Aerodrome (AERO)

Tokenholder Report

Q2 2026

Blockworks Advisory

This research report has been funded by Perpetual Cyclist Services LLC. By providing this disclosure, we aim to ensure that the information reported in this document is conducted with objectivity and transparency.

Blockworks Advisory makes the following disclosures:
1) Report Funding: The information reported in this document has been funded by Perpetual Cyclist Services LLC. The sponsor may have input on the content of the report, but Blockworks Advisory maintains editorial control over the final report to retain data accuracy and objectivity. All published token holder reports by Blockworks Advisory are reviewed by internal independent parties to prevent bias. 2) Researchers submit financial conflict of interest (FCOI) disclosures on a monthly basis that are reviewed by appropriate internal parties. Readers are advised to conduct their own independent research and seek advice of qualified financial advisor before making investment decisions.

Table of Contents

SECTION 01

Executive Summary

01

$45.1B	56.1%	$15.2M	$6.6M
SPOT DEX VOLUME	BASE DEX SHARE	TOTAL REVENUE	NET LOSS
+31.5% QoQ	from 42.6% in Q1	-18.7% QoQ	vs $0.99M loss in Q1

Q2 2026 was a throughput-recovery quarter for Aerodrome: activity and market position rebounded strongly, while quarterly unit economics stepped back. Spot DEX volume rose 31.5% to $45.08B and Aerodrome's share of all Base DEX volume climbed back to 56.1% from a 42.6% trough in Q1, reasserting the protocol as core Base liquidity infrastructure. The economics moved the other way quarter over quarter: total revenue fell 18.7% to $15.23M, fee capture eased to 76.0% of gross trading fees from 88.4%, and emissions rose 10.8% to $21.86M, widening net income to -$6.63M from -$0.99M in Q1. Set against a year earlier, though, the trajectory is markedly healthier: emissions are down 61% from the $55.86M of Q2 2025, and the net loss is roughly two-thirds narrower than the -$19.09M of a year ago.

Underneath the quarterly economics, the franchise continued to broaden and deepen. The veAERO lock base reached a record 1.03B AERO, rising for a fourth straight quarter, and unique holders grew 5.4% to an all-time high of 47,055, close to 20,000 more than a year ago. Governance kept de-concentrating: the top-10 holder share of effective voting power fell to 64.9%, a fourth consecutive quarterly decline from 76.1% a year earlier, and the top-10 pool share of voting weight dropped to a multi-quarter low of 53.6%. Marginal incentive efficiency improved as well, with bribe ROI recovering to 1.83x from 1.43x. The base of committed, distributed ownership the protocol is built on, strengthened even as per-quarter monetization slipped.

The quarter is best read as a strengthening franchise working through a monetization-transition quarter. Q1 was an activity step-down with improving efficiency; Q2 was an activity rebound with softer fee conversion, as more volume flowed through Slipstream while each dollar of throughput captured less revenue. With demand, market share, and ownership all pointing the right way, and the annual loss trend still improving, the tokenholder question heading into the July transition is a focused one: whether Predictive Allocation and the AER Engine convert recovered throughput and a deeper holder base into stronger per-unit fee capture, rather than whether the protocol can attract flow or retain committed holders.

Core Quarter Takeaways

Activity and market position reasserted. Spot volume rebounded 31.5% to $45.08B and Aerodrome's share of Base DEX volume recovered to 56.1% from a 42.6% Q1 trough, on demand that stayed habitual, with about 83% of daily traders returning.

Governance health improved. Concentration eased across the board (top-10 pool voting weight fell to a multi-quarter low of 53.6% from 63.1%, and the top-10 holder share of effective voting power fell to 64.9% from 70.0%), voting breadth widened to 378 pools receiving votes, and bribe ROI recovered to 1.83x from 1.43x.

Ownership kept deepening. veAERO-locked AERO rose 3.0% to a record 1.03B, and unique holders grew 5.4% to an all-time high of 47,055, extending a run that has added close to 20,000 holders over the past year.

Quarterly economics stepped back, but the annual trend improved. Revenue fell 18.7% while volume rose, fee capture eased to 76.0%, and emissions rose 10.8% to $21.86M, widening the net deficit to -$6.63M quarter over quarter. Measured against a year earlier, emissions are down 61% and the net loss is about two-thirds narrower, though annualized fee yield to voters compressed to 10.6% from 15.5% as revenue fell against a larger locked base.

The quarter is a setup quarter. Q2 was the last full quarter under the current weekly-epoch voting and emissions regime. Predictive Allocation, the new Aero (MetaDEX03), and the AER Engine are dated July 2026, so this report closes out the current system's track record and sets the baseline the transition will be judged against.

SECTION 02

Management Commentary

Forward-Looking Statements

This commentary contains forward-looking statements regarding the protocol's operations, roadmap, token economics, and competitive position. These statements reflect our current expectations and are subject to risks and uncertainties, which include market conditions, the durability of recent volume and share gains, per-unit fee capture, governance dynamics, and the delivery and adoption of new mechanisms including the MetaDEX03 transition, many of which are outside our control. Realized results may differ materially. We describe the most significant of these risks under "Risk Factors" below, and we ask tokenholders to treat any narrative about the effect of unshipped mechanisms, including ours, with skepticism until the underlying data is available. We do not undertake to update these statements except through the periodic operating metrics we commit to publishing.

Overview of the Quarter

Q2 was a recovery quarter on every demand measure. Volume rose 31.5% to $45.1B. Aerodrome's share of all Base DEX volume recovered to 56.1% from a 42.6% trough. On the stricter wash-filtered venue set whose methodology is public, from 42.2% to 59.9%, with each principal competing venue declining in share. Demand here was sticky; the report measures roughly 83% of daily traders in the quarter as returning users. The gain was not confined to the protocol's home chain: on DefiLlama's global series, Aerodrome's share of all DEX volume worldwide rose from 3.7% to 7.0% in a quarter when the global market contracted roughly 31%. Meanwhile, its share of global swap fees held flat to slightly higher on both measurement bases; the repricing bought volume share without giving up fee ground. The locked base reached an all-time high in both tokens and holders, and governance concentration eased for a fourth consecutive quarter.

The recovery was substantially driven by fee policy. In Q1, activity contracted broadly across the market; on Aerodrome, volume fell 36.6% and revenue 47.0%. The response was a repositioning of pricing across major lanes: new pool architecture entered service with competitive pricing, and fee parameters were recalibrated dynamically. Q2 reversed the demand side of that first quarter in full.

