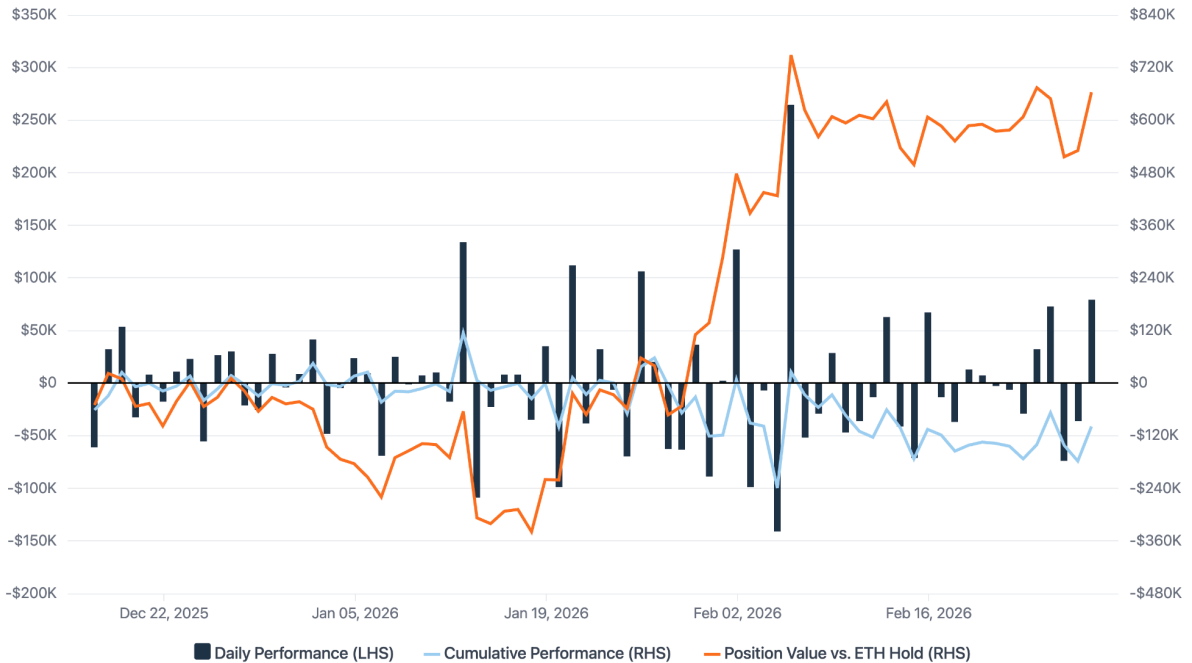
Relative Yield Performance

Camelot APY includes incentives with a 60% value discount due to lock-ups. Covered calls returns expressed as an APR



GMX GLV Vault (WETH-USDC) Performance

Note: Performance comprises fees earned, exposure to trader PnL, & rebalancing actions, while excluding the impact of ETH price movements



