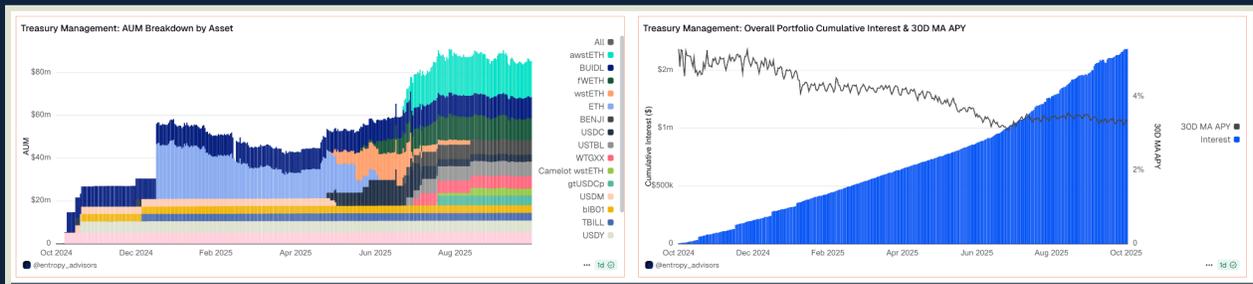


# Arbitrum Treasury Management

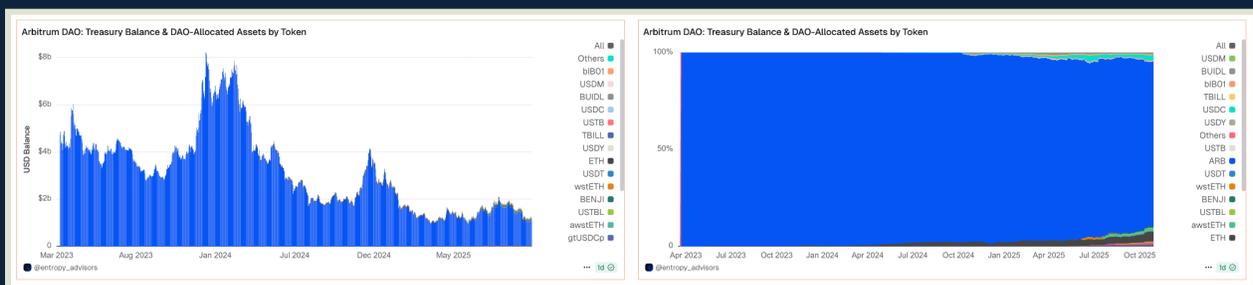
October 2025 Report  
Presented by Entropy Advisors