The revenue decline decomposes into two parts, both visible in the report's figures: gross trading fees fell only 5.5% while volume rose 31.5%. The report reads this as a distribution-and-mix effect rather than erosion in the protocol's ability to charge for trades; that matches our reading. Some portion of the volume and share gained is price-sensitive and may not persist as pricing normalizes; we treat the durability of these gains as an open question but one that is likely to be rendered moot along with the release of MetaDEX03.

Business and Category Position

Over the trailing twelve months, decentralized exchanges generated more aggregate protocol fees than any other onchain application category at approximately $3.3B, ahead of derivatives ($2.4B), lending ($1.9B), and liquid staking ($1.8B). We continue to regard the decentralized exchange as the key economic layer for tokenized assets in addition to the existing crypto-native universe and expect demand for liquidity to grow with tokenization itself.

Within that category, Aerodrome remained the largest spot exchange by revenue distributed to tokenholders in both quarters. The proportion behind the rank is the sharper fact: measured across Q2 on the same series, Aerodrome accounted for roughly a sixth of spot volume across the major EVM exchanges, with nearly 40c of every dollar those venues distributed to their tokenholders. That asymmetry is a consequence of form: the entirety of internalized revenue reaches lockers as current cash flow, whereas venues with multiples of Aerodrome's volume distribute at partial rates via alternate mechanisms such as buybacks. For a holder seeking exposure to onchain exchange activity, this is the ratio we would examine first.

The MetaDEX03 transition and the merger. The transition this commentary references throughout is not only a protocol upgrade; it includes the announced merger of Aerodrome and Velodrome into a single protocol, Aero, with a unified token. Existing AERO and VELO positions upgrade into the new token—94.5% of the new supply to AERO and veAERO holders and 5.5% to VELO and veVELO holders—and locked positions migrate with their amounts and lock durations intact. Pool migration began in June; the token merger and the remaining MetaDEX03 components follow. Every holder who upgrades migrates into the successor claim at the announced ratio, with locked amounts and durations preserved; execution of the migration is nonetheless a significant undertaking, and we address it in Risk Factors accordingly.

The Locked Base

Investors ask more questions about locks than about any other feature of this protocol, so we give it its own section: how much is locked, how durable the locking is, and who the lockers are.

Lock rate. A total of 53.6% of all AERO was locked as veAERO at both the Q1 and Q2 quarter-ends, against 52.9% at year-end 2025. The locked share did not fall while the token value halved, and it did not fall while it recovered, with 1,033.4mm AERO locked on June 30, an all-time high in tokens, held across an all-time high of 47,055 unique holders. Net new locking absorbed roughly three-quarters of Q1's gross emissions and over half of Q2's.

Lock durability. A total of 94.3% of all locked AERO sits in positions with no lock expiry, compared with 94.1%, 93.7%, and 94.3% at the last three quarter-ends, respectively. This permanent base has two components: first, 39.6% of locked AERO sits in individually elected permanent locks, positions whose holders chose permanence one wallet at a time; this is the component the surrounding report describes as "roughly 40% of locked AERO in permanent positions." A further 54.7% sits in relay and managed positions, which are permanent by protocol design rather than by individual election. Aggregate voting power runs at 98.0% of locked tokens. The 5.7% of locked AERO in decaying positions carries an average remaining duration of roughly 2.7 years. The practical consequence is that this is not a book of expiring time-locks with unlock cliffs ahead of it. A permanent lock can be unwound only by converting it back to a decaying lock, which then runs its full four-year term—AERO in the permanent base cannot re-enter circulating supply in less than four years from the decision to leave. One note: locked positions are transferable NFTs, so an individual holder can sell a position on secondary markets; the supply inside it remains locked either way.

Lock composition. Program-controlled positions represent approximately 47% of locked AERO. The organic remainder is approximately 53% of the locked base, or roughly 28% of total supply. That organic share, alongside a total lock ratio that held flat through a halving and a recovery, is the strongest durability evidence we have; it is also the honest boundary of the claim, because the same disclosure discipline applies to permanence: program positions are permanently locked by design, and relay-deposited positions are permanently locked as a condition of relay participation.

Protocol Economics and Capital Programs

This section covers the protocol's economic machinery—fee policy, emissions, and the capital programs around them. It needs more space than usual this quarter, because Q2's results were substantially driven by fee policy.

Emissions. Emissions are not set by any single party, the protocol's developers included. The schedule executes onchain, and within narrow per-epoch bounds it adjusts only by veAERO vote — a vote in which Foundation- and program-controlled positions participate alongside all other lockers, in the proportions disclosed in The Locked Base above. We will not advocate re-accelerating it to pursue volume. Quarterly net dilution was 3.1% in Q1 and 3.2% in Q2 (roughly 13% annualized); the multi-year decline in the dilution rate has flattened rather than continued. Total supply reached 1,926M AERO on June 30. Because emissions are denominated in AERO, their dollar cost rose in Q2 as the token price recovered, even as the token amounts barely moved. This matters for the income line.

Pricing. Fee parameters are the protocol's most active economic variable, and Q2 was defined by them: new pool architecture entered service, and fee parameters across the major lanes began to be recalibrated on a continuing basis. That repositioning is the proximate driver of both sides of the Q2 print — the volume and share recovery, and the decline in the realized fee rate. The report's figures bound the repositioning cost: gross trading fees held within 5.5% of Q1 on volume, up 31.5%. This reflects the fee engine intact at lower unit pricing, not demand purchased at any price. The repositioning is best understood as an investment: pricing is being tuned toward sustainable levels, and the test is whether volume and share hold as it normalizes. We will report that outcome either way.

The buy-and-lock program. Approximately 30% of the fee revenue accruing to Foundation positions is directed to open-market AERO purchases, locked as maximum-duration veAERO. On that open-market basis, the program purchased and locked 9.39M AERO in Q1 (approximately $3.4M) and 3.2M AERO in Q2 (approximately $1.3M) — a substantially lower amount, reflecting the lower fee revenue that funds the program and a higher average token price. The broader acquired-and-locked measure in the surrounding report additionally counts relay reward-compounding and vote-reward re-locking, flows that permanently re-lock AERO already distributed.