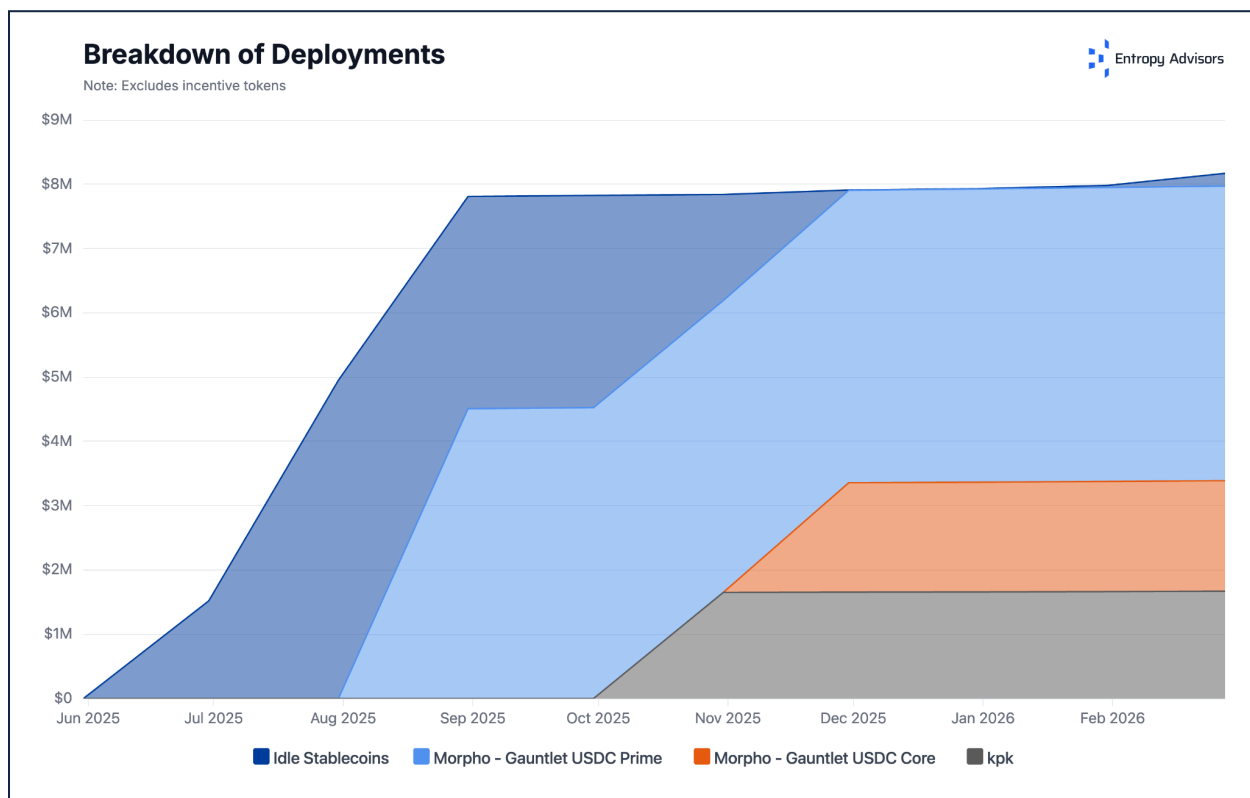
2.3.1 Position-Level Allocations (Jan & Feb '26)