# Entropy's Treasury Management Dashboards

## Arbitrum DAO: Treasury Management



## Arbitrum DAO Treasury Balance & DAO-Allocated Assets



## Notes On Report Data

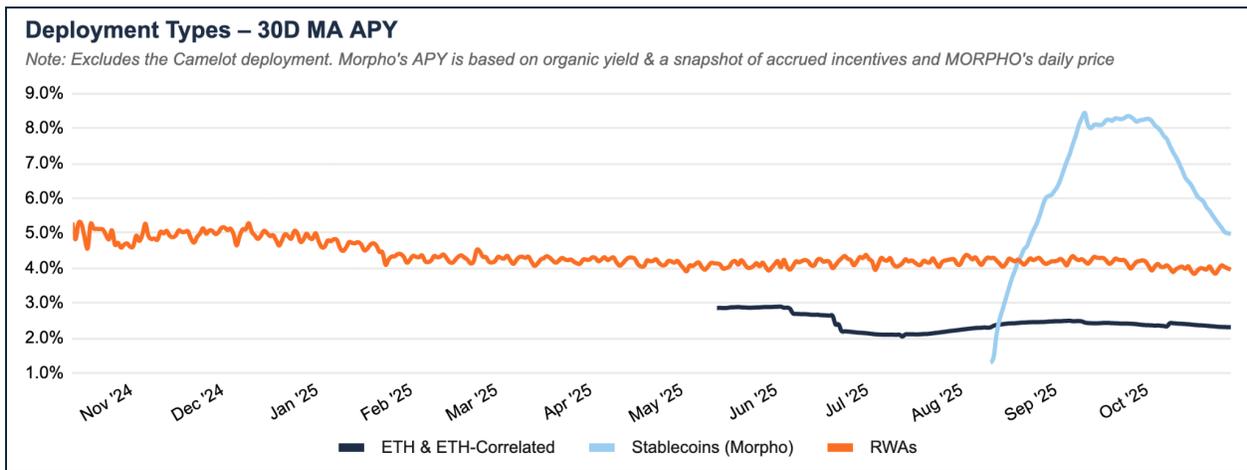
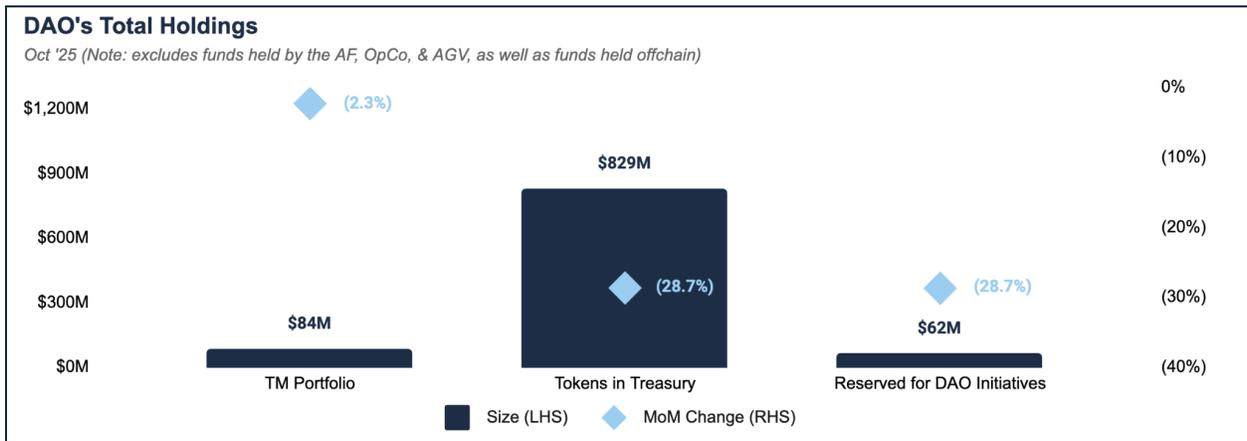
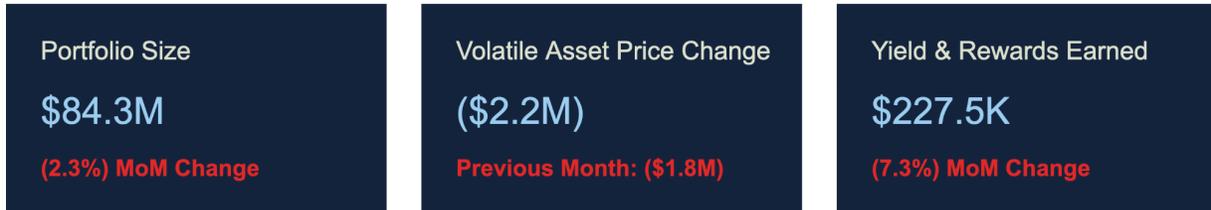
- Data as of October 31, 2025, unless otherwise noted
- ARB allocated for ARB-only strategies in relation to the Treasury Management V1.2 - TMC initiative, as well as USDC reserved to cover fees paid to service providers that the ATM Council might engage with, have been excluded from the portfolio, while 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 increases/decreases denominated in the underlying and combines this with beginning-of-period/end-of-period prices for these assets
- RWAs:
  - While the investment in USDY was made in October, tokens were only minted onchain in December 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

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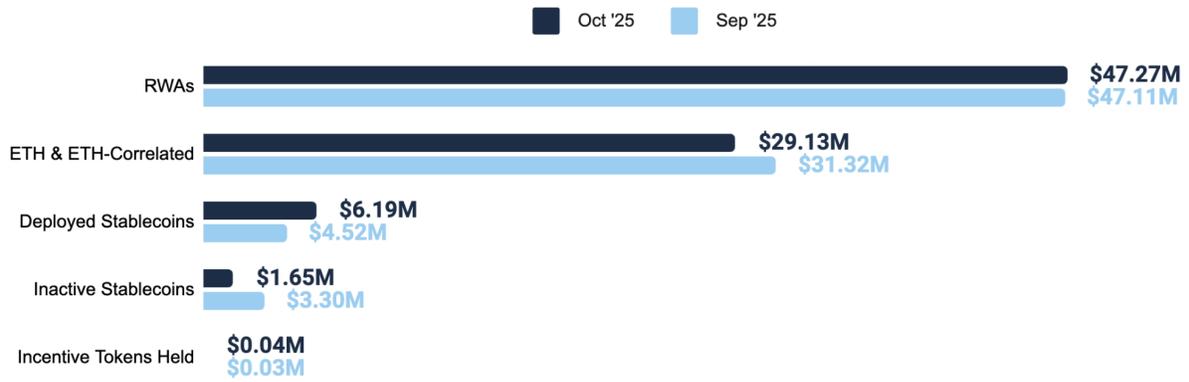
# 1. DAO Treasury Management

## 1.1 Portfolio Overview



### Asset Allocation Across Different Categories

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



## 1.2 Notable Events During the Month

### \$1.7M USDC

Deployed with kpk, the active stablecoin manager selected through the Treasury Management V1.2 initiative