Durable lanes. The Q1 pattern of losing the most commoditized major-pair flow to structurally cheaper venues while the durable lanes held partially reversed in Q2 under the migrated pools: ETH-USD volume rose 29%, BTC-USD 96%, ETH-BTC 21%. The lanes that look most durable—depth-led pairs, FX, and routed flow—are where the protocol's liquidity and incentives remain concentrated, and the FX lane is the clearest case: as the report details, Aerodrome handled roughly 48% of all onchain FX volume in Q2 (across every chain, not only Base), the one market in which this protocol is the largest venue, and the base from which the announced Arc deployment starts. The onboarding of asset types such as RWAs with durable interest and value uncorrelated to crypto-native tokens remains a priority.

Ignition. The launch program remained a real revenue channel through the half, with three Ignition launches occurring in the quarter. Our pipeline for launches remains strong, and we continue to work with our partners in building a compelling value proposition for projects seeking an alternative to conventional launches costing them up to 10x more on other venues.

Governance. The report's Q2 measurements are the ones to use here, and they record the quarter's clearest structural improvement: effective participation held near 86%; voting breadth widened to 378 pools receiving votes; and concentration eased on every measure—the top-ten pool share of voting weight fell to 53.6% from 63.1%, and the top-ten holder share of effective voting power fell to 64.9%, a fourth consecutive quarterly decline from 76.1% a year earlier. Unique veAERO holders reached an all-time high of 47,055, close to 20,000 more than a year ago.

The Income Line

Net income graded against the protocol this quarter. The loss widened from –$0.99M in Q1 to −$6.63M in Q2 on the report's income statement—revenue distributed to veAERO holders, minus the dollar value of AERO emitted to liquidity gauges—and emissions-to-revenue widened to 1.44x from 1.05x. On that fully loaded basis, the emissions bill exceeded distributed revenue in both quarters of the half. Two mechanics drove the widening: the revenue decline described in the overview, and the fact that emissions are token-denominated, where the same Q2 price recovery that raised the value of every locked position raised the dollar cost of emissions even as the token amounts barely moved. The year-over-year trajectory the report documents remains intact and remains the relevant frame: emissions are down 61% from Q2 2025, with the net loss roughly two-thirds narrower than a year ago.

The Aero Transition

The transition ahead—Predictive Allocation, the unified Aero token, and the protocol's expansion across chains—is the largest architectural change in this protocol's history, and it will be judged against the baseline the current system's record establishes, this quarter included. The report frames the stakes correctly, and we offer our context on the question it poses: whether the redesign leads to stronger per-unit economics.

The metrics that softened in Q2 are the ones the redesign is aimed at. Under the current system, rewards are directed by weekly vote, so the connection between where liquidity earns fees and where emissions flow is real but coarse—repriced once per epoch, at the granularity an epoch allows. Predictive Allocation replaces the weekly cycle with continuous allocation, and the AER Engine adjusts the reward rate per pool to track measured productivity. Those mechanisms are designed to tighten the relationship between fees earned and emissions paid, which is precisely the relationship that loosened in Q2, on both sides: the share of gross fees reaching voters, and the emissions bill relative to the revenue it sustains.

The transition also widens what the revenue line includes. The new architecture is designed to internalize fee streams beyond the swap—bridge fees, aggregator and routing fees, MEV capture, and so on—each routed to lockers on the same full-distribution terms as trading fees.

As set out in the July update published at aero.xyz: across three audit teams to date, no critical or high-severity vulnerabilities have been found; the audit timeline was extended to add a Mythos-powered security review, with a final audit round and a three-week public audit contest to follow; the core codebase publishes in batches beginning in early August; and Aero is currently set to launch in September, with a defined launch target to be shared post-audit.

Risk Factors

The risks below are the specific ways our views may prove wrong, and where each would first be visible.

The central risk is that liquidity and flow that arrived under incentives and competitive pricing proves rented rather than retained. If liquidity leaves as pricing normalizes, it will appear first in the share-retention measure above; if liquidity does not stabilize, it will show in the TVL line.

Merger execution is a first-order risk. The Aerodrome–Velodrome consolidation into Aero involves a token migration across two communities, liquidity migration across pool generations, and the coordinated delivery of the remaining MetaDEX03 components. Mechanisms that performed in testing may perform differently in production; migration timelines may extend; the remaining components ship as new contracts and audits reduce smart-contract risk without eliminating it; and every forward statement in this commentary that depends on the transition inherits that risk.

The income line carries a structural sensitivity both ways: emissions are token-denominated, so a rising AERO price widens the dollar loss at constant revenue, while a falling price narrows it—the reverse of the buy-and-lock program's arithmetic, where a rising price reduces tokens acquired per fee dollar. The successful deployment of Aero is intended to considerably mitigate this risk.

Governance breadth may not widen on the timeline holder growth implies; a voting base that grows while influence remains narrow is a legitimacy problem that is ours to solve, not a matter of optics.

Closing

Aerodrome exits Q2 with demand, market position, and ownership all pointing the right way: the largest spot exchange by tokenholder revenue, Base market share restored to decisive leadership, and a locked base at an all-time high in tokens and holders — 94% of it permanent on the contract's own measure, a majority of it organic — that kept growing through the yield compression, which the report itself reads as commitment tracking conviction rather than spot yield.

It will exit Q3 as Aero, featuring a complete overhaul of the protocol that will give all types of users new means of contributing to the platform's growth and benefiting from it. Development with this end goal in mind is what will best position Aero for success going forward.

The Aerodrome team

SECTION 03

Financials

Quarterly Income Statement (Q2 ‘25 to Q2 ‘26)

Revenue is the value routed to veAERO holders, split into Slipstream voter fees, V1 voter fees, and bribes. Emissions are the USD value of AERO issued to sustain that activity. Net income is voter revenue less emissions.

Aerodrome Income Statement

	Q2 '26	Q1 '26	Q4 '25	Q3 '25	Q2 '25
Total Revenue	$ 15.2M	$ 18.7M	$ 35.4M	$ 59.9M	$ 36.8M
Slipstream	*$ 9.4M*	*$ 12.4M*	*$ 24.3M*	*$ 34.1M*	*$ 25.7M*
V1	*$ 1.5M*	*$ 2.1M*	*$ 4.8M*	*$ 5.1M*	*$ 5.7M*
Bribes	*$ 4.3M*	*$ 4.2M*	*$ 6.3M*	*$ 20.6M*	*$ 5.4M*
Total Emissions	$ (21.9M)	$ (19.7M)	$ (37.4M)	$ (73.4M)	$ (55.9M)
Net Income	$ (6.6M)	$ (990.6K)	$ (2.0M)	$ (13.5M)	$ (19.1M)
oEPT*	-$0.007	-$0.001	-$0.002	-$0.016	-$0.024

Outstanding Earnings per Token (oEPT) measures quarterly net income divided by circulating AERO supply, reflecting per-token profitability.

