Steakhouse Financial

Sky

Sky Protocol Economics

Q2 2025

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Executive Summary

In Q2 2025, we saw:

- Gross protocol revenue of 94.6M USDS (-5% vs Q1 ‘25), with 26.7M USDS Crypto vault revenue, 35.3M USDS PSM revenue, and 32.5M RWA revenue
- 34.0M in DSR and SSR expense, down from 69.7M last quarter (-51%)
- Total DAI/USDS supply decreased by 4%, with significant increase in Crypto vaults and RWAs, offset by decreases in PSM due to higher Spark Liquidity Layer allocations
- $SKY staking for USDS rewards was activated in Q2, initially set at 90M USDS per year
- The surplus buffer decreased from 102.3M to 76.0M, driven by a one-time 20.6M transfer to Spark to seed their first loss capital reserve

∗Note - Accrued RWA stability fees reflect a more accurate representation of the vault’s current run-rate as on-chain RWA stability fees often combine multiple months of accrued fees.

Key Financial Metrics
Q2 2025

- Net protocol earnings of 15.9M USDS on gross revenues of 94.6M USDS, inclusive of token compensation expenses, exclusive of off-chain RWA accruals.
    - Q2 Net protocol earnings were 36.5M USDS excluding the one-time Spark transfer
- Savings Rate Expense of 34.0M USDS in Q2, down from 69.7M in Q1
- Total assets of 7.7B, down 4% from last quarter, with a large shift from PSM to Crypto-Vaults & RWA as the Spark Liquidity Layer ramped up.
- DAI/USDS locked in savings modules (DSR & SSR) down 27% vs Q1 as yields flattened.
- ~$1.5B of US Treasury Bills purchased as part of the Tokenization Grand Prix initiative

in millions of USDS, unless otherwise stated	Q2-25	Q1-25	QoQ %	Q2-24	YoY %
Consolidated Statement of Earnings					
Gross Revenues					
Crypto-vaults	26.7	65.7	-59%	63.3	-58%
PSM	35.3	20.7	71%	9.7	264%
RWA	32.5	12.6	157%	12.4	163%
Total gross revenues	**94.6**	**99.0**	-5%	**85.4**	11%
Savings Rate Expense	(34.0)	(69.7)	-51%	(43.9)	-23%
Total net revenues	**60.6**	**29.3**	**106%**	**41.5**	**46%**
Total operating expenses	(44.7)	(42.1)	6%	(24.5)	82%
Net Operating Earnings	**15.9**	**(12.8)**	**NM**	**17.0**	**-6%**
Consolidated Balance Sheets					
Assets					
Crypto-vaults	4,015.7	2,957.7	36%	2,687.0	49%
PSM	2,073.3	4,174.2	-50%	1,018.8	103%
RWA	1,609.2	909.8	77%	1,352.2	19%
Total CDP	7,698.2	8,041.8	-4%	5,058.1	52%
Treasury holdings	1.3	1.0	32%	1.6	-17%
Total Assets	**7,699.5**	**8,042.8**	**-4%**	**5,059.7**	**52%**
Liabilities					
Locked in Savings Rate	2,896.6	3,979.0	-27%	1,847.7	57%
Stables in Circulation	4,725.6	3,960.5	19%	3,157.6	50%
Total Liabilities	**7,622.2**	**7,939.5**	**-4%**	**5,005.3**	**52%**
Equity					
Surplus buffer	76.0	102.3	-26%	52.8	44%
Treasury holdings	1.3	1.0	32%	1.6	-17%
Total Equity	**77.3**	**103.3**	**-25%**	**54.4**	**42%**

Source: Steakhouse Financial Accounting Dashboard for Sky
* USDS value of the Uniswap LP not reflected in equity until returned to the surplus buffer

Consolidated P&L
Q2 2025

in millions of USDS, unless otherwise stated	LTM	*Jun-25*	*May-25*	*Apr-25*	*Mar-25*	*Feb-25*	*Jan-25*	*Dec-24*	*Nov-24*	*Oct-24*	*Sep-24*	*Aug-24*	*Jul-24*	*Jun-24*	*vs YA*
Consolidated Statement of Earnings															
Net trading fees	**0.0**	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	-	-
Net liquidation income	**17.4**	0.0	0.2	11.5	0.2	1.5	2.0	0.3	0.0	0.0	0.0	1.2	0.4	-	NM
Total non-stability fee revenues	**17.5**	**0.0**	**0.2**	**11.5**	**0.2**	**1.5**	**2.0**	**0.3**	**0.0**	**0.1**	**0.1**	**1.2**	**0.4**	**-**	**NM**
ETH	**54.3**	2.5	2.4	2.4	4.1	6.0	8.3	7.6	4.6	4.0	3.6	4.0	4.7	4.6	-46%
STETH	**10.4**	0.2	0.3	0.4	0.6	1.2	1.2	1.3	1.3	1.3	0.8	0.8	0.9	1.4	-84%
BTC	**7.8**	-	-	-	0.5	2.6	-	0.3	1.3	1.2	-	0.7	1.2	1.4	-
D3M	**70.2**	-	0.3	2.8	4.9	7.3	11.6	15.1	7.5	5.2	4.1	5.2	6.2	6.7	-
Spark	**35.0**	14.7	11.5	3.6	1.6	1.1	1.5	0.9	0.0	-	-	-	-	-	NM
Ethena/Morpho	**38.4**	1.0	0.6	1.4	3.3	4.8	5.2	9.8	3.6	1.5	2.1	2.1	3.1	4.4	-78%
PSM	**75.6**	9.5	12.9	12.9	9.5	7.3	3.9	3.6	11.1	-	2.8	-	2.0	3.9	144%
RWA	**36.8**	0.2	2.3	0.2	5.0	1.9	1.4	4.4	5.9	3.0	3.0	3.8	5.7	2.9	-93%
Other	**1.1**	0.6	0.0	-	-	0.3	0.1	0.1	0.0	-	-	-	-	-	NM
Gross stability fee revenues	**329.6**	**28.7**	**30.3**	**23.8**	**29.6**	**32.4**	**33.3**	**43.0**	**35.3**	**16.2**	**16.6**	**16.6**	**23.8**	**25.3**	**14%**
DSR expenses	**(171.0)**	(10.3)	(11.3)	(12.4)	(20.4)	(26.8)	(22.4)	(14.2)	(9.3)	(10.9)	(10.0)	(10.7)	(12.2)	(12.0)	-14%
Net stability fee income	**158.7**	**18.4**	**19.0**	**11.4**	**9.1**	**5.7**	**10.9**	**28.8**	**26.0**	**5.3**	**6.6**	**5.9**	**11.6**	**13.3**	**38%**
Total protocol revenues	**176.1**	**18.4**	**19.2**	**23.0**	**9.4**	**7.1**	**12.8**	**29.1**	**26.0**	**5.4**	**6.7**	**7.0**	**12.0**	**13.3**	**38%**
Total operating expenses	**(164.3)**	**(26.3)**	**(10.0)**	**(8.0)**	**(14.3)**	**(8.3)**	**(19.3)**	**(5.5)**	**(31.8)**	**(5.2)**	**(25.7)**	**(1.2)**	**(8.8)**	**(7.8)**	236%
Net Protocol Earnings	**11.0**	**(8.0)**	**9.1**	**14.8**	**(5.1)**	**(1.2)**	**(6.5)**	**23.6**	**(5.8)**	**0.2**	**(19.0)**	**5.8**	**3.2**	**5.5**	**NM**