### \$2K (0.5 stETH)

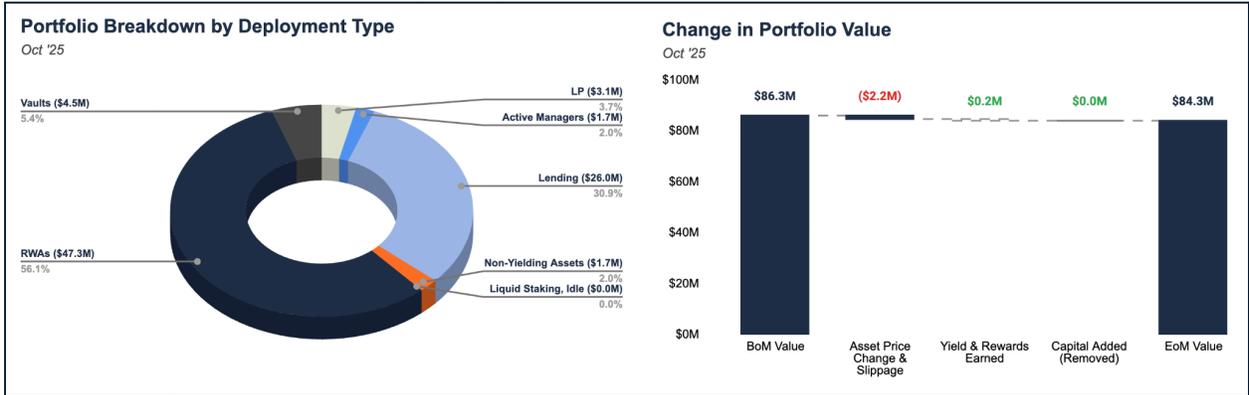
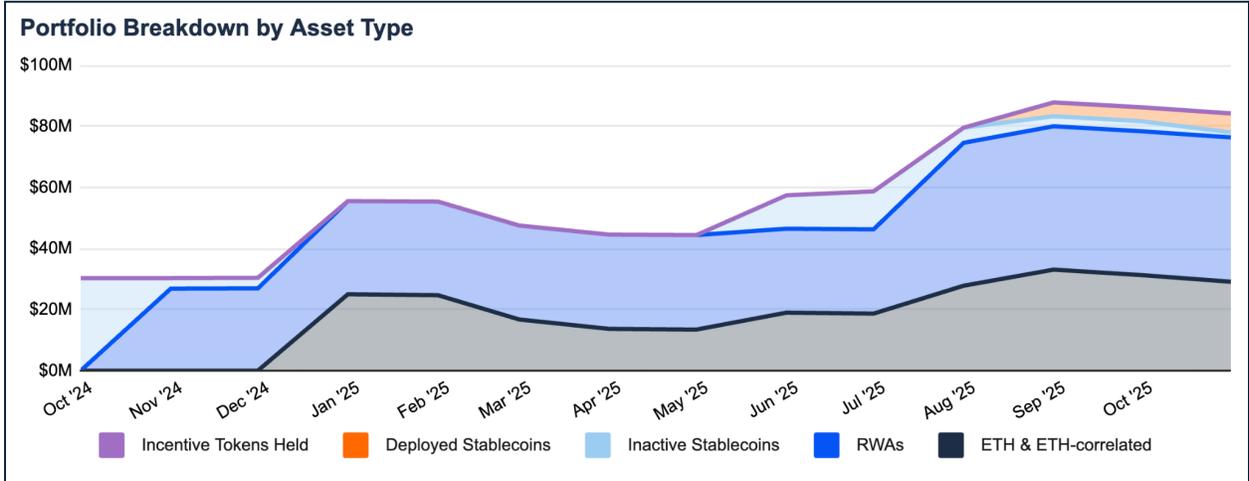
Collected through the Lido Reward-Share Program