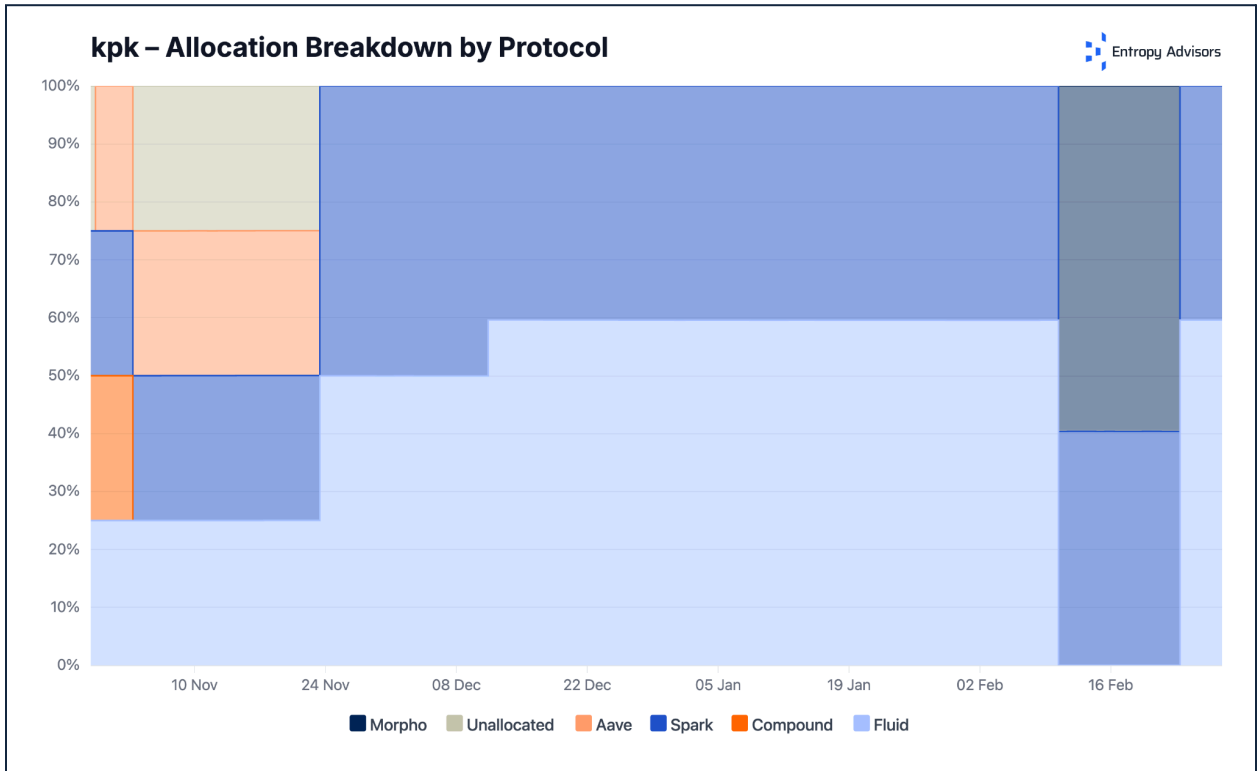
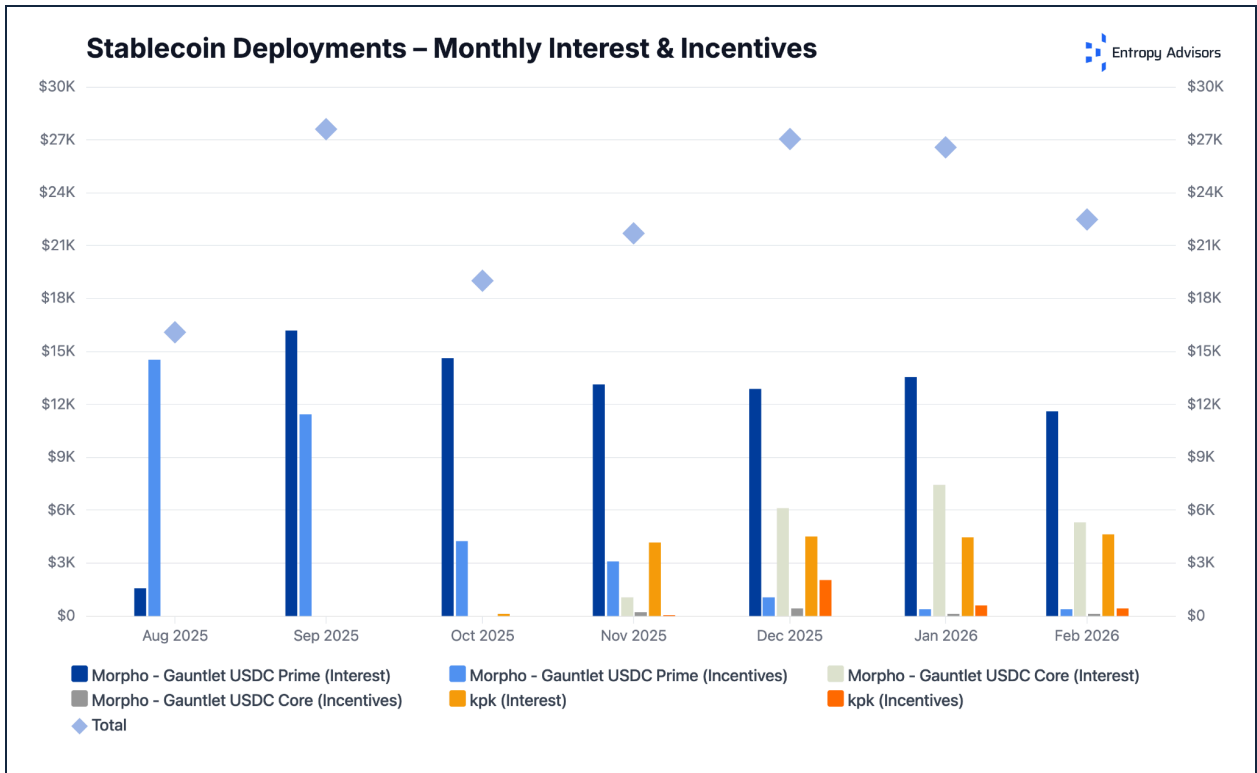
Type	Underlying	Protocol	BoM Jan Value	Price Change & Slippage	Position Increased (Decreased)	Jan & Feb Yield	EoM Feb Value	%-share
Lending	wstETH	Aave	\$12,690,133	(\$4,568,199)	\$0	\$38,299	\$8,160,233	25.9%
Lending	ETH	Fluid	\$7,499,928	(\$2,692,461)	(\$1,603,469)	\$12,248	\$3,216,246	10.2%
LP	wstETH & ETH	Camelot	\$2,406,418	(\$863,189)	(\$1,543,569)	\$340	\$0	0.0%
Liquid Staking	ETH	Lido	\$2,615	(\$1,216)	\$11,779	\$934	\$14,112	0.0%
Liquid Restaking	ETH	ether.fi	\$10,064,344	(\$3,699,954)	\$309,397	\$31,345	\$6,705,131	21.3%
MM Vault	ETH & USDC	GMX	\$4,418,413	(\$797,639)	\$0	(\$93,751)	\$3,527,023	11.2%
Covered Calls	ETH	OTC	\$0	(\$1,171,365)	\$10,610,354	\$200,913	\$9,639,902	30.7%
Idle ETH	—	—	\$10,794,425	(\$2,621,483)	(\$7,985,405)	\$0	\$187,536	0.6%
Total	—	—	\$47,876,276	(\$16,415,507)	(\$200,913)	\$190,328	\$31,450,184	100.0%

