August 2023 Financials

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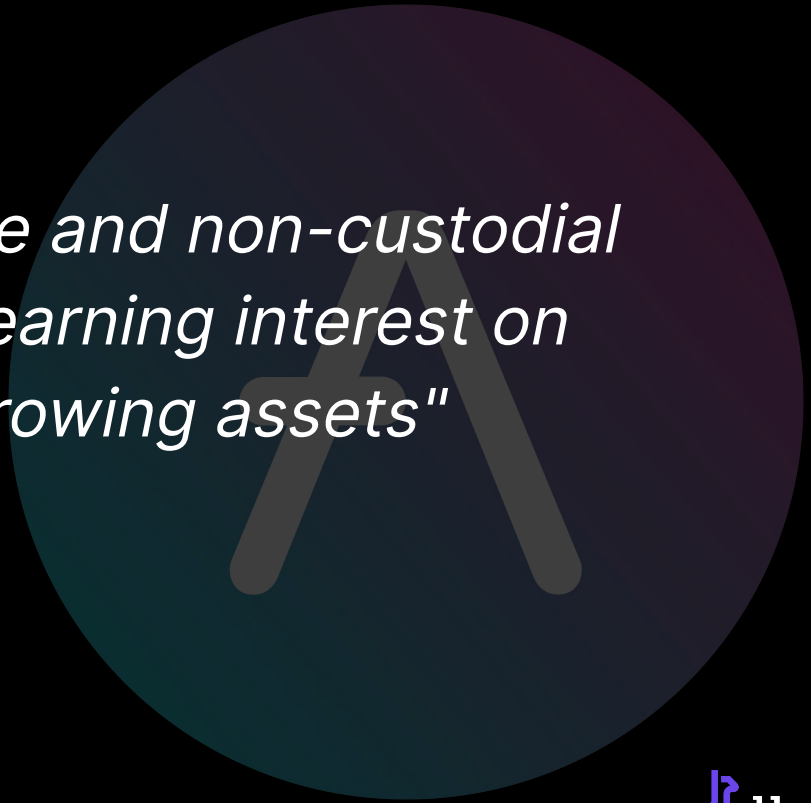
What is Aave?

"Aave is an open source and non-custodial liquidity protocol for earning interest on deposits and borrowing assets"



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Monthly Insights

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Annualized Revenue

On August's actual data, the annualized revenue of the Aave Pools is **$49.2M**. This includes all v1, v2 and v3 deployments.

These number do not include the revenue generating potential of GHO.

Revenue has been forecast using the average revenue generated per network over the last 4 months and extrapolated to cover a full 12 month period going forward.

Do note, these numbers serve as a guide and reflect only the methodology applied.

Ethereum Network

Annualized revenue
$46.5M

Polygon Network

Annualized revenue
$1.1M

Avalanche Network

Annualized revenue
$846.2K

Harmony Network

Annualized revenue
$6.8K

Fantom Network

Annualized revenue
$4.7K

Arbitrum Network

Annualized revenue
$488.1K

Optimism Network

Annualized revenue
$226.6K

Total Annualized Revenue

Annualized revenue
$49.2M

Aave Pools Overview

Total Deposits (All Pools)	Stable rate loans (All Pools)	Variable rate loans (All Pools)	Total Borrowed (All Pools)
$7.1B	$32.8M	$2.4B	$2.5B

Chain	Version	Launch Date
Ethereum	aave_v1	2020-01-08
Ethereum	aave_v3	2023-01-27
Ethereum	aave_v3	2023-01-29
Ethereum	aave_rwa	2021-12-10
Ethereum	aave_amm	2021-03-08
Ethereum	aave_arc	2021-10-17
Ethereum	aave_v2	2020-12-01
Fantom	aave_v3	2022-03-11
Polygon	aave_v3	2022-03-11
Avalanche	aave_v3	2022-03-11
Harmony	aave_v3	2022-03-11
Arbitrum	aave_v3	2022-03-11
Optimism	aave_v3	2022-03-11
Avalanche	aave_v2	2021-09-20