# 2. Treasury Mgmt. Assets & Strategies

## 2.1 Overview of the Month

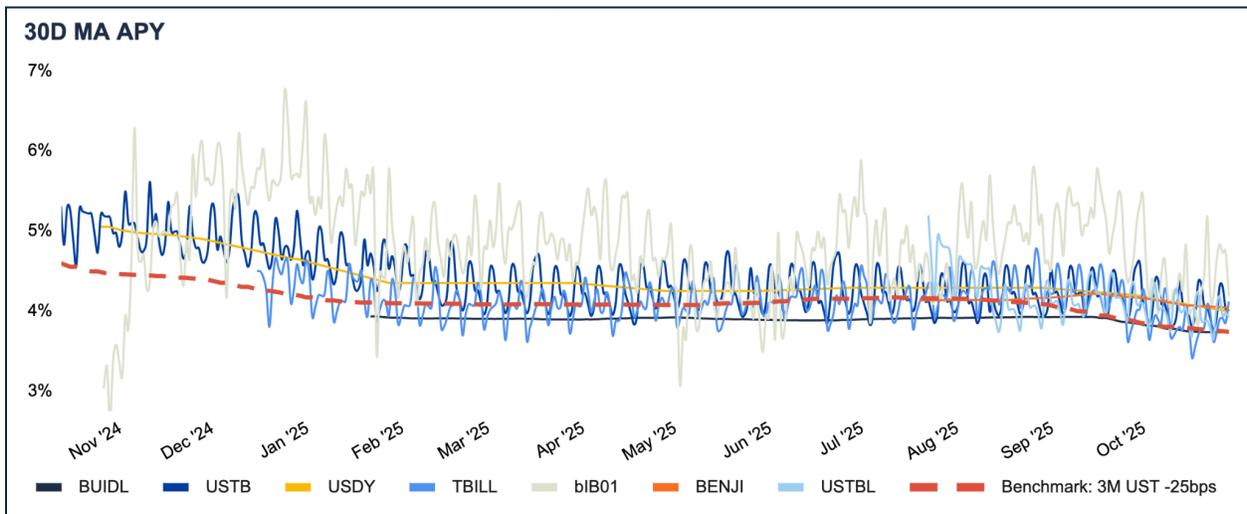
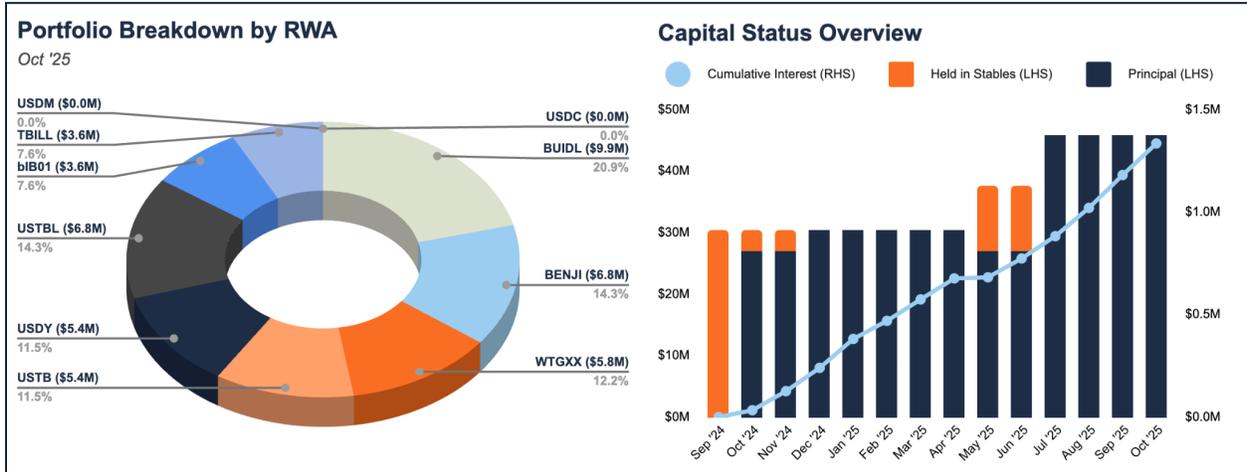
During October '25, the DAO's Treasury Management portfolio decreased by ~\$2M, driven by a ~\$2.2M loss in the value of ETH and ETH-correlated assets as the price of ETH declined by ~7%. As of October month-end, the \$84M portfolio comprised ~35% ETH & ETH-correlated assets, ~56% RWAs, ~5% deployed stablecoins, ~2% inactive stablecoins, and ~2% incentive tokens (escrowed tokens valued at liquid market price).

In early November, Balancer V2 was hacked, and many yield-bearing assets intended to be stable in value reported large losses in collateral backing the assets, leading to market instability. The DAO's treasury management assets remain secure with zero direct exposure to the aforementioned events. The ATMC also made several granular allocation and reallocation proposals to the OAT across all asset classes, which will be shared with the DAO once the OAT has evaluated the opportunities and made a decision.



## 2.2 RWA Positions

No new deployments or reallocations took place during October. The DAO earned \$154K in interest during the month, slightly down from the previous month's \$160K, at a month-end portfolio-weighted 30D MA APY of 3.96%.