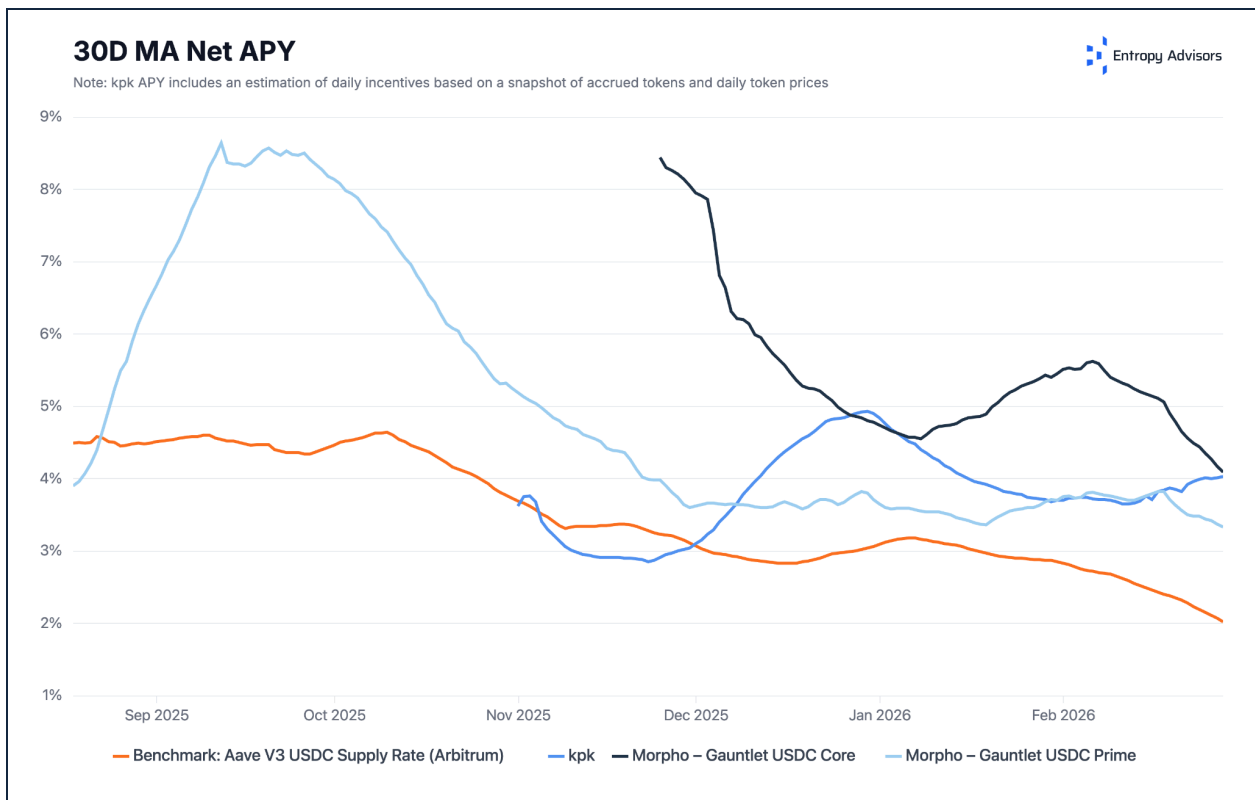
Note: Excludes effect of any incentive tokens received. Yield includes kickbacks and represents vault performance for GMX

2.4 Stablecoin Positions

No new stablecoin allocations/reallocations took place during January & February. Idle stablecoins in the portfolio have increased as a result of covered call proceeds paid out in February, which the ATMC aims to reallocate during March. The OAT approved an expansion of kpk's investment universe in early February to include syrupUSDC and kpk's USDC Yield V2 Morpho Vault to give the active manager access to a better set of risk-adjusted deployment opportunities. The DAO earned ~\$50K in interest, related kickbacks, and incentives through its stablecoin deployments in January and February.