Source: Steakhouse SAFU Accounting

Consolidated Balance Sheet and Protocol Capital

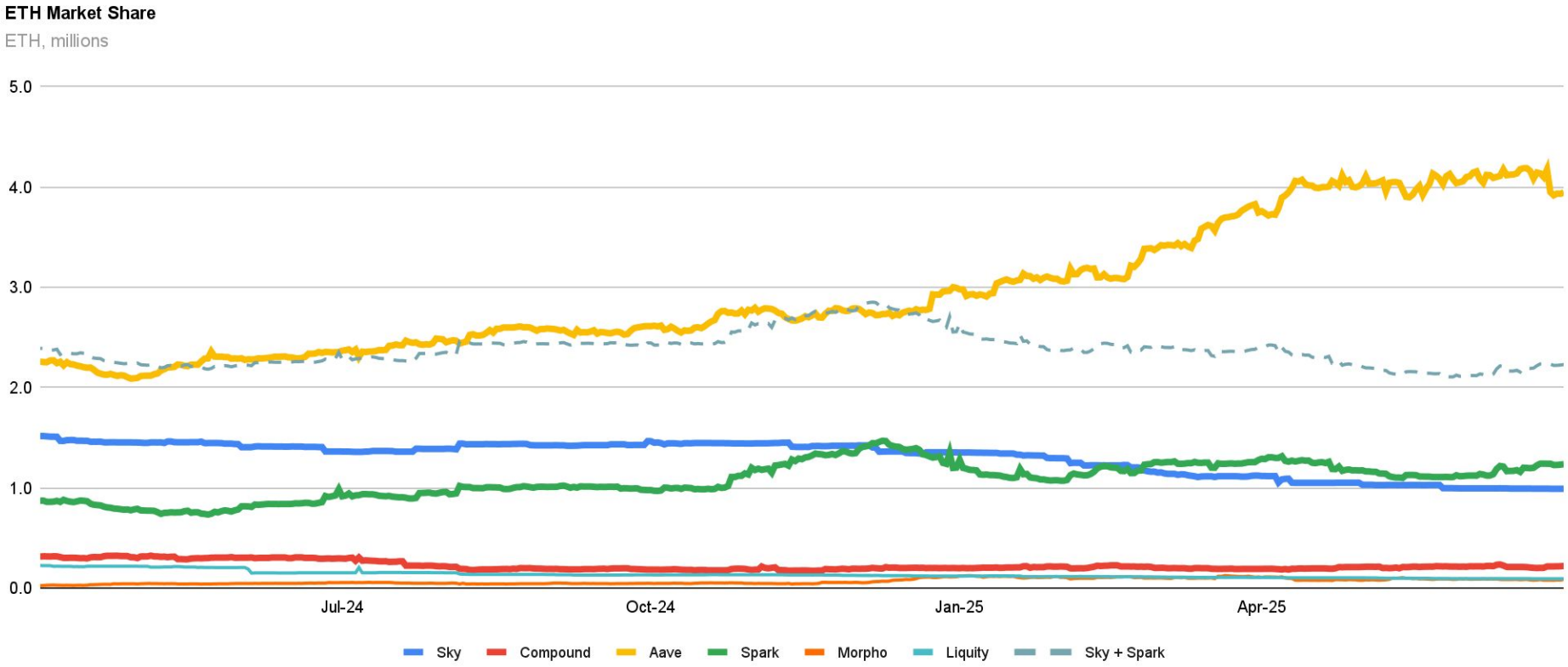
Q2 2025

in millions of USDS, unless otherwise stated	LTM	*Jun-25*	*May-25*	*Apr-25*	*Mar-25*	*Feb-25*	*Jan-25*	*Dec-24*	*Nov-24*	*Oct-24*	*Sep-24*	*Aug-24*	*Jul-24*	*Jun-24*	*vs YA*
Consolidated Balance Sheets															
Crypto Vaults	802.8	803	972	1,498	2,342	2,860	2,883	3,241	3,462	2,778	2,288	2,366	2,610	2,687	-70%
PSM Vaults	2,073.3	2,073	1,860	3,611	4,174	2,513	2,049	1,496	906	967	1,794	1,320	1,175	1,019	103%
RWA Vaults	4,822.0	4,822	4,416	2,468	1,525	2,449	1,777	398	848	1,727	1,321	1,357	1,356	1,352	257%
Treasury holdings	1.3	1.3	1.4	1.1	1.0	1.3	2.1	2.1	2.2	1.0	1.1	1.1	1.4	1.6	-17%
Total Assets	**7,699.5**	**7,700**	**7,250**	**7,579**	**8,043**	**7,824**	**6,712**	**5,136**	**5,219**	**5,473**	**5,405**	**5,043**	**5,142**	**5,060**	**52%**
Dai Saving Rate (DSR)	2,896.6	2,897	2,977	3,742	3,979	4,036	2,852	1,686	1,607	2,075	1,995	2,053	2,010	1,848	57%
Stables in circulation	4,725.6	4,726	4,173	3,734	3,960	3,664	3,795	3,382	3,572	3,357	3,373	2,935	3,076	3,158	50%
Total Liabilities	**7,622.2**	**7,622**	**7,150**	**7,476**	**7,940**	**7,700**	**6,647**	**5,069**	**5,179**	**5,431**	**5,368**	**4,988**	**5,086**	**5,005**	**52%**
Total Equity	**77.3**	**77.3**	**99.4**	**103.3**	**103.3**	**123.9**	**64.3**	**67.9**	**39.4**	**41.3**	**36.6**	**55.4**	**56.3**	**54.4**	**42%**