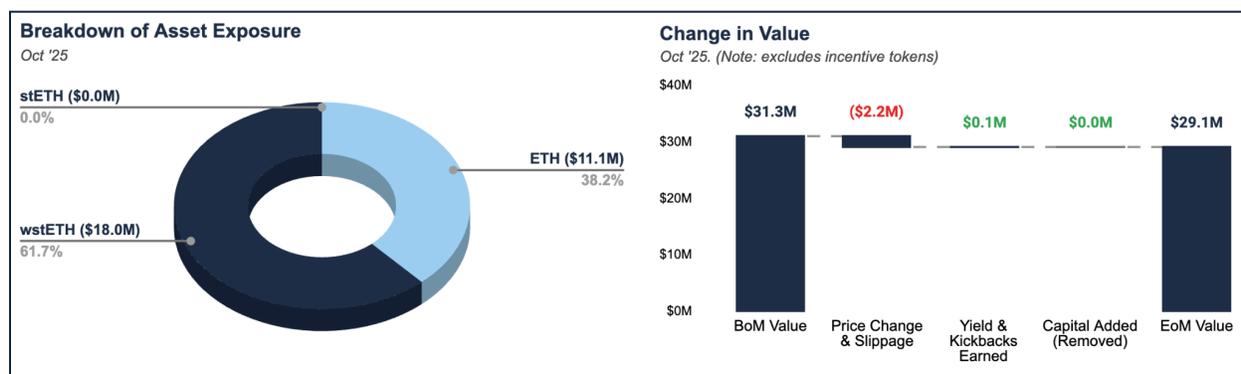
## 2.2.1 Position-Level Allocations (Oct '25)

Asset	Issuer	Net Invested Capital	Market Value	MTD Interest	MTD Balance-Weighted Annualized Yield	MoM Absolute Δ% in MTD Balance-Weighted Annualized Yield	30D MA APY	Cumulative Interest
BUIDL	BlackRock	\$9,500,351	\$9,900,634	\$30,750	3.66%	(0.37%)	3.72%	\$400,283
BENJI	Franklin Templeton	\$6,691,332	\$6,767,333	\$22,713	3.96%	(0.13%)	4.04%	\$76,001
WTGXX	WisdomTree	\$5,735,428	\$5,774,495	\$18,501	4.17%	0.31%	3.95%	\$39,067
USTB	Superstate	\$5,194,875	\$5,431,986	\$17,799	3.86%	(0.40%)	4.02%	\$237,111
USDY	Ondo Finance	\$5,194,886	\$5,428,009	\$18,051	3.92%	(0.19%)	4.00%	\$233,123
USTBL	Spiko	\$6,690,213	\$6,762,069	\$21,993	3.84%	(0.35%)	3.92%	\$71,856
bIB01	Backed Finance	\$3,463,250	\$3,612,145	\$12,244	4.00%	(0.35%)	4.19%	\$149,890
TBILL	OpenEden	\$3,463,250	\$3,590,793	\$12,064	3.96%	0.24%	4.12%	\$127,543
USDM	Mountain	\$0	\$157	\$0	n/a	n/a	n/a	\$91,496
<b>Total</b>	<b>—</b>	<b>\$45,933,585</b>	<b>\$47,267,621</b>	<b>\$154,115</b>	<b>3.89%</b>	<b>(0.19%)</b>	<b>3.96%</b>	<b>\$1,426,370</b>

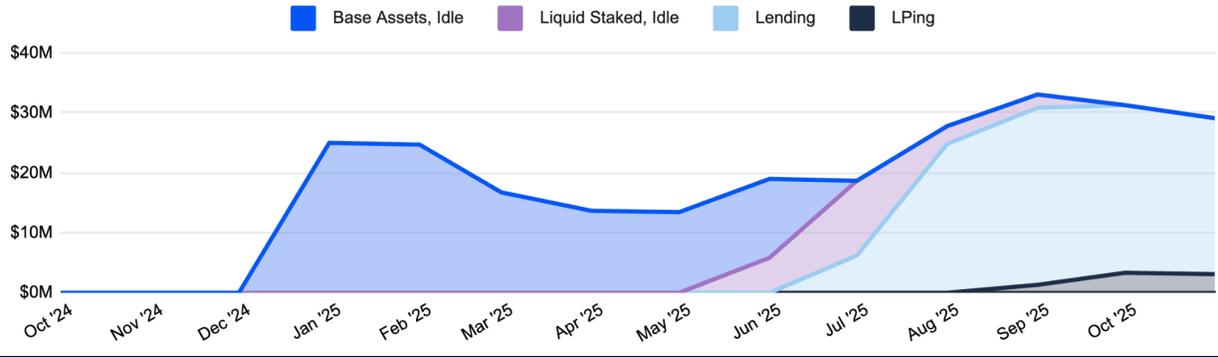
Note: WTGXX 30D MA APY based on WisdomTree's internal fund accounting and a 28-day rolling period

## 2.3 ETH & ETH-Correlated Positions

In October, the DAO received a 0.5 stETH fee kickback from Lido through the project's Rewards-Share Program for large stakers. This reward covers the period from when the DAO initially staked ETH to the end of Q3. Staked ETH holdings relative to ETH continued declining as a result of the wstETH <> ETH LP position on Camelot as the position rebalances, with staked ETH going from 64% of the total ETH-based asset exposure to 62%. During the month, \$53K of organic yield and kickbacks were earned, as well as ~8.3 xGRAIL tokens through the Camelot deployment, valued at ~\$1,800 (using the end-of-month GRAIL price, which is liquid unlike xGRAIL, having a vesting period between 15 and 180 days).