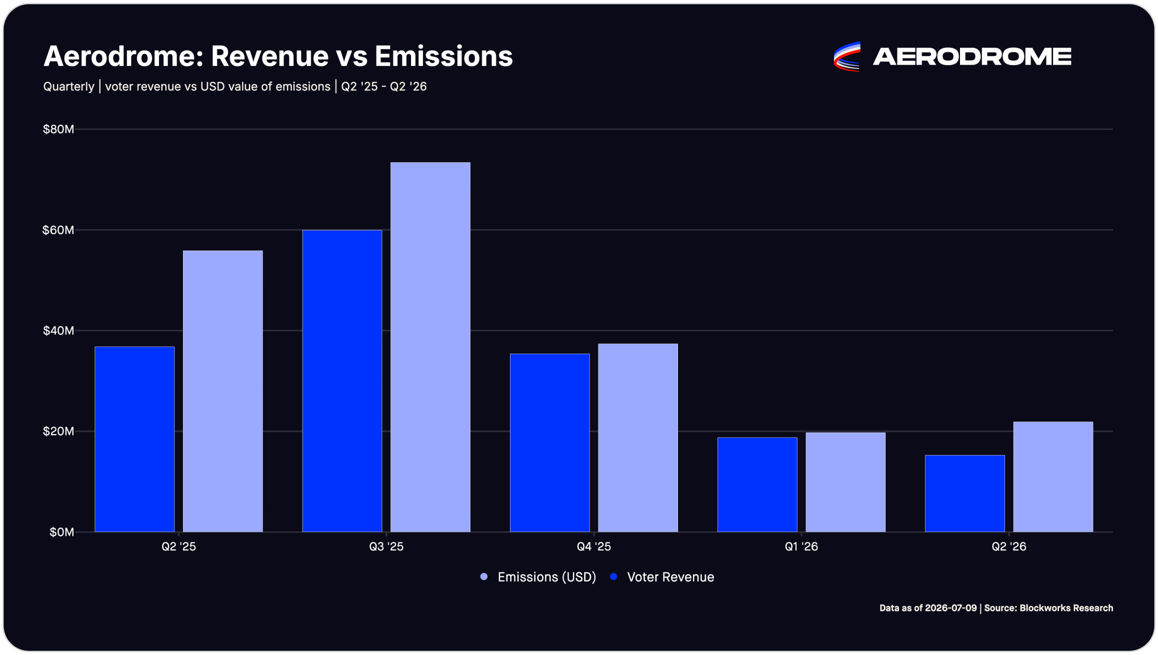
Data as of 2026-07-09 | Source: Blockworks Research

Aerodrome Income Statement. Source: Blockworks

Revenue Performance

Aerodrome generated $15.23M in Q2 total revenue, down 18.7% from $18.73M in Q1 and a fifth consecutive quarter below the Q3 2025 peak. The decline was concentrated in trading-fee lines: Slipstream voter fees fell 24.1% to $9.43M and V1 voter fees fell 29.4% to $1.48M, while bribes were roughly flat, edging up 2.4%

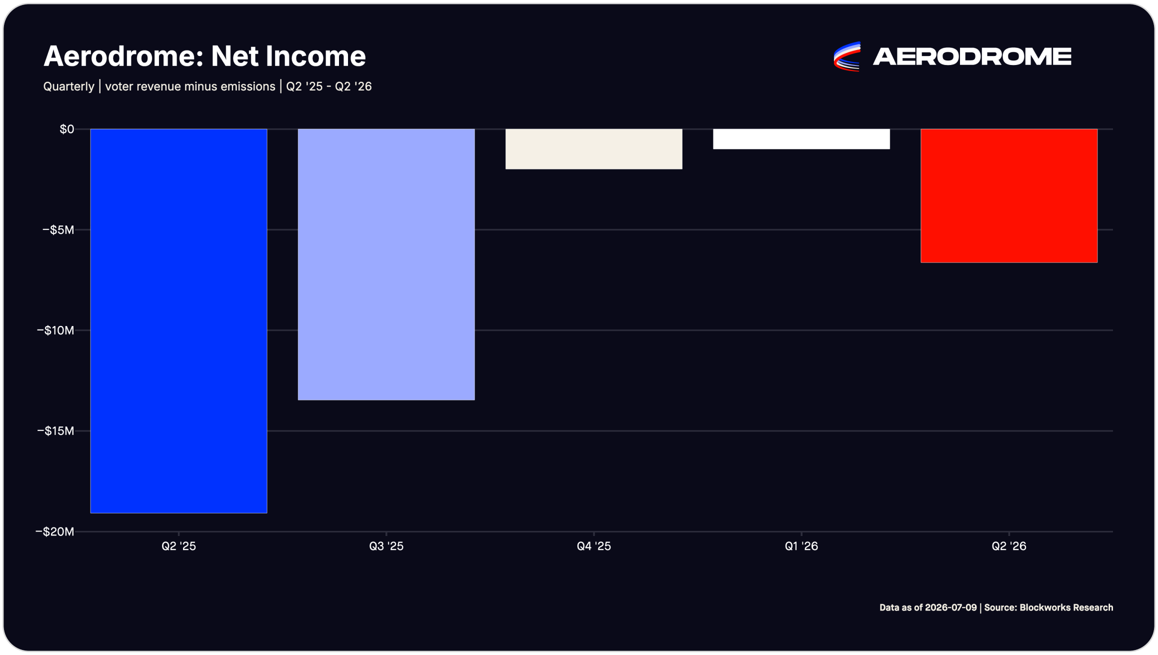
to $4.31M. Bribes therefore grew as a share of revenue to 28.3%, continuing to act as the more resilient second driver alongside swap fees.