in millions of USDS, unless otherwise stated	LTM	*Jun-25*	*May-25*	*Apr-25*	*Mar-25*	*Feb-25*	*Jan-25*	*Dec-24*	*Nov-24*	*Oct-24*	*Sep-24*	*Aug-24*	*Jul-24*	*Jun-24*	*vs YA*
Changes in Protocol Capital															
Net Protocol Earnings	**11.0**	**(8.0)**	**9.1**	**14.8**	**(5.1)**	**(1.2)**	**(6.5)**	**23.6**	**(5.8)**	**0.2**	**(19.0)**	**5.8**	**3.2**	**5.5**	**NM**
Issuance for MKR/SKY token expenses	36.4	0.4	1.9	2.6	3.1	2.5	2.8	5.1	3.2	4.7	5.7	0.7	3.9	2.4	-83%
Sky Staking Rewards	(6.8)	(6.8)	-	-	-	-	-	-	-	-	-	-	-	-	NM
MKR/SKY mints/(burns) & Uniswap LP return	(17.4)	(7.6)	(15.1)	(17.5)	(18.3)	59.2	-	-	(0.5)	-	(5.6)	(7.0)	(4.9)	(3.6)	111%
Net Change in Surplus Buffer	**23.2**	**(22.0)**	**(4.1)**	**(0.1)**	**(20.3)**	**60.4**	**(3.7)**	**28.7**	**(3.1)**	**4.8**	**(18.9)**	**(0.6)**	**2.2**	**4.3**	**NM**
Treasury asset income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury asset chg value	(0.3)	(0.0)	0.2	0.1	(0.3)	(0.8)	0.1	(0.2)	1.2	(0.1)	0.1	(0.3)	(0.2)	0.2	NM
Other changes in protocol capital	(0.3)	(0.0)	0.2	0.1	(0.3)	(0.8)	0.1	(0.2)	1.2	(0.1)	0.1	(0.3)	(0.2)	0.2	NM
Net Change in Protocol Capital	**22.9**	**(22.0)**	**(3.9)**	**0.0**	**(20.7)**	**59.6**	**(3.6)**	**28.5**	**(1.9)**	**4.7**	**(18.9)**	**(0.9)**	**1.9**	**4.5**	**NM**

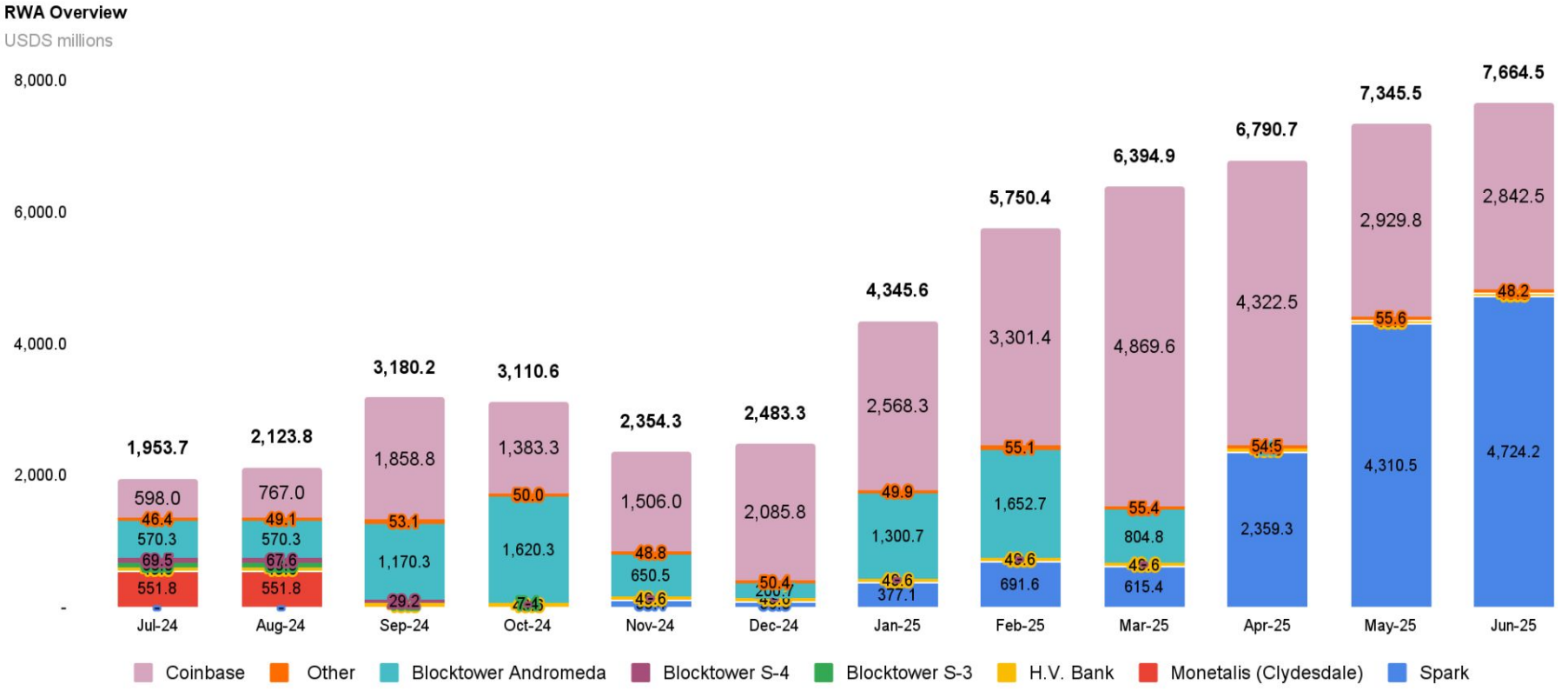
Source: Steakhouse SAFU Accounting

ETH/stETH Locked in Mainnet Lending Protocols*



Source: Dune Analytics
*Queries represent market share among Sky, AAVE v2, COMP v2, and Liquity on ETH L1

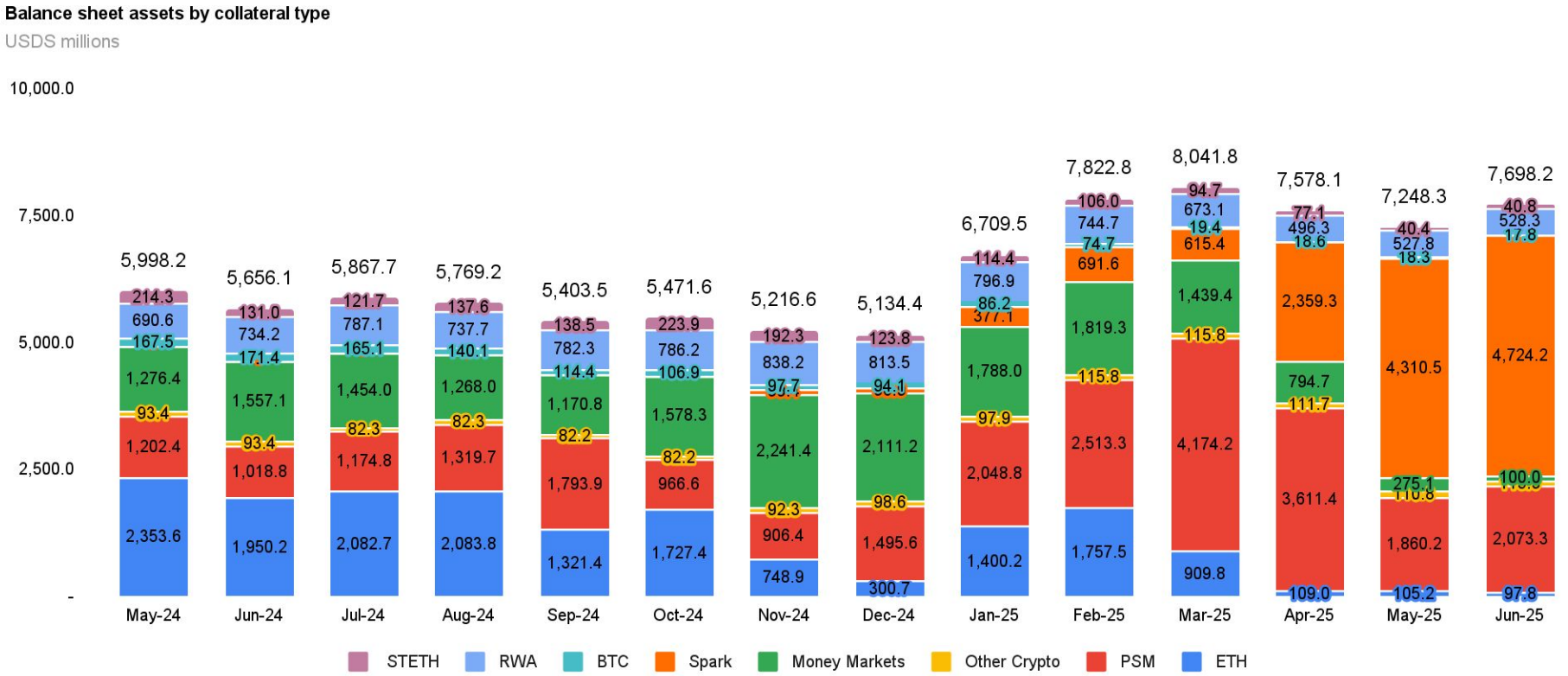
Andromeda fully wound down as Grand Prix T-Bill purchases ramp up