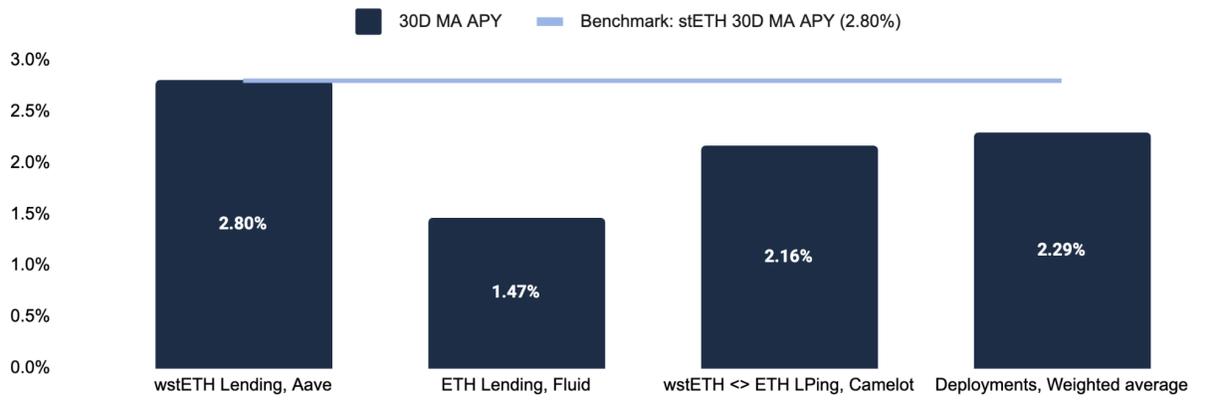


### Breakdown of Strategies



### Relative Yield Performance

Oct '25. (Note: Camelot APY includes incentives with a 60% value discount due to lock-ups and is calculated based on the 30D return compounded monthly)



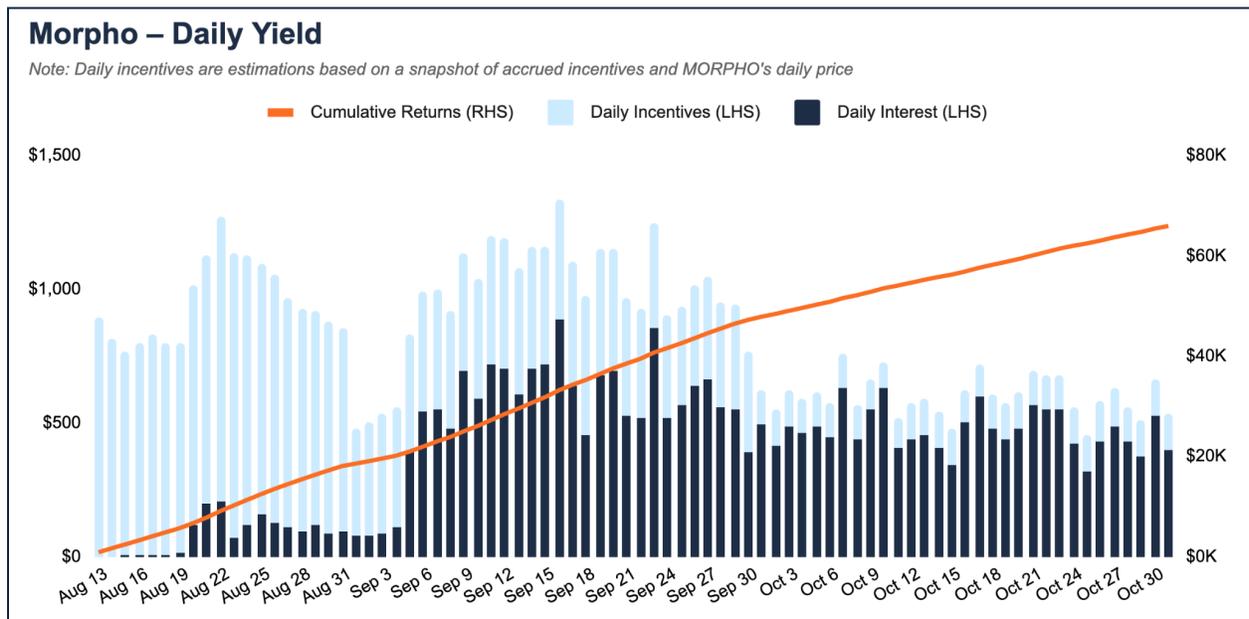
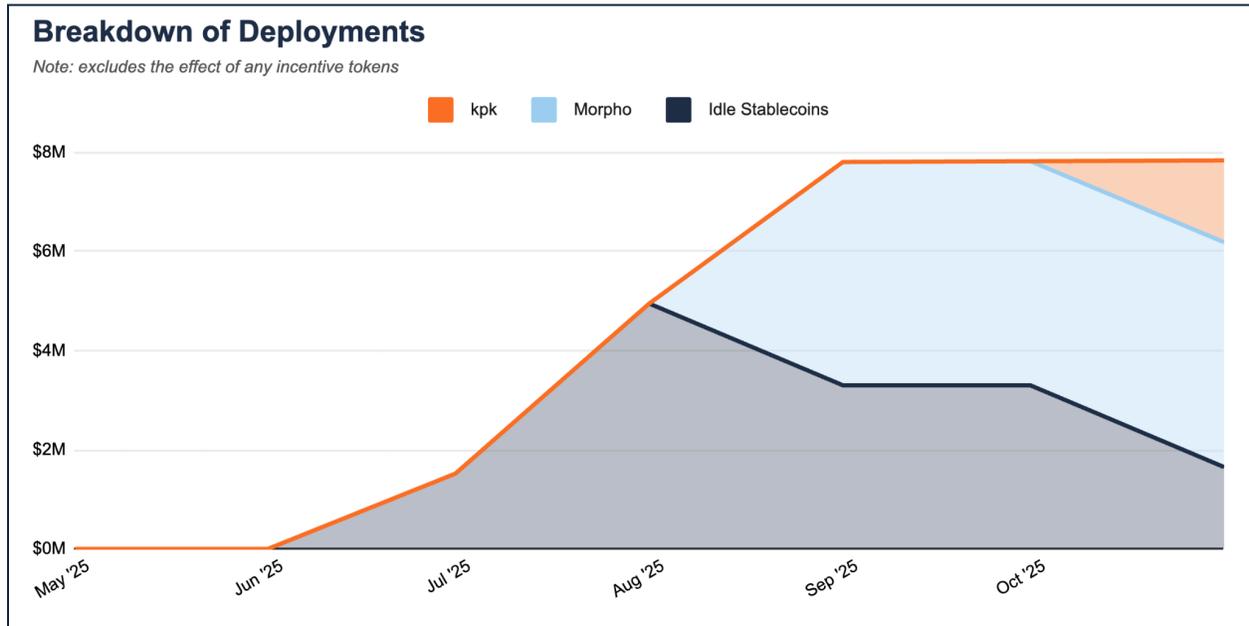
## 2.3.1 Position-Level Allocations (Oct '25)