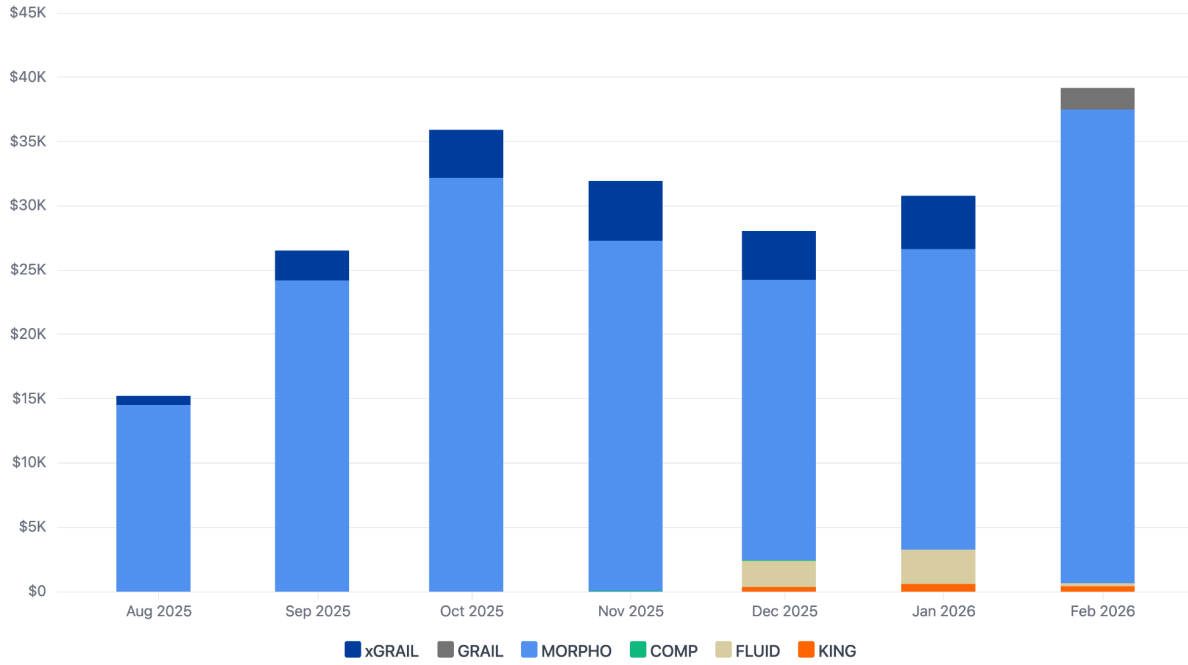


2.5 Incentive Inflows

The treasury management portfolio earned incentive tokens directly through the Camelot (xGRAIL), Morpho (MORPHO), and etherfi (KING) positions in January. It's worth noting that restaking rewards earned through weETH used to be distributed in the form of KING, but this was changed during January, where weETH now auto-compounds the rewards in the form of price appreciation. The DAO stopped earning xGRAIL in February as the position was divested, and all of the tokens were turned into GRAIL during the month. kpk additionally earned FLUID and MORPHO tokens in January and February. The aggregate value of incentive tokens held was ~\$39K at the end of February.

Breakdown of Incentive Tokens Held

Note: EoM liquid prices have been used for token values although xGRAIL must vest 15-180 days (50-0% discount) before becoming liquid



Change in Value

Jan - Feb '26



2.6 Active ARB Positions

The 10M ARB covered call pilot program continued in January, with new calls sold at far out-of-the-money strike levels. However, given the market conditions in February and unfavourable price movements across crypto, the strategy was frozen during the month.

3. Disclaimers

This Report is provided solely for informational purposes. The statements and materials contained herein do not constitute financial, investment, legal, or tax advice, nor do they represent an offer, solicitation, or recommendation to buy or sell any product, service, or asset. The information presented does not provide any advice, representation, warranty, certification, guarantee, or promise relating to the subject(s) of such statements. No representation or warranty of any kind (whether express or implied) is given as to the accuracy or completeness of this Report, and no party should rely on its contents for making any decisions, whether financial, legal, or otherwise.

The information included has not been audited or independently verified, and this Report has not been reviewed, approved, endorsed, or registered with any regulator or other governmental authority. Any party relying on this document does so entirely at their own risk and shall have no right of recourse against Entropy Advisors, its directors, employees, professional advisors, or agents (collectively, the "Relevant Parties"), none of whom accepts any liability or assumes any duty of care to any third party in respect of this Report.

The information herein should not be construed as a distribution, offer to sell, or solicitation to buy any products or services, and any past performance, projection, or forecast is not necessarily indicative of future results. The Relevant Parties undertake no obligation to update, supplement, or amend any statement that may become inaccurate or incomplete after the date of publication, and Entropy Advisors reserves the right to update, modify, or amend any information contained in this Report without prior notice.