Chain	Total Deposits	Total Loans	Utilization Rate	TVL	Variable Rate Loans	Stable Rate Loans
Ethereum	6,074,197,925.12	2,106,555,635.13	34.68%	3,967,642,289.99	2,086,257,309.99	20,298,325.14
Polygon	394,631,370.04	120,801,641.05	30.61%	273,829,729.0	117,442,115.18	3,359,525.87
Avalanche	251,974,527.55	80,592,875.11	31.98%	171,381,652.44	79,631,704.74	961,170.38
Arbitrum	255,690,108.2	103,234,714.44	40.37%	152,455,393.75	96,697,664.56	6,537,049.89
Optimism	123,750,748.09	47,283,909.56	38.21%	76,466,838.53	45,625,594.12	1,658,315.44
Harmony	1,984,777.21	917,631.67	46.23%	1,067,145.54	917,492.97	138.7
Metis	1,034,466.39	184,556.26	17.84%	849,910.13	184,556.26	-0.0
Fantom	233,593.1	41,045.04	17.57%	192,548.05	39,973.13	1,071.91

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Financial Accounts

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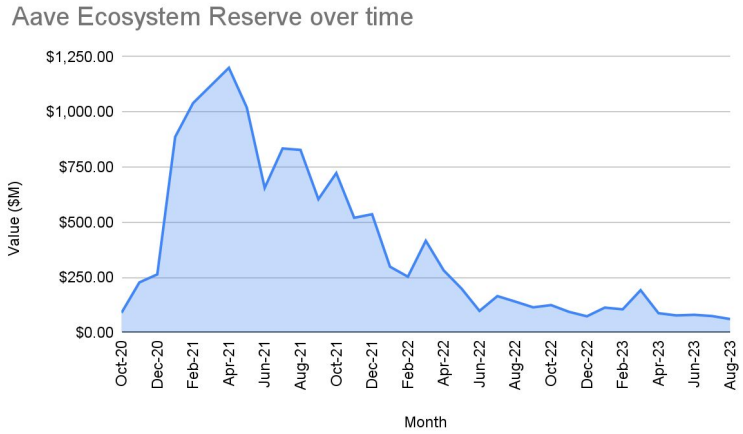
Ecosystem Reserve



Price action across the crypto market has caused a decline in the Ecosystem Reserve since the beginning of 2022. This is a result of a concentrated AAVE holding within the treasury, reduced balance, and market pricing.

Coupled with this there were payments made in Aave from the ecosystem reserve to third parties service providers contributing to the decline in holdings.

Treasury Balance and Contract Information

Treasury Information

Category	Value
AAVE Contract address	0x7fc66500c84a76ad7e9c93437bfc5ac33e2ddae9
Treasury Balance (USD)	$100.0M

Aave Token information

Category	Value
Name	AAVE
Symbol	AAVE
Type	ERC-20
Holders	473,024
Current Price (USD)	55.516513187
Transfers Count	2,102,143
Senders	348,727
Receivers	472,714
Total supply	16,000,000
First transfer	2020-10-02
Latest transfer	2023-08-31

Disclaimer - all information stated above was correct as of 2023-08-31 using information from Flipside Crypto

Aave Treasury

A Detailed Holding Summary

Symbol	EOM Balance	Holdings
TOKENS	$	%
AAVE	63,759,870	63.75
Other Assets	9,140,243	9.14
USDC	9,089,437	9.09
DAI	8,738,747	8.74
USDT	4,118,382	4.12
CRV	2,643,010	2.64
ETH	1,321,755	1.32
WAVAX	479,755	0.48
WBTC	425,029	0.42
WMATIC	194,366	0.19
Other Stables	107,063	0.11
Total	$100.0M	**100**

Detailed Profit or (Loss) Across All Pools

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**YTD = Year to date (beginning January 2023)

Income Statement (January - August 2023)