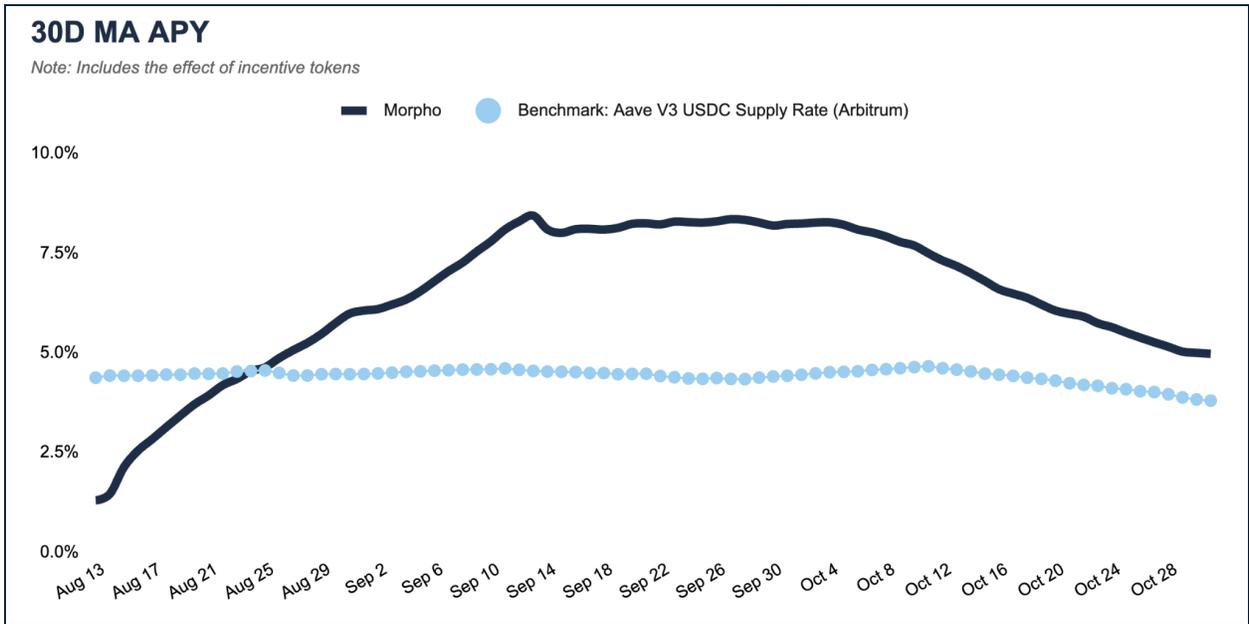
Type	Underlying	Protocol	BoM Value	Price Change & Slippage	Position Increased (Decreased)	MTD Yield	EoM Value	%-share
Lending	wstETH	Aave	\$17,549,672	(\$1,257,426)	\$0	\$38,158	\$16,330,404	56.1%
Lending	ETH	Fluid	\$10,405,353	(\$745,539)	\$0	\$11,973	\$9,671,786	33.2%
LPing	wstETH & ETH	Camelot	\$3,340,739	(\$234,936)	(\$517)	\$517	\$3,105,803	10.7%
Liquid Staking	ETH	Lido	\$212	(\$15)	\$245	\$1,924	\$2,366	0.0%
Idle ETH	—	—	\$20,630	(\$1,478)	\$272	\$0	\$19,423	0.1%
<b>Total</b>	—	—	<b>\$31,316,605</b>	<b>(\$2,239,394)</b>	<b>\$0</b>	<b>\$52,571</b>	<b>\$29,129,782</b>	<b>100.0%</b>