Aerodrome: Revenue vs Emissions. Quarterly | voter revenue vs USD value of emissions | Q2 '25 - Q2 '26. Source: Blockworks

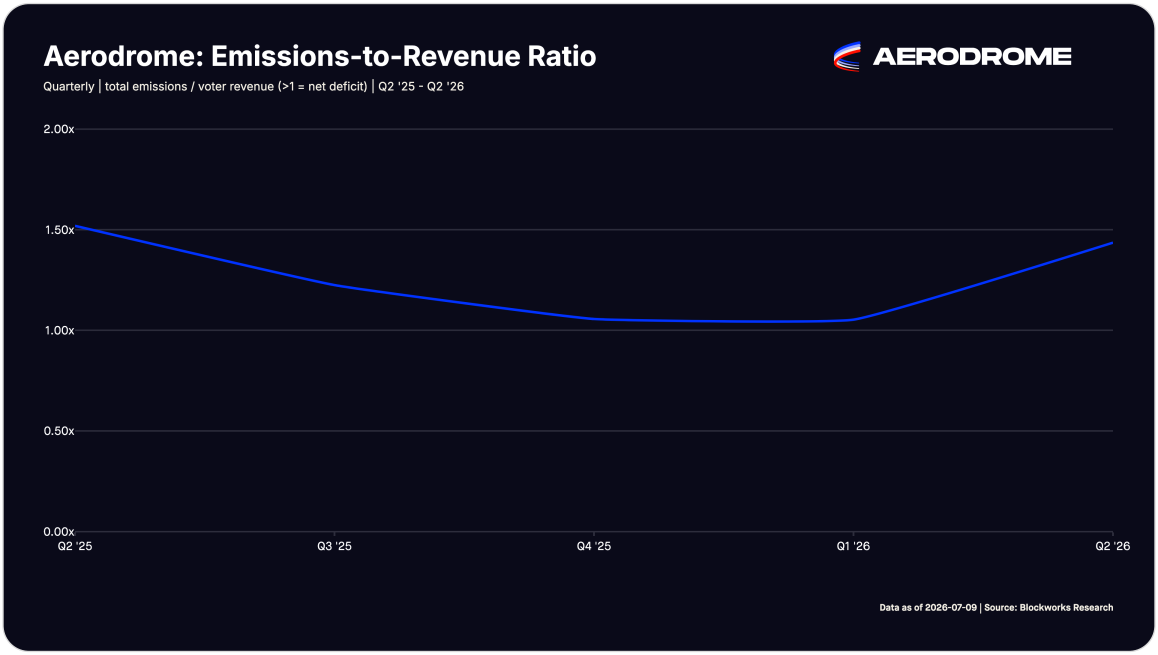
Emissions Burden and Net Income

Emissions and revenue moved in opposite directions this quarter. Total emissions rose 10.8% to $21.86M while revenue fell, so net income stepped back to -$6.63M from -$0.99M and emissions-to-revenue widened to 1.44x from 1.05x. The quarter-over-quarter move is a genuine setback, but it sits within a much-improved annual picture: emissions are 61% below the $55.86M of Q2 2025, the net loss is roughly two-thirds narrower than the -$19.09M of a year ago, and emissions-to-revenue remains below the 1.52x of that quarter.



Aerodrome: Net Income. Quarterly | voter revenue minus emissions | Q2 '25 - Q2 '26. Source: Blockworks

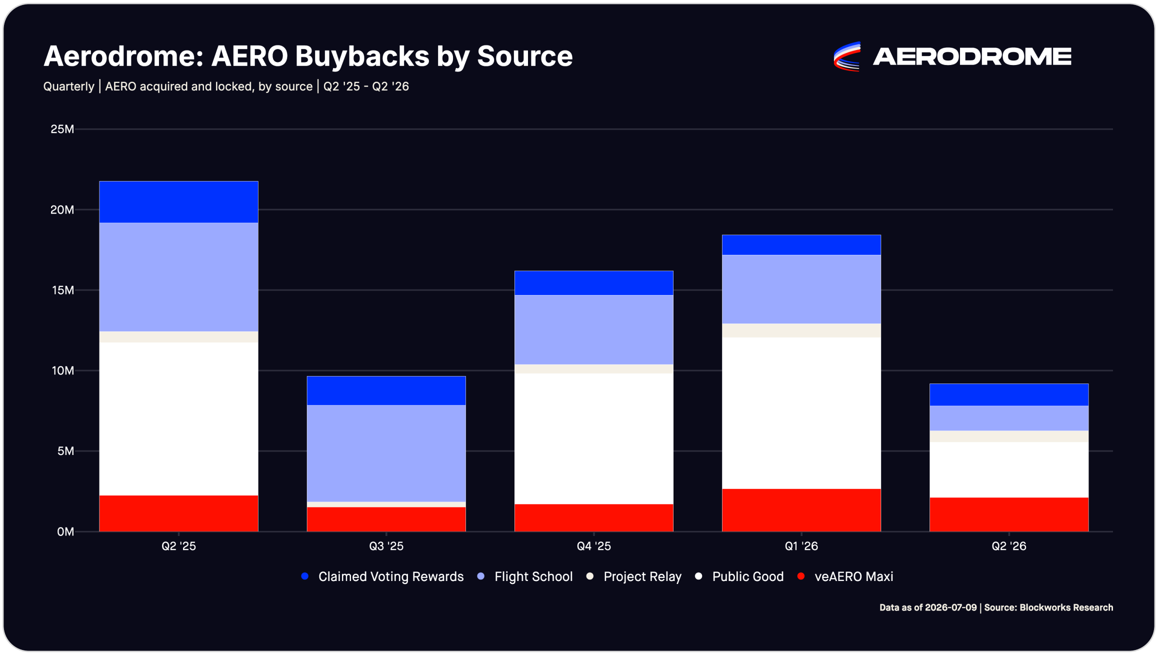
After approaching balance in late 2025, the protocol widened its deficit again in Q2. On a fully-loaded basis that counts the USD cost of issuance, the emissions bill still exceeds voter revenue, which is the honest counterpoint to the team's Maximum Value Distribution framing; closing that gap is the central task the July redesign is built to address.



Aerodrome: Emissions-to-Revenue Ratio. Quarterly | total emissions / voter revenue (>1 = net deficit) | Q2 '25 - Q2 '26. Source: Blockworks

Buybacks and Value Return

The buyback program partially offsets that dilution rather than reversing it. Across the Public Good Fund, Flight School, relays, and reclaimed voting rewards, Aerodrome acquired and locked 9.17M AERO in Q2 (about $3.6M at prevailing prices used only to value the flow), bringing 2026 buybacks and locks to 27.95M AERO. The Momentum Fund, positioned to take over this function with mandates spanning strategic pool allocation, ecosystem-builder allocation, and AERO buyback-and-burn, was framed during the quarter as the next step but had not assumed the role by quarter close. The buyback flow is a genuine reduction in circulating growth, but at current scale it does not close the emissions-versus-revenue gap.