Source: Steakhouse SAFU Accounting queries

Spark liquidity layer exposure up significantly from Q1

Spark now up to 61% of balance sheet assets (inclusive of Grand Prix T-Bills)



Source: Steakhouse SAFU Accounting queries

Spark up significantly vs Q1 2025

Spark increased by 110% during Q2

in millions of USDS		Q2-25	Q1-25	QoQ %	Q2-24	YoY %
Crypto Vaults						
	ETH	528.3	673.1	-22%	734.2	-28%
	stETH	40.8	94.7	-57%	131.0	-69%
	BTC	17.8	19.4	-8%	171.4	-90%
	Crypto Loans	65.9	70.8	-7%	93.4	-29%
	Morpho/Ethena Market	100.0	375.0	-73%	500.0	-80%
	D3M	-	150.0	-100%	1,057.1	-100%
	Other Crypto	50.0	44.9	11%	0.0	NM
	Total Crypto	**802.8**	**1,427.9**	**-44%**	**2,687.0**	**-70%**
RWA						
	Public Credit	1,511.3	804.8	88%	1,122.1	35%
	Private Credit	97.8	105.0	-7%	230.1	-57%
	Total RWA	**1,609.2**	**909.8**	**77%**	**1,352.2**	**19%**
Spark		**3,212.8**	**1,529.8**	**110%**	-	**NM**
PSM		**2,073.3**	**4,174.2**	**-50%**	**1,018.8**	**103%**
Total Assets (excl. Treasury Holdings)		**7,698.2**	**8,041.8**	**-4%**	**5,058.1**	**52%**

Source: Steakhouse SAFU Accounting

Real World Asset Updates and Asset Allocation Initiatives

- USDC LitePSM accounted for 29.2M USDS of accrued stability fees in Q2
- RWAs accounted for 30.7M USDS of stability fees in Q2, and 73.5M USDS YTD
- Transition from BlockTower Andromeda Treasuries to Tokenization Grand Prix winner Treasuries complete

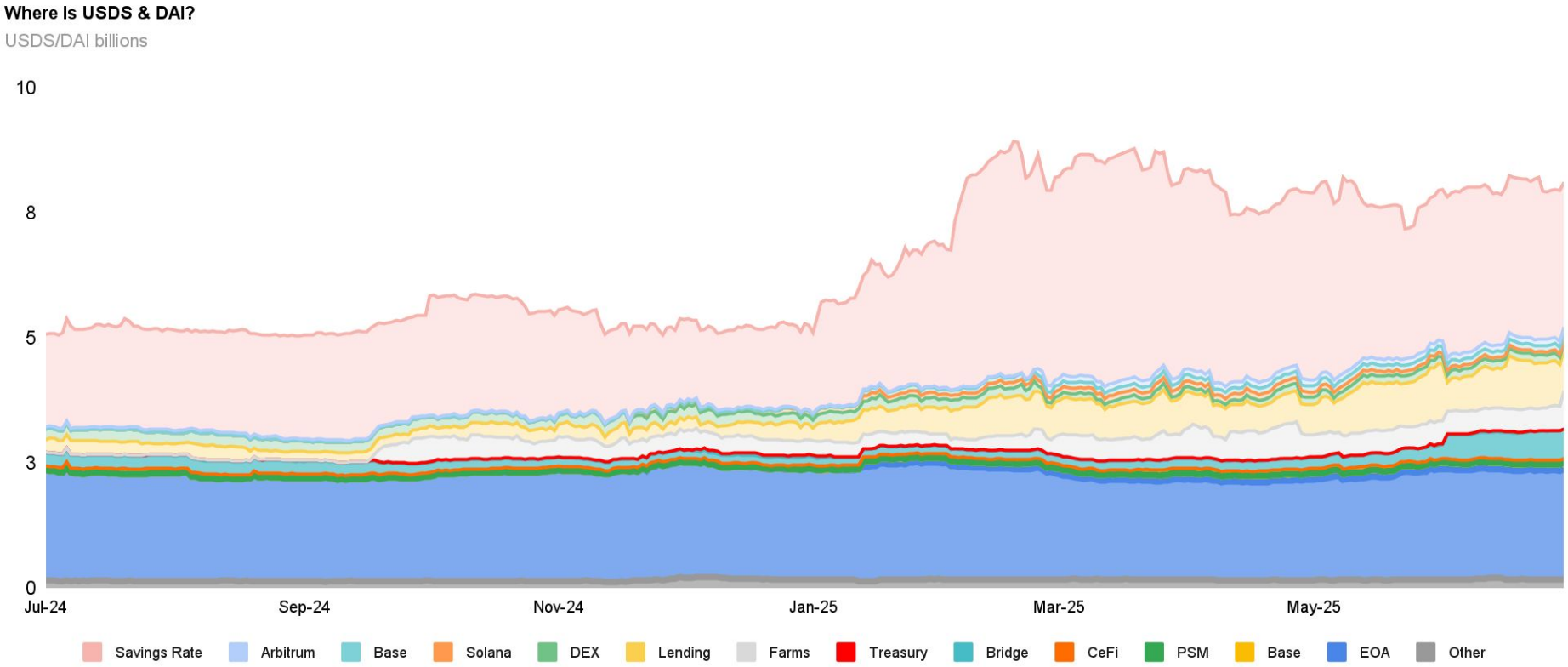
Vault Code	Transaction Name	USDS Loan Balance	USDS Debt Ceiling	Covenants Passing	Allocation Start Date	Stability Fees MTD	Stability Fees YTD	Stability Fees LTD	Stability Fees LTD (On-Chain)	Variance
RWA-001	6s Capital [1]	14,851,477	15,000,000	Yes	9/16/21	0	175,785	681,447	1,066,615	-385,168
RWA-002	New Silver	28,729,563	50,000,000	Yes	4/21/21	192,194	1,095,955	3,688,327	3,686,925	1,402
RWA-003	ConsolFreight	-	-	No	11/19/21	0	406,452	-956,259	-1,049,323	93,063
RWA-004	Harbor Trade Credit [2]	1,651,680	-	No	11/18/21	0	0	327,758	144,265	183,493
RWA-005	Fortunafi[2]	2,853,049	-	No	10/5/21	0	0	631,433	570,395	61,038
RWA-007	Monetalis Clydesdale[3]	-	-	N/A	10/12/22	0	0	53,321,401	49,356,976	3,964,425
RWA-008	Societe Generale	-	-	N/A	1/11/23	0	0	211	211	0
RWA-009	Huntingdon Valley Bank	49,615,061	100,000,000	Yes	8/4/22	200,000	1,208,403	10,096,468	58,202	10,038,266
RWA-012	BlockTower 3	-	-	N/A	4/4/23	0	0	3,186,517	3,186,517	0
RWA-013	BlockTower 4	-	-	N/A	12/23/22	0	0	4,418,006	4,418,006	0
RWA-014	Coinbase Custody	-	-	N/A	5/31/23	0	0	21,985,072	21,985,072	0
RWA-015	Andromeda	-	-	N/A	6/19/23	-4,379	11,680,417	70,205,587	67,206,282	2,999,305
NA	USDC LitePSM	2,586,293,203	-	N/A	7/30/24	6,841,380	58,948,539	77,579,783	70,738,403	6,841,380
NA	GUSD PSM	61	-	N/A	-	0	0	7,799,187	7,799,187	0
NA	USDP PSM	4	-	N/A	-	0	0	4,089,969	4,089,969	0
Total		**2,683,994,097**	**165,000,000**	**-**		**7,229,195**	**73,515,550**	**257,054,906**	**229,167,734**	**23,797,203**