	Q1	April	May	June	July	August	YTD
Revenue	$	$	$	$	$	$	$
Metis - V3	0	0	20	32	48	61	**161**
Ethereum - V3	136,019	178,963	213,146	249,454	310,780	815,559	**1,903,920**
Ethereum - V2	5,866,760	747,384	737,997	712,037	5,736,878	6,696,955	**20,498,012**
Ethereum - V1	518,417	3	0	18,780	(5,555)	0	**531,644**
Ethereum - RWA	2,401	1,171	775	44	1,485	1,532	**7,408**
Ethereum - ARC	0	0	0	0	0	0	**0**
Ethereum - AMM	1,255	192	334	785	969	74	**3,610**
Polygon - V3	74,390	38,024	42,477	63,717	51,586	58,134	**328,330**
Polygon - V2	87,264	24,263	22,176	20,808	48,529	45,386	**248,427**
Avalanche - V3	185,662	41,430	44,954	57,875	47,831	50,551	**428,303**
Avalanche - V2	28,661	9,162	12,866	24,760	18,289	21,095	**114,833**
Optimism - V3	77,862	9,249	12,740	14,562	18,918	27,039	**160,371**
Arbitrum - V3	37,525	3,656,240	25,965	34,556	40,989	53,284	**3,848,559**
Fantom - V3	855	452	648	467	352	10	**2,784**
Harmony - V3	930	156	87	1,637	467	85	**3,363**
Total Revenue	**7,018,001**	**4,706,689**	**1,114,187**	**1,199,514**	**6,271,567**	**7,769,767**	**28,079,724**
Cost of Sales							
Liquidity Incentives	0	0	0	0	0	0	**0**
Staking rewards	0	0	0	0	0	0	**0**
Third party expenses	**9,807,263**	**282,229**	**1,366,433**	**2,115,643**	**6,504,064**	**7,645,768**	**27,721,398**
Total Cost of Sales	**9,807,263**	**282,229**	**1,366,433**	**2,115,643**	**6,504,064**	**7,645,768**	**27,721,398**
Gross Profit/(Loss)	**(2,789,262)**	**4,424,460**	**(252,246)**	**(916,129)**	**(232,497)**	**123,999**	**358,326**

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Tokenflow Statement

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Tokenflow Statement

	Q1	April	May	June	July	August	YTD
Ecosystem Reserve	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Inflows	0	0	0	0	0	0	**0**
Outflows	(8,931,065)	(1,397,379)	(2,940,173)	(2,411,315)	(3,447,432)	(1,381,513)	**(20,508,877)**
Net Flows	(8,931,065)	(1,397,379)	(2,940,173)	(2,411,315)	(3,447,432)	(1,381,513)	**(20,508,877)**
All Other Reserves	$	$	$	$	$	$	**$**
Inflows	6,848,214	11,798,328	5,468,982	1,584,677	6,365,218	7,767,716	**39,833,134**
Outflows	(9,661,810)	(9,277,594)	(4,958,752)	(2,010,856)	(5,650,609)	(7,849,383)	**(39,409,004)**
Net Flows	(2,813,596)	2,520,734	510,230	(426,179)	714,609	(81,667)	**424,130**

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Pool Analysis

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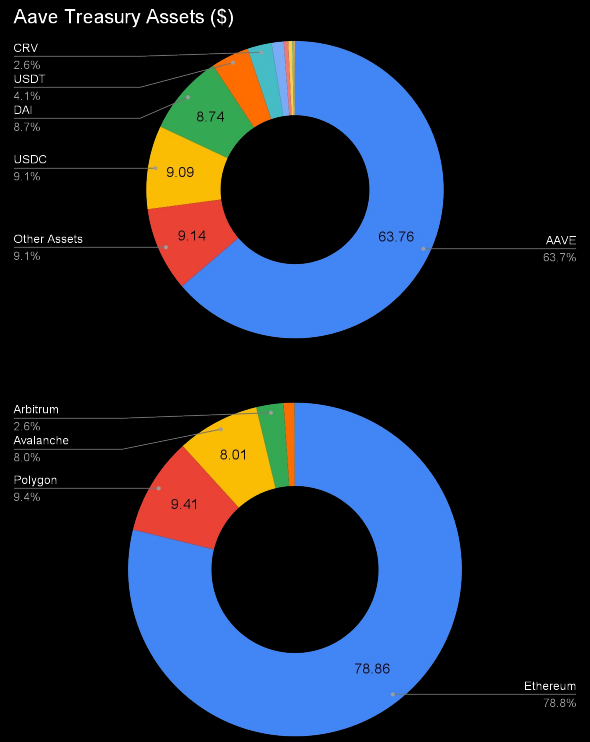
Treasury Assets - All Networks USD (m)

Treasury assets across all networks have been included within the analysis and breakdown. We have split the treasury by asset and also by chain. This includes the following;

- Aave Ecosystem Reserve
- Arbitrum
- Avalanche
- Fantom
- Harmony
- Optimism
- Polygon
- Metis

The treasury composition is largely Aave (**63.75%**) and stablecoin assets (**22.06%**).