Aerodrome: AERO Buybacks by Source. Quarterly | AERO acquired and locked, by source | Q2 '25 - Q2 '26. Source: Blockworks

Financial Interpretation

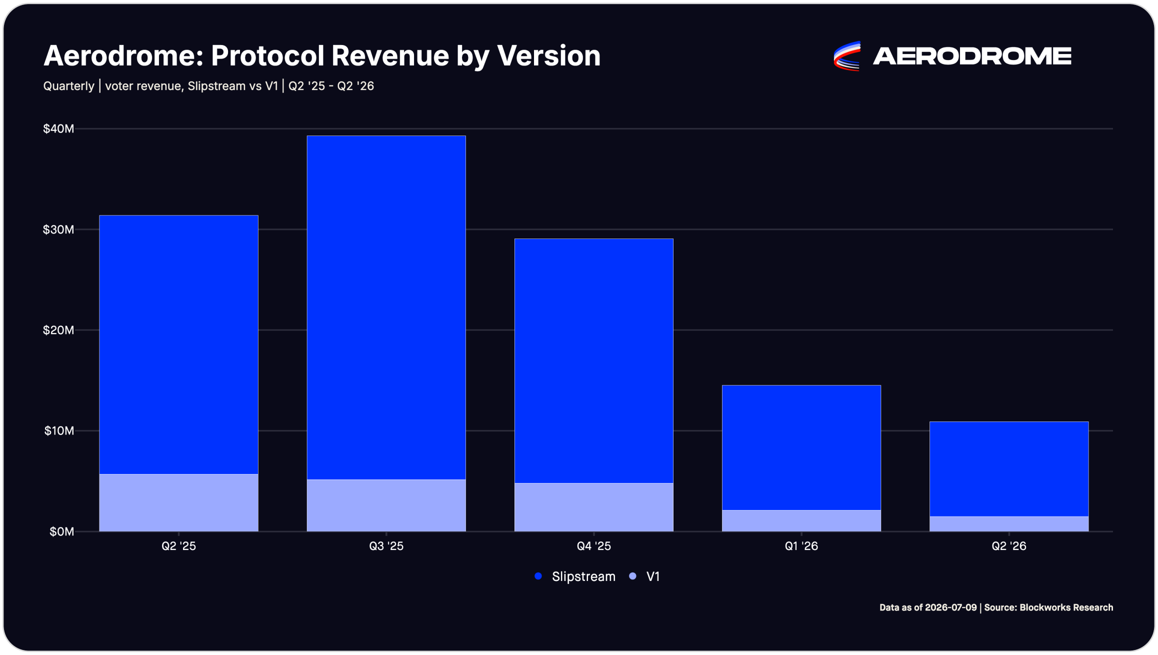
Q2 is best read as a demand rebound that has not yet pulled margin up with it. Throughput and market share recovered, but fee capture eased to 76.0% from 88.4%, so the quarter widened the quarterly economics gap even as the annual loss trend kept improving. The financial objective heading into the July transition is clear and within reach given recovered volume: convert that throughput into fees more efficiently and hold emissions discipline, turning demand the protocol has already won into a narrower deficit.

SECTION 04

Revenue Drivers

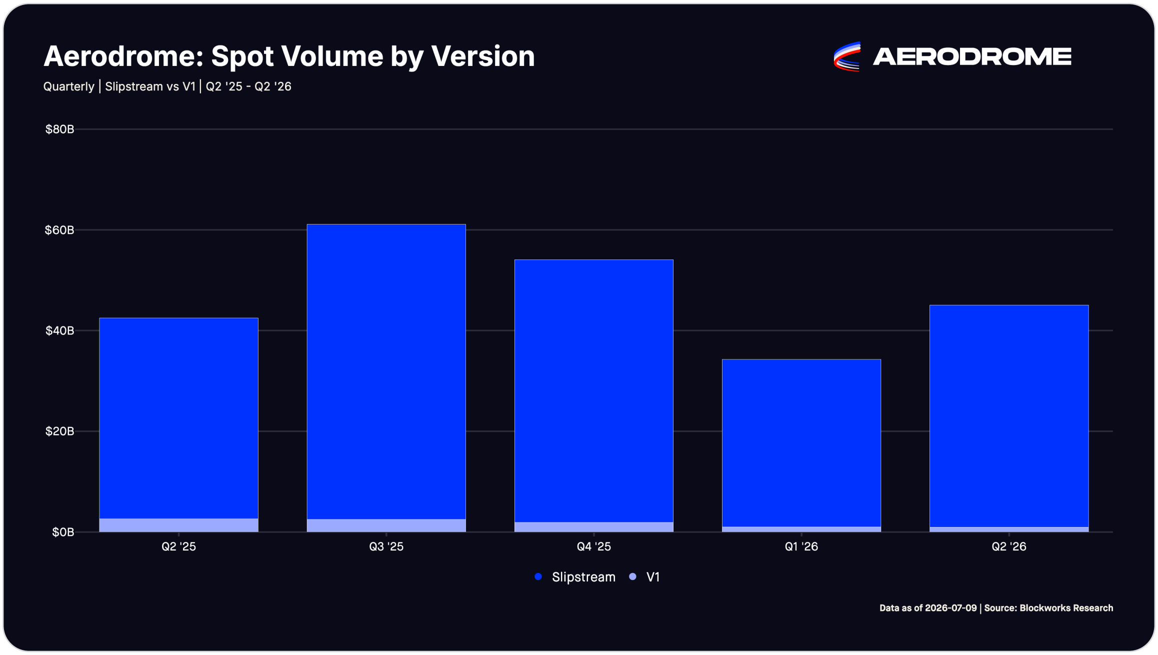
Revenue by Product Line

Slipstream remained the primary revenue engine at $9.43M, or 61.9% of total revenue, down 24.1% quarter over quarter. The important read is not the dollar decline but the divergence from volume: Slipstream throughput rose sharply in Q2 while its voter-fee revenue fell, so fee capture per unit of flow weakened materially.