USDS/DAI supply down slightly from Q1 2025

in millions of USDS		Q2-25	Q1-25	QoQ %	Q2-24	YoY %
USDS/DAI Demand						
	EOA	1,998.5	1,820.6	10%	2,210.4	-10%
	Savings Rate	2,896.6	3,979.0	-27%	1,847.7	57%
	Bridge	588.7	191.2	208%	259.1	127%
	DEX	139.3	98.6	41%	198.4	-30%
	Lending	655.1	646.1	1%	186.7	251%
	Farms	767.0	565.9	36%	0.7	105185%
	CeFi	79.7	108.4	-27%	90.7	-12%
	Solana	64.4	118.4	-46%	-	NM
	Base	124.1	119.4	4%	-	NM
	Arbitrum	123.6	124.2	0%	47.3	162%
	Other	183.7	186.7	-2%	163.0	13%
	Surplus Buffer	77.7	103.9	-25%	52.8	47%
Total		**7,698.4**	**8,062.6**	**-5%**	**5,056.9**	**52%**

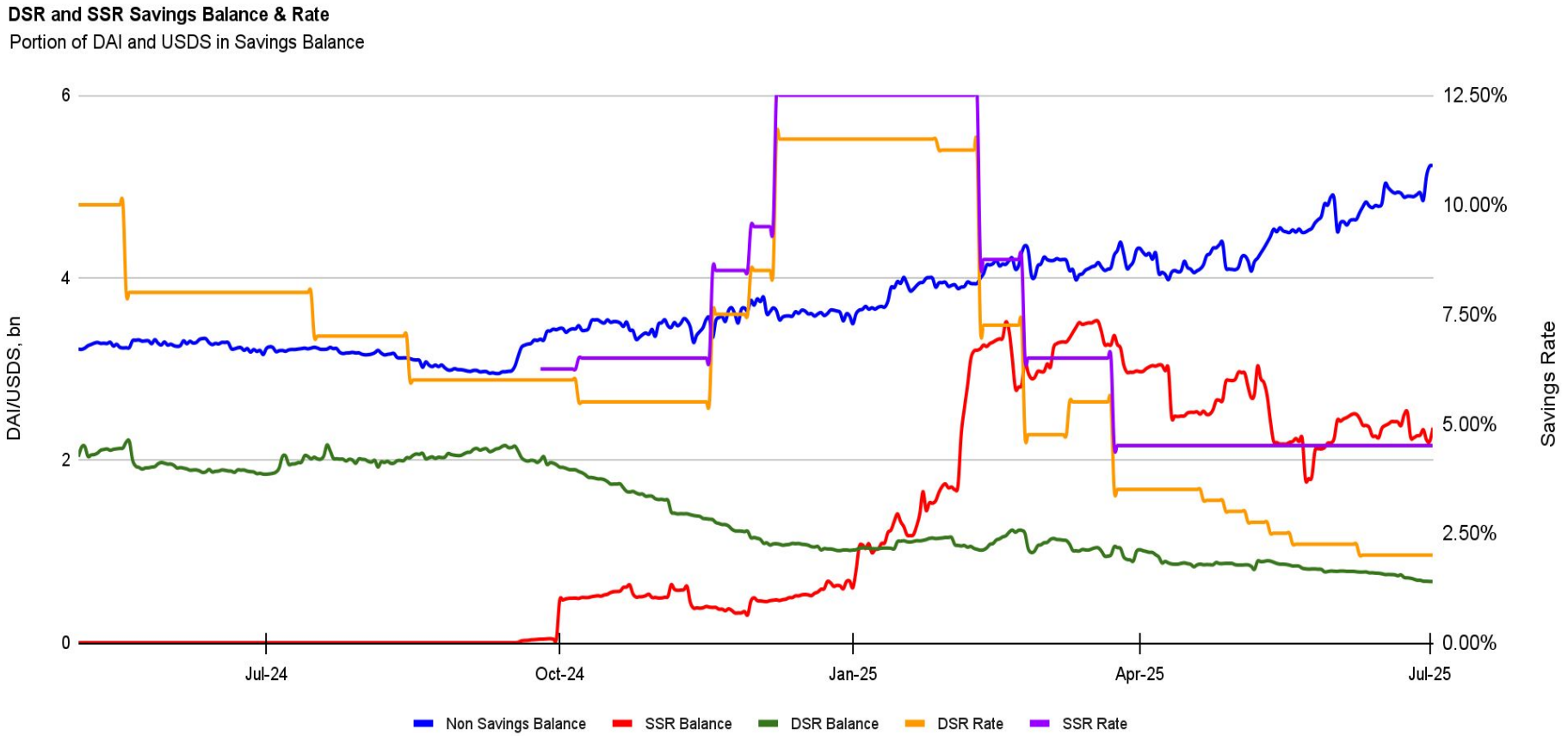
Source: Dune Analytics

Savings USDS/DAI stable after rate cuts



Source: Dune Analytics

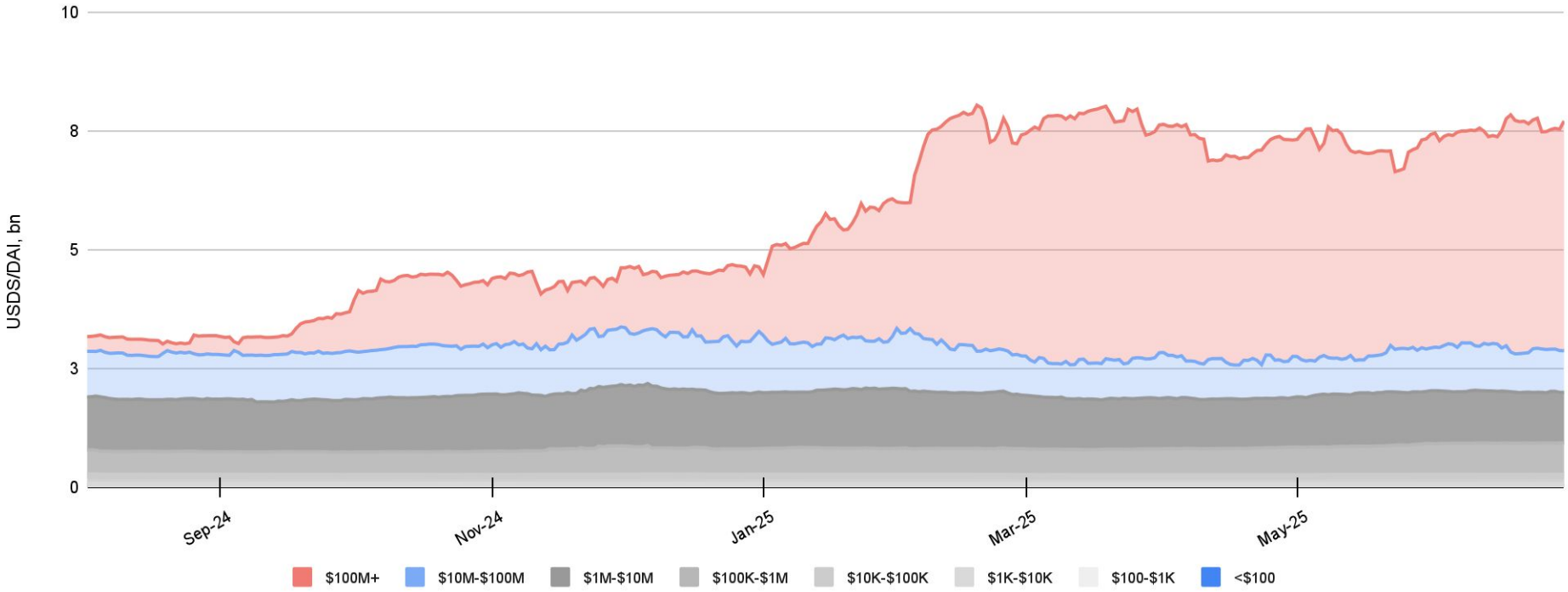
DSR & SSR Balances and Rates



User Demographics*

USDS/DAI Wallet Distribution

Holder Wealth Distribution

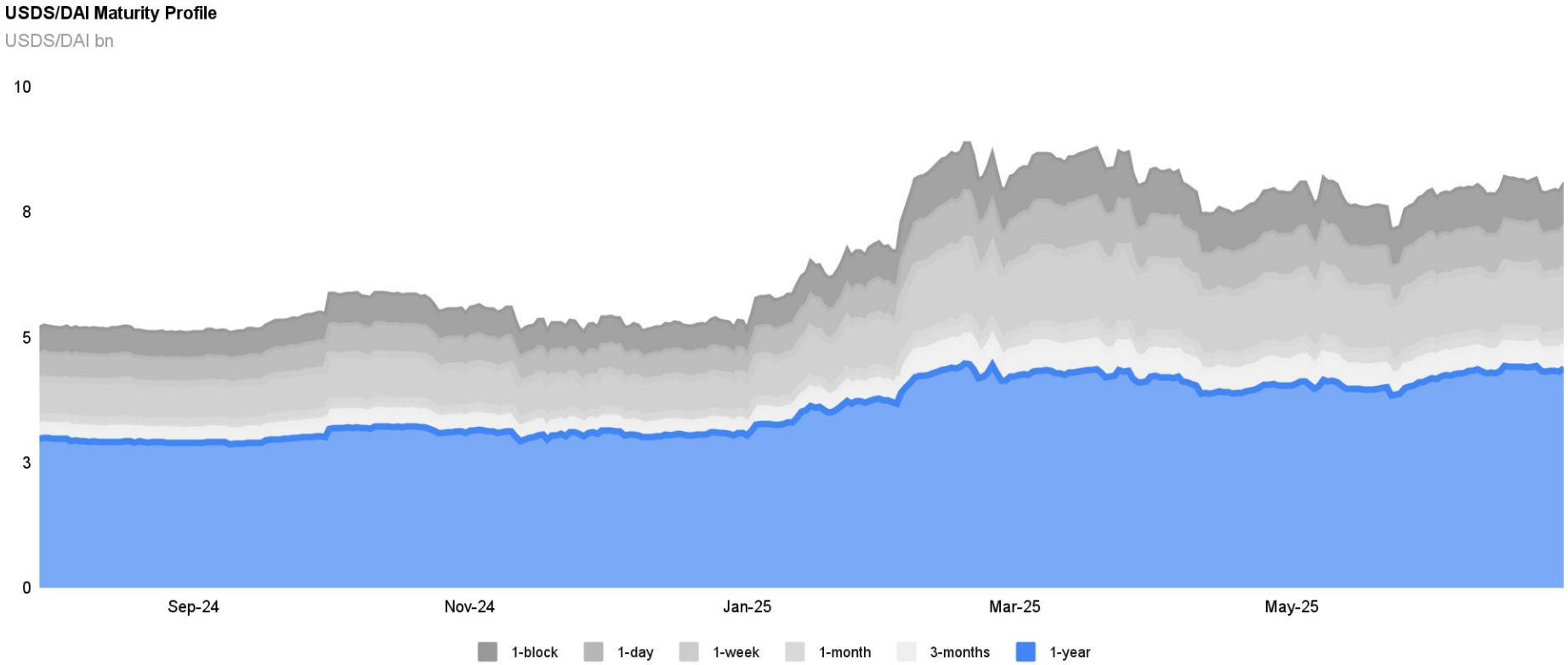