Note: Excludes effect of any incentive tokens received. MTD Yield includes kickbacks

## 2.4 Stablecoin Positions

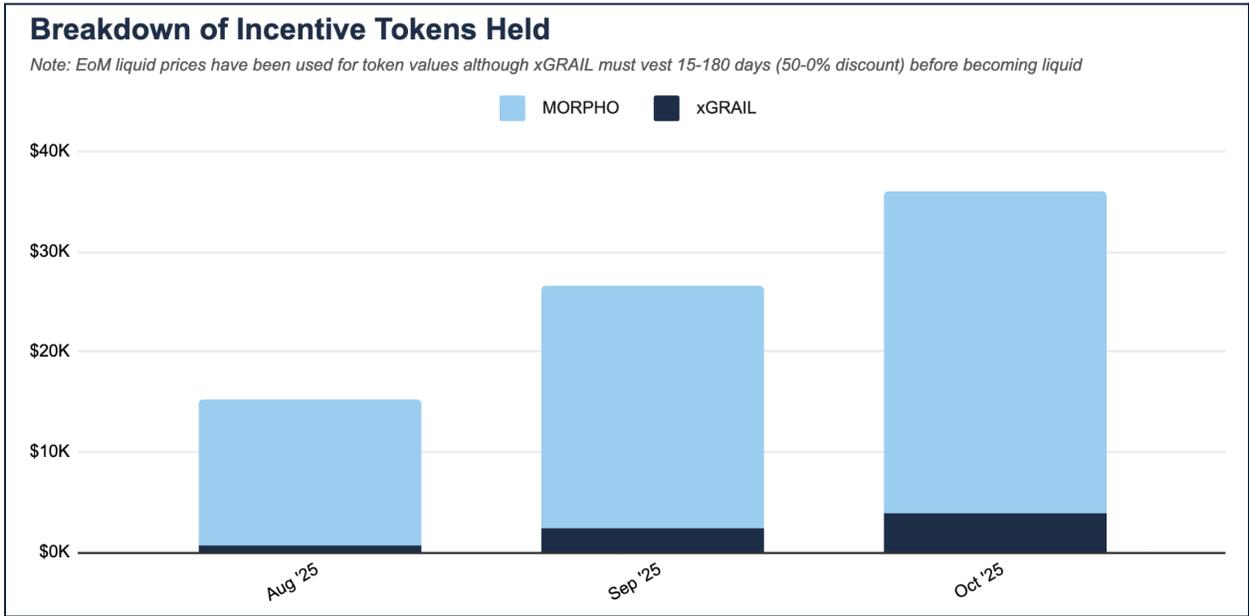
The asset management infrastructure was stood up for the DAO-chosen active stablecoin manager, kpk, during October. On the last day of the month, ~\$1.7M of stablecoins were deployed by kpk, and starting from November, the treasury management reports will include the manager's performance. The ATMC has submitted an allocation proposal to the OAT for the remaining idle stablecoins.





## 2.5 Incentive Inflows

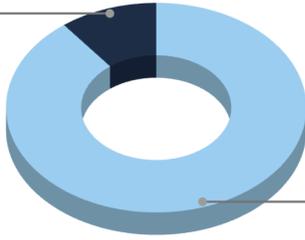
The treasury management portfolio earned incentive tokens through the Camelot (xGRAIL) and Morpho (MORPHO) positions during the month. The value of these tokens was ~\$36.0K at the end of October when valuing xGRAIL at the price of GRAIL, although it's important to note that xGRAIL must be vested for 6 months for the tokens to become liquid and be converted to GRAIL at a 1:1 ratio.



### Breakdown of Token Types

Oct '25

Escrowed (\$3.8K)  
10.5%



Liquid (\$32.1K)  
89.5%

### Change in Value

Oct '25



### 3. Disclaimers

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