Aerodrome: Protocol Revenue by Version. Quarterly | voter revenue, Slipstream vs V1 | Q2 '25 - Q2 '26. Source: Blockworks

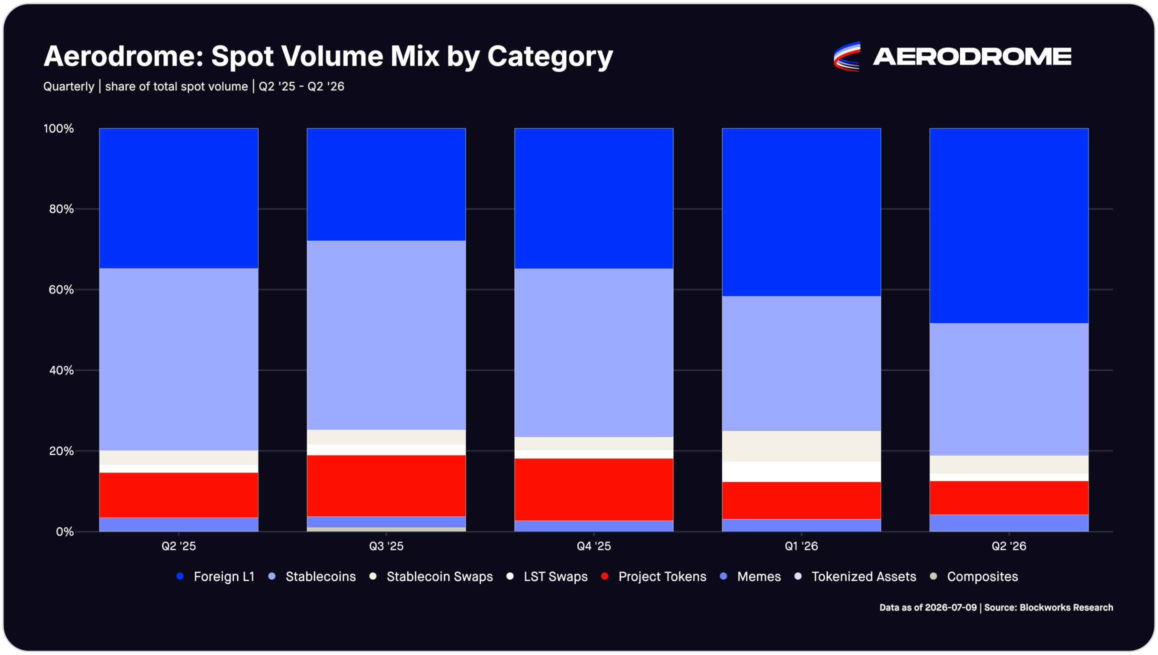
V1 voter fees of $1.48M (9.7% of revenue) fell 29.4% and continued their structural shrink as execution concentrates in Slipstream. Bribes of $4.31M (28.3% of revenue) were the quarter's most durable line, essentially flat while both trading-fee lines contracted.



Aerodrome: Spot Volume by Version. Quarterly | Slipstream vs V1 | Q2 '25 - Q2 '26. Source: Blockworks

Fee Capture Quality

The clearest quality signal is the gap between activity and monetization. Gross trading fees held up far better than voter revenue, falling only 5.5% to $20.03M, while voter revenue fell 18.7%. The result is that the share of gross fees reaching voters, the protocol's fee-capture rate, dropped to 76.0% from 88.4%. In other words, the pools that grew in Q2 were lower-yielding for governance participants than the mix that preceded them, so more trading produced proportionally less holder revenue. The encouraging read is that the fee engine itself is intact: gross fees tracked volume far more closely than voter revenue did, so the gap is a distribution-and-mix problem the July redesign targets directly, not erosion in the protocol's ability to charge for trades.



Aerodrome: Spot Volume Mix by Category. Quarterly | share of total spot volume | Q2 '25 - Q2 '26. Source: Blockworks

Incentive-Market Read

The bribe market told a more constructive story than the fee lines. Bribe spend of $4.31M was roughly flat, but bribe ROI, the AERO emissions directed per dollar of bribe, recovered to 1.83x from 1.43x, and emissions to bribed pools rose to $10.14M. Marginal incentive spend worked harder in Q2 than in Q1 even as the top-line emissions burden grew, which points to a governance market that reset toward better conversion at the margin while the aggregate emissions total moved the wrong way.

Revenue Driver Conclusion

Q2 revenue is explained by weaker fee capture in Slipstream and V1, partially cushioned by resilient bribes and improving bribe efficiency. Volume is now a supporting metric rather than the constraint; the binding management question is how efficiently recovered throughput converts into durable, holder-facing fees while emissions are brought back under revenue.

SECTION 05

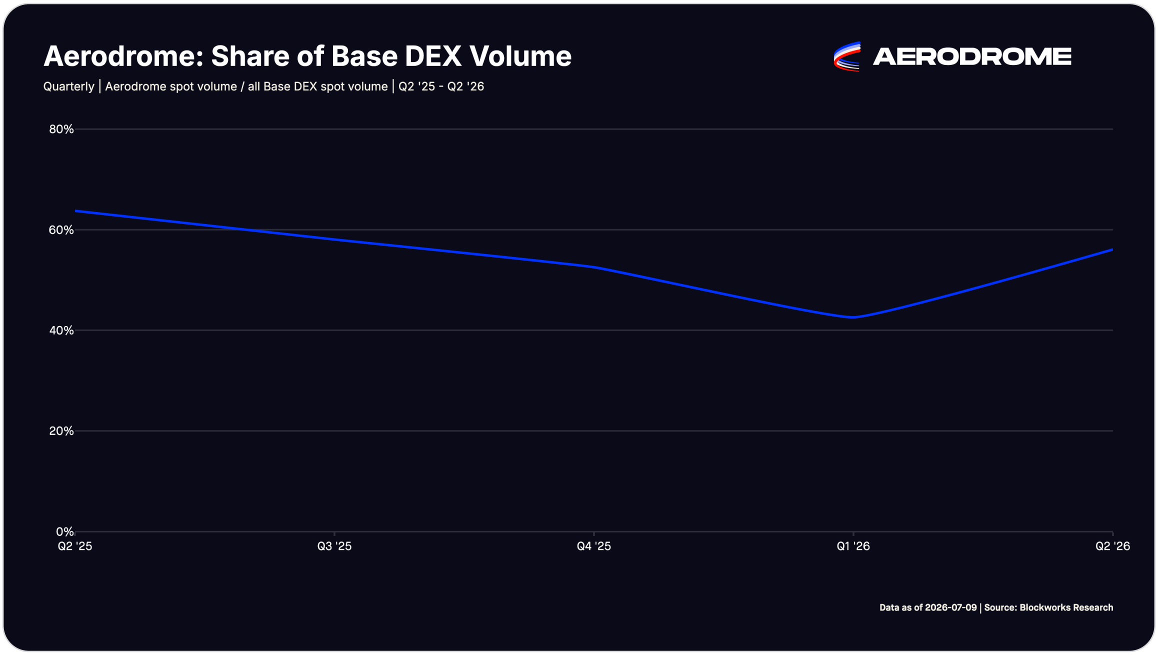
Protocol Analysis

Throughput and Version Mix

Q2 spot DEX volume was $45.08B, up 31.5% from $34.28B in Q1, confirming that the Q1 softness was an activity dip rather than a share loss. Version mix stayed almost entirely in Slipstream, which processed $44.17B, or 98.0% of protocol volume, up 32.6% quarter over quarter, while V1 processed $0.91B and continued to fade as a share of activity. The concentration in concentrated-liquidity execution is now a structural feature of the protocol rather than a trend. The demand behind that throughput was habitual rather than transient: Aerodrome averaged roughly 14,000 daily active traders in Q2, of which about 83% were returning, consistent with a user base that treats the venue as default Base infrastructure.