Source: Dune Analytics
*Does not include funds in the DSR/SSR

Appendix

USDS/DAI Maturity Profile

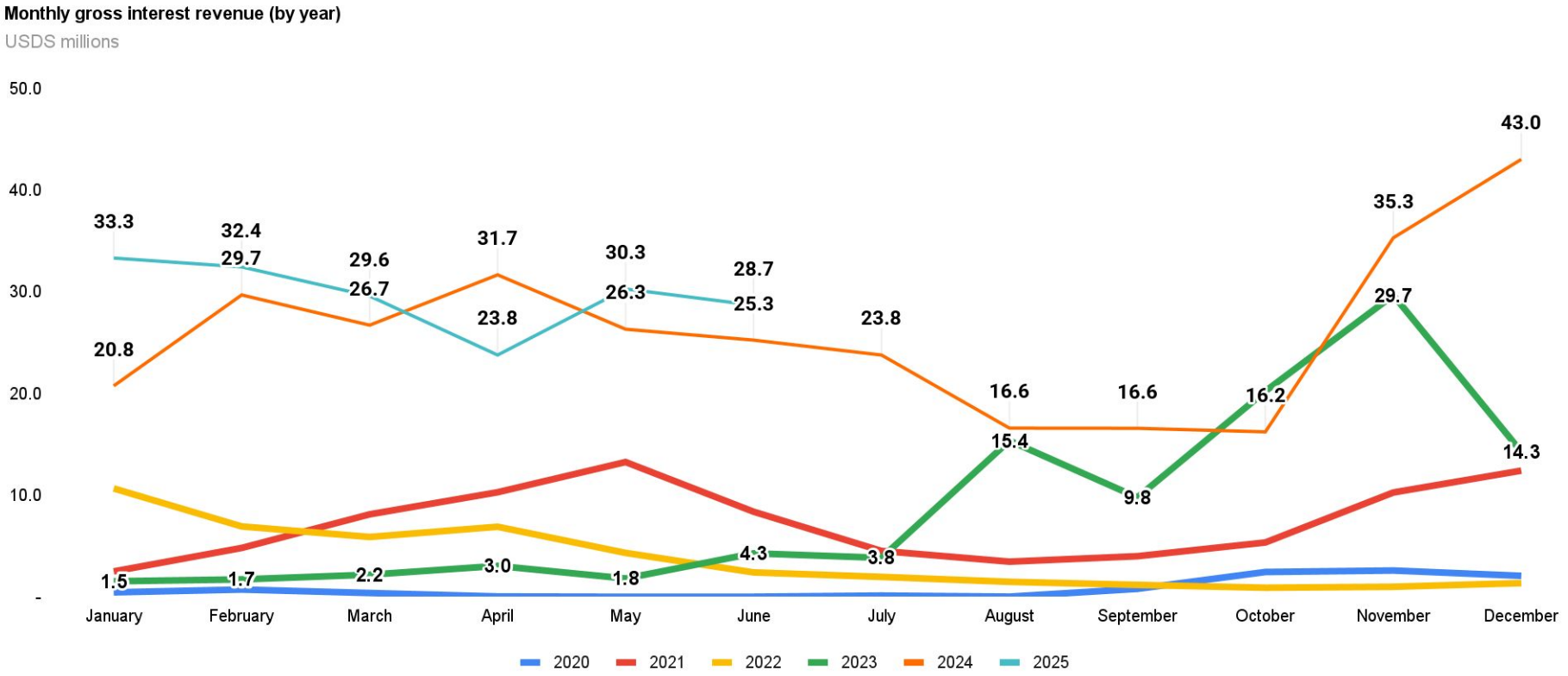
1-year+ duration stable



Revenue progression

Quarterly gross revenue ~330M USDS annualized

Gross revenues contain timing differences on RWA cash flows

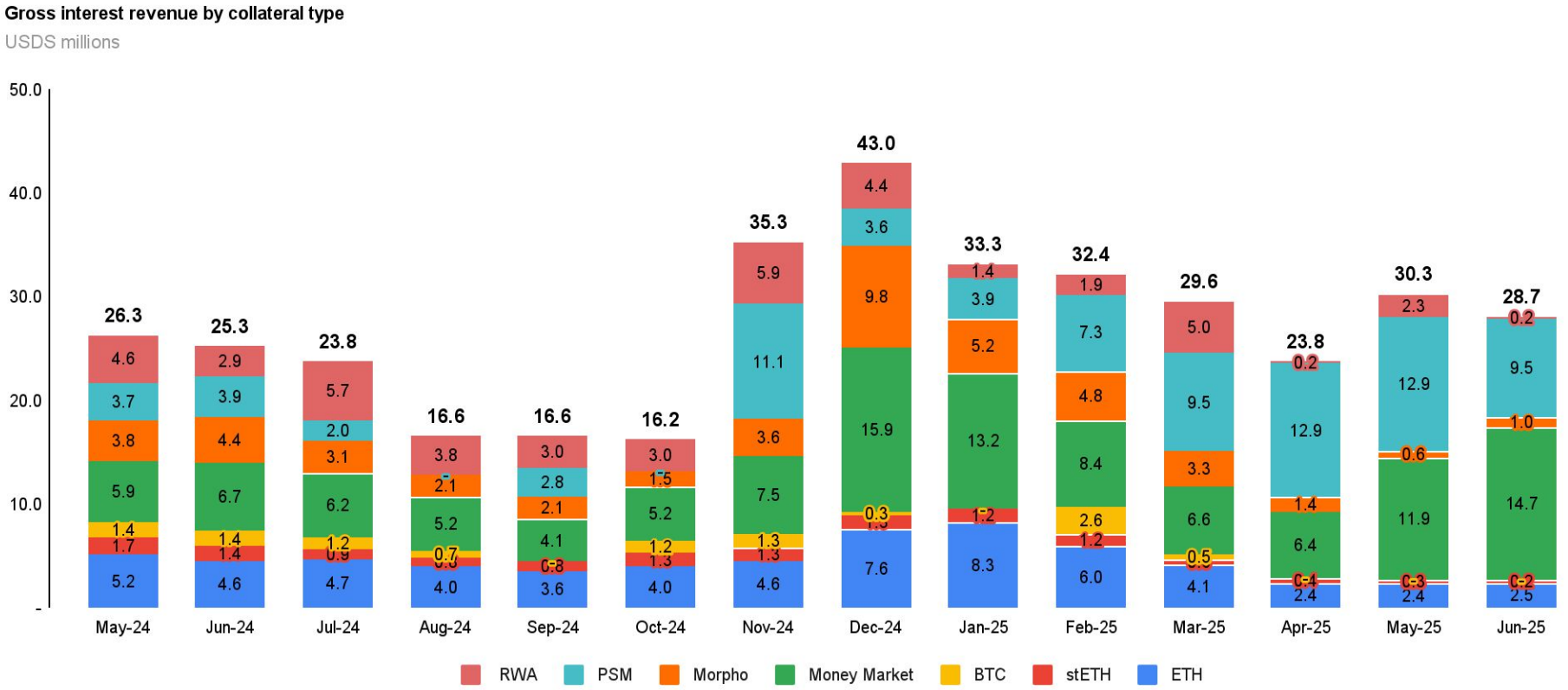


Source: Steakhouse SAFU Accounting queries

Revenue by asset type

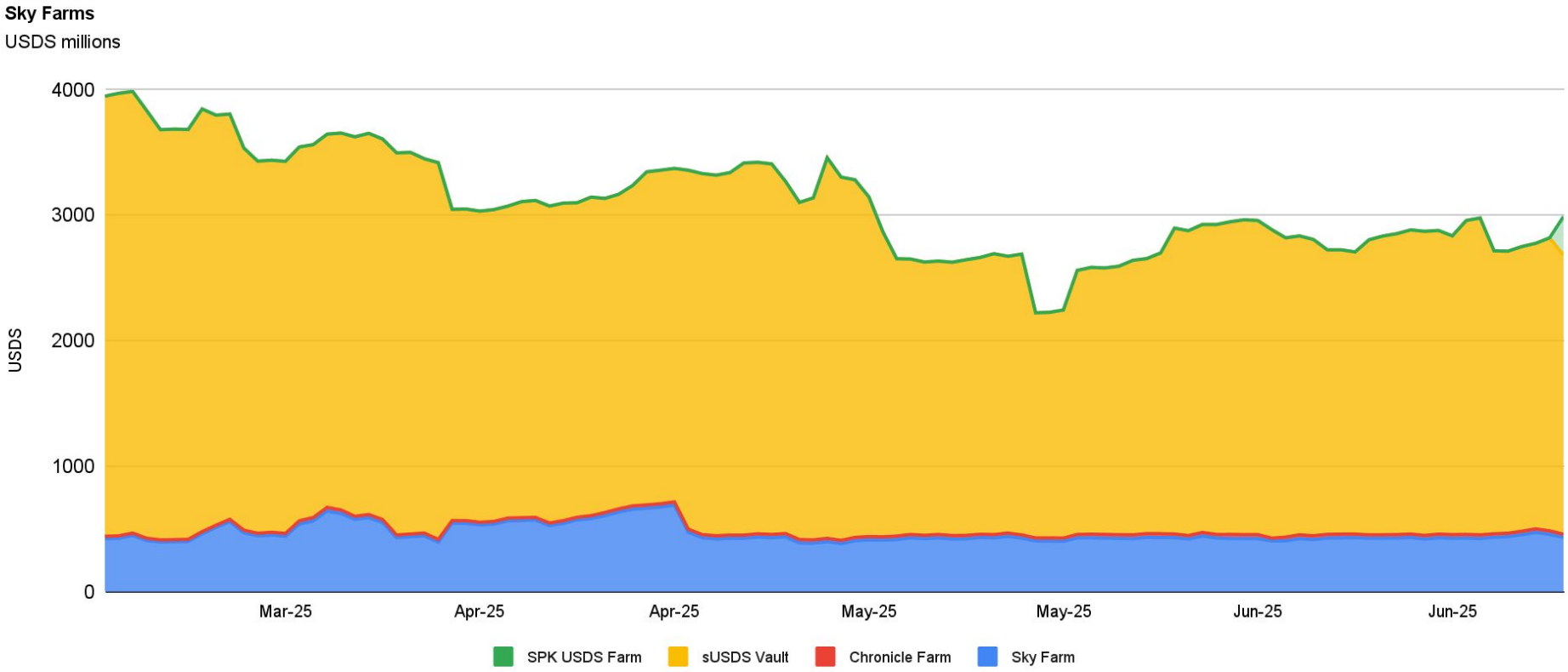
Monthly gross protocol revenues remain high

Money market protocols (inclusive of Spark) and LitePSM comprise majority of Q2 revenue



Source: Steakhouse SAFU Accounting queries

Sky Farm Vault Deposits



Source: Steakhouse SAFU Accounting queries

Overview of Key Balance Sheet and Valuation Ratios

Q2 2025

in millions of USDS, unless otherwise stated	LTM	*Jun-25*	*May-25*	*Apr-25*	*Mar-25*	*Feb-25*	*Jan-25*	*Dec-24*	*Nov-24*	*Oct-24*	*Sep-24*	*Aug-24*	*Jul-24*	*Jun-24*	*vs YA*