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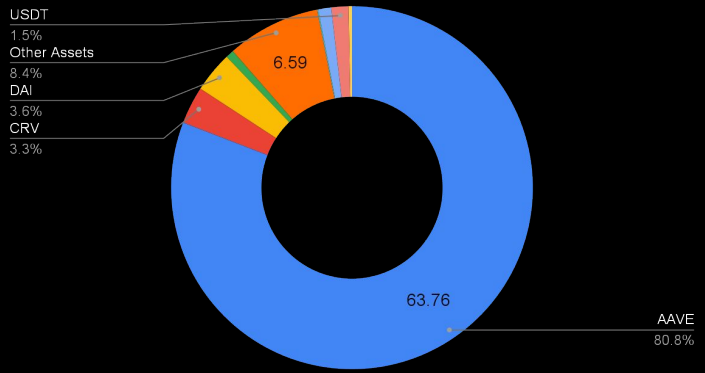
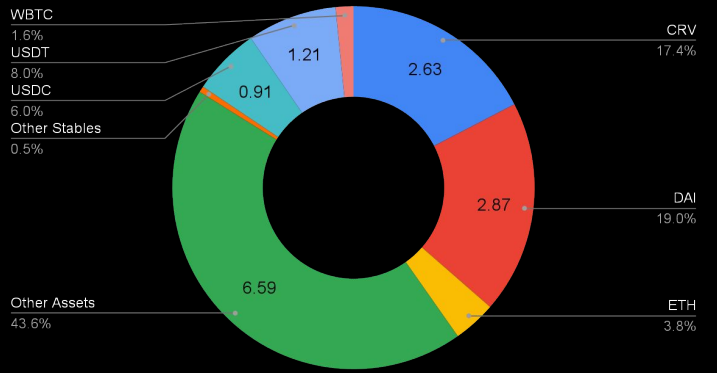
Assets by Network - Ethereum ($m)

Ethereum Network Reserve incl. Ecosystem Reserve % ($)



Reserve Factor Holdings % ($)



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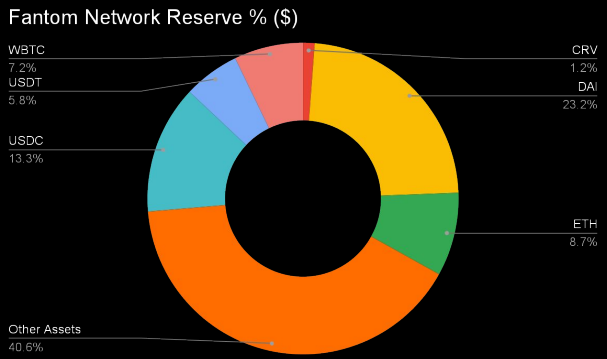
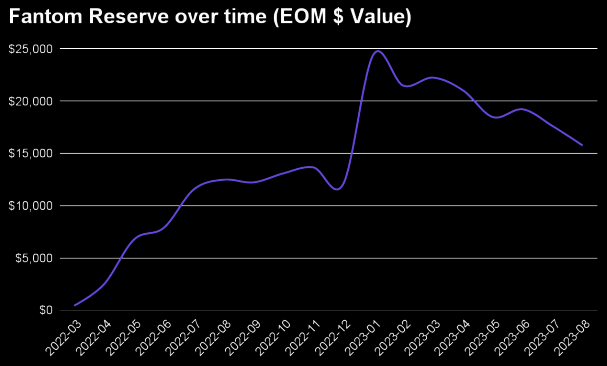
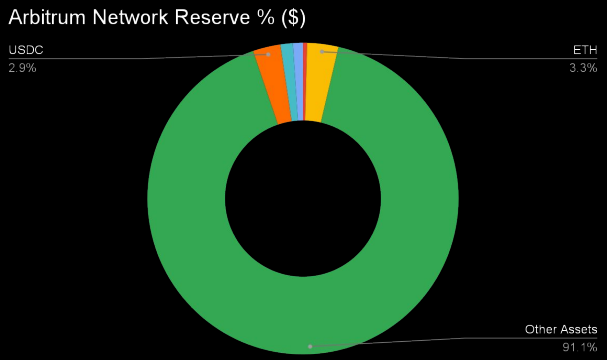
Assets by Network - Fantom