Ratios & per token metrics															
Value per token															
MKR/SKY tokens outstanding (MKR 000s)	885.1	885.1	890.2	896.8	906.3	907.3	909.6	913.8	907.1	900.5	889.6	893.3	899.4	897.1	-1%
Net operating income per token (USDS/token)	(9.0)	(9.0)	10.2	16.5	(5.6)	(1.3)	(7.1)	25.8	(6.4)	0.2	(21.4)	6.5	3.5	6.1	NM
Book value per token (USDS/token)	87.4	87.4	111.6	115.2	113.9	136.6	70.7	74.3	43.4	45.9	41.1	62.1	62.6	60.7	44%
Average earning assets (USDS/token)	7,698	7,698	7,248	7,578	8,042	7,823	6,710	5,134	5,217	5,472	5,183	4,867	4,626	4,635	66%
Closing price (USD/MKR)	1,945	1,945	1,573	1,478	1,299	1,584	1,149	1,492	1,864	1,269	1,570	1,757	2,811	2,531	-23%
Market capitalization (Total)	1,721	1,721	1,400	1,325	1,177	1,437	1,046	1,363	1,691	1,143	1,397	1,569	2,529	2,271	-24%

	LTM	*Jun-25*	*May-25*	*Apr-25*	*Mar-25*	*Feb-25*	*Jan-25*	*Dec-24*	*Nov-24*	*Oct-24*	*Sep-24*	*Aug-24*	*Jul-24*	*Jun-24*	*vs YA*