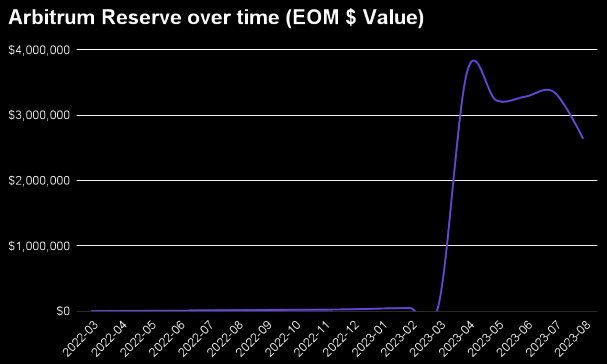




Symbol	EOM Balance	Increase/(Decrease) from July
TOKENS	$	%
Other Assets	6,400	(18.01)
DAI	3,658	0.07
USDC	2,101	0.12
ETH	1,366	(12.96)
WBTC	1,131	(12.92)
USDT	920	0.02
CRV	188	(28.37)
AAVE	2	(16.73)
TOTAL	15,766	

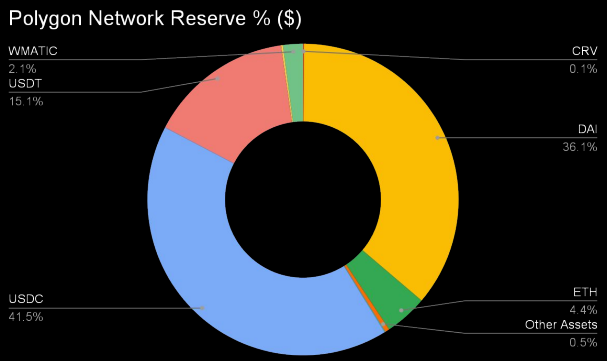
Assets by Network - Arbitrum

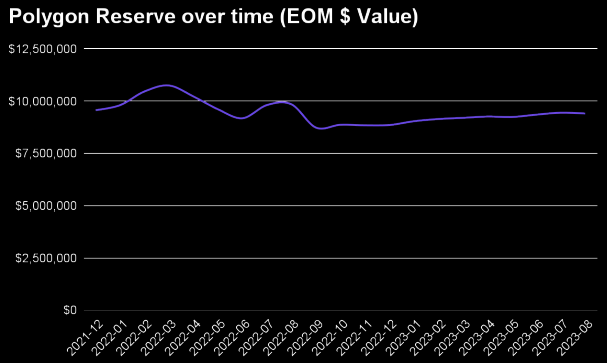




Symbol	EOM Balance	Increase/(Decrease) from July
TOKENS	$	%
ARB	2,403,564	(23.69)
ETH	85,918	12.23
USDC	75,826	25.79
USDT	34,070	22.1
WBTC	27,640	(6.68)
DAI	11,034	31.63
AAVE	96	(16.61)
TOTAL	2,638,148	

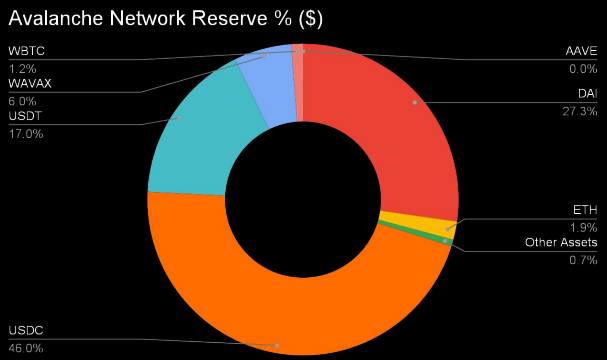
Assets by Network - Polygon





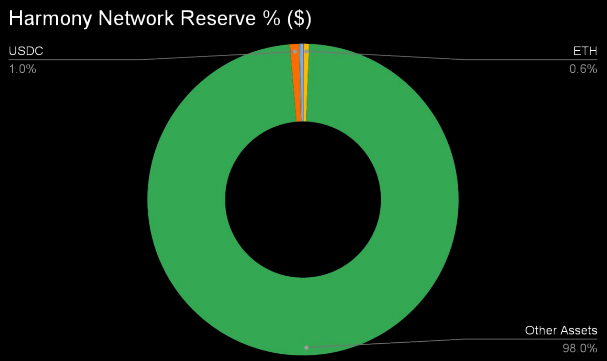
Symbol	EOM Balance	Increase/(Decrease) from July
TOKENS	$	%
USDC	3,900,195	1.42
DAI	3,398,179	(0.32)
USDT	1,419,137	0.8
ETH	418,156	(11.1)
WMATIC	194,366	(14.24)
Other Assets	43,025	(14.77)
WBTC	18,215	(5.04)
CRV	8,958	(23.73)
Other Stables	8,121	6.44
AAVE	653	(4.83)
TOTAL	**9,409,005**	