Key Ratios															
Price to Book	22.3x	22.3x	14.1x	12.8x	11.4x	11.6x	16.3x	20.1x	42.9x	27.7x	38.2x	28.3x	44.9x	41.7x	(19.5x)
Price to Operating Income (annualized)	NM	NM	13x	7x	NM	NM	NM	5x	NM	562x	NM	23x	66x	35x	NM
Net Interest Margin (annualized)	2.9%	2.9%	3.1%	1.8%	1.4%	0.9%	1.9%	6.7%	6.0%	1.2%	1.5%	1.4%	3.0%	3.4%	-1%
Net Interest Spread (annualized)	0.2%	0.2%	0.5%	-0.2%	-1.8%	-3.0%	-3.5%	-0.1%	1.2%	-2.8%	-2.2%	-2.2%	-1.1%	-1.2%	1%
Return on Assets (annualized)	-1.2%	-1.2%	1.5%	2.3%	-0.8%	-0.2%	-1.2%	5.5%	-1.3%	0.0%	-4.2%	1.4%	0.7%	1.3%	-3%
Return on Equity (annualized)	-124.2%	-124.2%	109.5%	172.0%	-59.4%	-11.6%	-120.7%	416.8%	-176.3%	4.9%	-623.8%	124.8%	67.9%	120.9%	-245%
Growth in Book Value per token	-21.7%	-21.7%	-3.1%	1.1%	-16.6%	93.2%	-4.8%	71.1%	-5.3%	11.5%	-33.7%	-0.9%	3.3%	-3.2%	-19%

Source: Steakhouse Financial Accounting Dashboard for Sky, Dune queries

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