Assets by Network - Avalanche



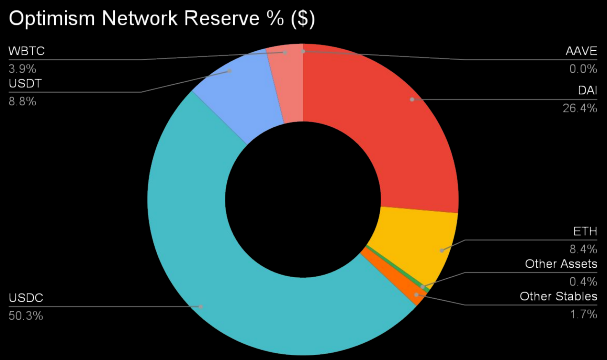
Symbol	EOM Balance	Increase/(Decrease) from July
TOKENS	$	%
USDC	3,679,367	0.9
DAI	2,182,114	0.22
USDT	1,361,274	0.6
WAVAX	479,755	(19.91)
ETH	152,220	(11.59)
WBTC	97,193	(12.83)
Other Assets	54,859	(12.6)
AAVE	44	0.25
TOTAL	8,006,826	

Assets by Network - Harmony



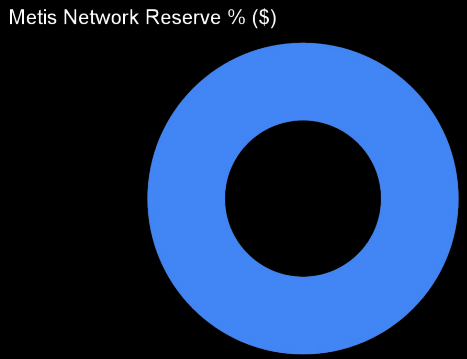
Symbol	EOM Balance	Increase/(Decrease) from July
TOKENS	$	%
Other Assets	42,744	(21.56)
USDC	418	5.89
ETH	241	(12.52)
WBTC	130	(12.85)
USDT	45	0.01
DAI	31	5.2
AAVE	4	(16.33)
TOTAL	43,613	

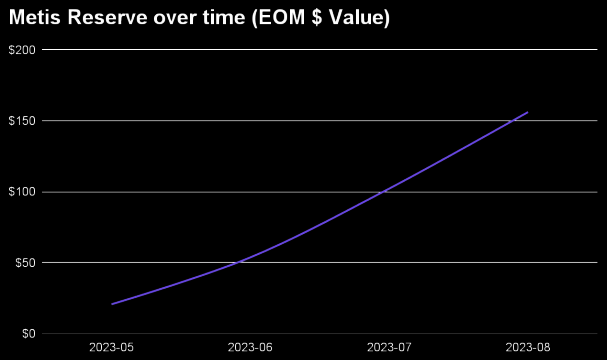
Assets by Network - Optimism



Symbol	EOM Balance	Increase/(Decrease) from July
TOKENS	$	%
USDC	524,945	1.81
DAI	275,095	0.78
USDT	91,849	3.38
ETH	87,851	(3.61)
WBTC	40,448	(12.24)
Other Stables	18,041	3.83
Other Assets	4,481	58.03
AAVE	27	(16.76)
TOTAL	1,042,737	

Assets by Network - Metis





Symbol	EOM Balance	Increase/(Decrease) from July
TOKENS	$	%
Other Assets	156	52.82
TOTAL	156	

Notes to Financial Statements

Income

Income includes:

- Protocol fees received - Reserve Factor income for V1, V2, AMM, ARC & RWA, Liquidations income from V3
- Protocol fees accrued - Reserve Factor income for V3 - these are accrued in the V3 contracts rather than an explicit token transfer as per earlier versions. These fees are harvested to Aave's treasury by Llama via automated MintToTreasury() calls. V3 fees are only shown as accrued fees in the income statement, and become tokenflows when a MintToTreasury() is called (see May tokens_in on Avalanche V3)
- aToken interest accrued - aTokens held by treasury contracts attract interest the same as a normal user deposit in Aave

Expenses

Expenses include:

- LM rewards paid in AAVE tokens from the V2 Incentives Controller contract on deposits & borrows in Aave V2
- Staking rewards paid in AAVE tokens to stkAAVE holders, paid from the Ecosystem Reserve
- Staking rewards paid in AAVE tokens to stakers of the Balancer Pool tokens in the Safety Module, paid from the Ecosystem Reserve
- Direct payments from the Treasury contracts to third parties (BGD, Aave Grants DAO etc), paid in aTokens or other denominations (USDC etc). These are tagged as 'Aave V2' below as they normally come from the Aave V2 Treasury contract.
- Direct payments from the Ecosystem Reserve to third parties (BGD, Aave Grants DAO etc), paid in AAVE tokens

Expenses do not include LM rewards on other chains (wMATIC on Polygon, wAAVE on Avax, wCFG on RWA etc) as these are funded by third parties to drive liquidity onto their platforms.

Please note that accounting is done on a cash basis. For example, staking and LM rewards reported are only those which are *claimed* in that period, and do not include future liabilities that are accrued and not yet claimed.

Appendix - Wallet addresses used

Network	Version	Address
Arbitrum	Aave V3	0×053d55f9b5af8694c503eb288a1b7e552f590710
Arbitrum	Paraswap Fee Claimer	0×9abf798f5314bfd793a9e57a654bed35af4a1d60
Avalanche	Aave V2	0×5ba7fd868c40c16f7adfae6cf87121e13fc2f7a0
Avalanche	Aave V2	0×467b92af281d14cb6809913ad016a607b5ba8a36
Avalanche	Aave V3	0×5ba7fd868c40c16f7adfae6cf87121e13fc2f7a0
Avalanche	Paraswap Fee Claimer	0×9abf798f5314bfd793a9e57a654bed35af4a1d60
Ethereum	Aave AMM	0×464c71f6c2f760dda6093dcb91c24c39e5d6e18c
Ethereum	Aave ARC	0×464c71f6c2f760dda6093dcb91c24c39e5d6e18c
Ethereum	Aave RWA	0×464c71f6c2f760dda6093dcb91c24c39e5d6e18c
Ethereum	Aave V1	0xe3d9988f676457123c5fd01297605efdd0cba1ae
Ethereum	Aave V1	0×464c71f6c2f760dda6093dcb91c24c39e5d6e18c
Ethereum	Aave V2	0×464c71f6c2f760dda6093dcb91c24c39e5d6e18c
Ethereum	Aave V3	0×464c71f6c2f760dda6093dcb91c24c39e5d6e18c
Ethereum	Ecosystem Reserve	0×25f2226b597e8f9514b3f68f00f494cf4f286491
Ethereum	Incentives Controller V2	0xd784927ff2f95ba542bfc824c8a8a98f3495f6b5
Ethereum	Paraswap Fee Claimer	0×9abf798f5314bfd793a9e57a654bed35af4a1d60
Fantom	Aave V3	0xbe85413851d195fc6341619cd68bfdc26a25b928
Fantom	Paraswap Fee Claimer	0×9abf798f5314bfd793a9e57a654bed35af4a1d60
Harmony	Aave V3	0×8a020d92d6b119978582be4d3edfdc9f7b28bf31
Metis	Aave V3	0xb5b64c7e00374e766272f8b442cd261412d4b118
Optimism	Aave V3	0xb2289e329d2f85f1ed31adbb30ea345278f21bcf
Optimism	Paraswap Fee Claimer	0×9abf798f5314bfd793a9e57a654bed35af4a1d60
Polygon	Aave V2	0×7734280a4337f37fbf4651073db7c28c80b339e9
Polygon	Aave V2	0xe8599f3cc5d38a9ad6f3684cd5cea72f10dbc383
Polygon	Aave V3	0xe8599f3cc5d38a9ad6f3684cd5cea72f10dbc383
Polygon	Paraswap Fee Claimer	0×9abf798f5314bfd793a9e57a654bed35af4a1d60

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