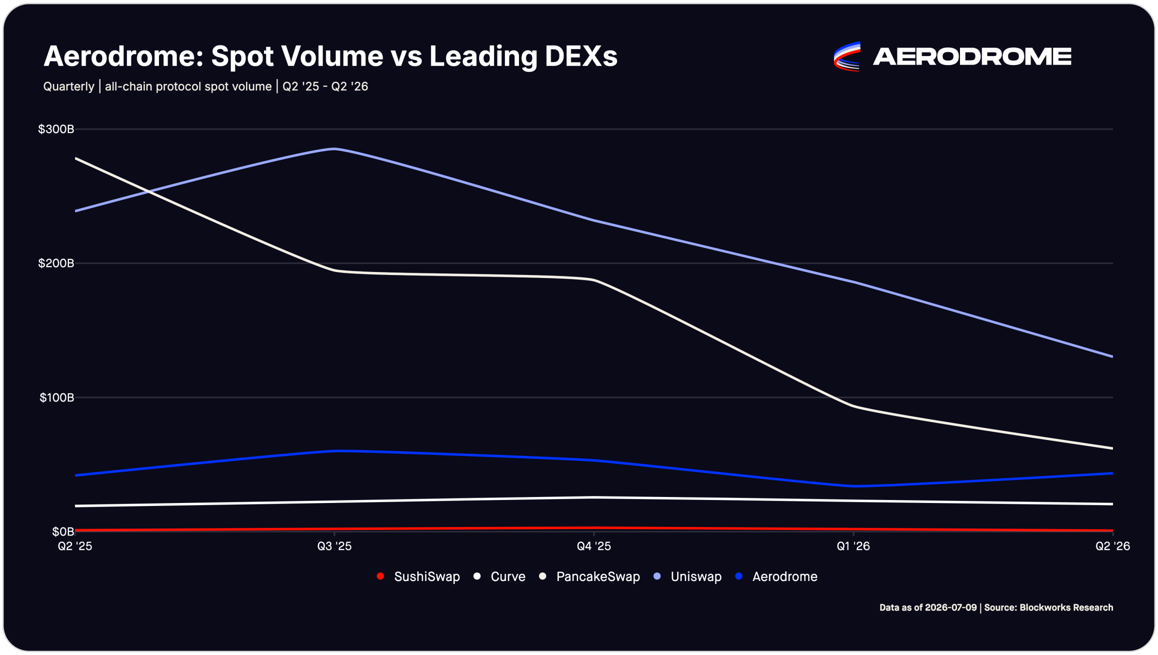
Competitive Position on Base

Aerodrome's share of total Base DEX spot volume recovered to 56.1% from 42.6%, reversing the Q1 slippage and reaffirming its position as the dominant venue on its home chain.



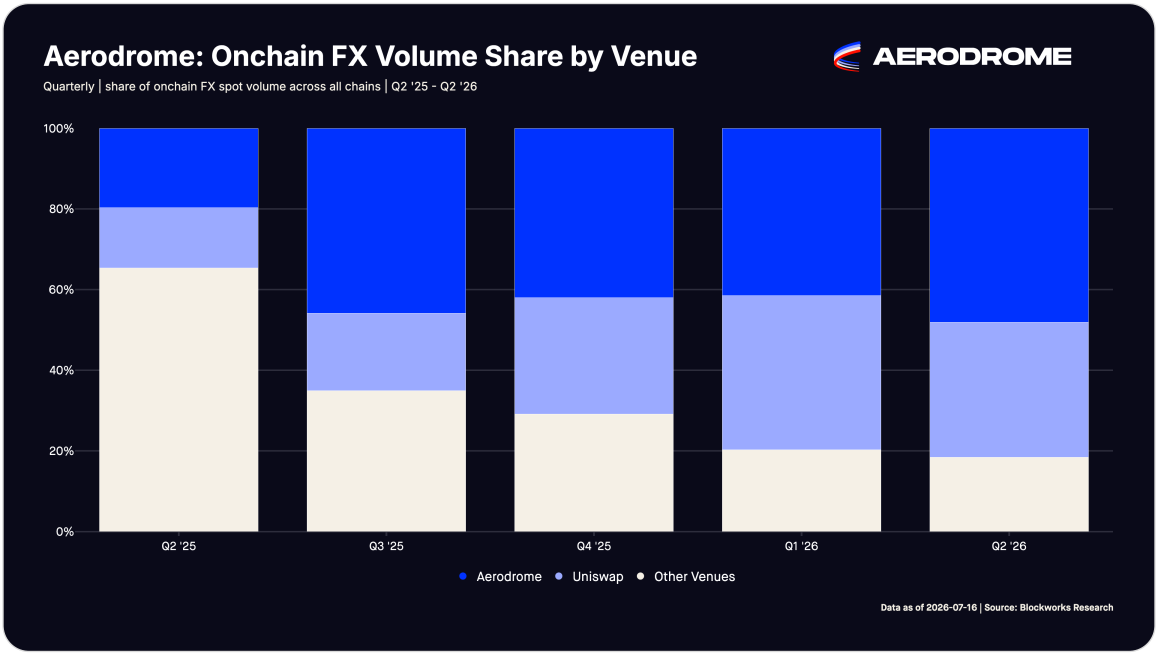
Aerodrome: Share of Base DEX Volume. Quarterly | Aerodrome spot volume / all Base DEX spot volume | Q2 '25 - Q2 '26. Source: Blockworks

In cross-chain terms, Aerodrome remains a Base-native venue rather than a multi-chain one, so its all-chain volume of $43.4B sits behind multi-chain incumbents; the durability that matters for this protocol is Base share, and that recovered clearly in Q2. The team's separate framing that Aerodrome leads all onchain venues in holder revenue is directionally consistent with its Base dominance, but it is a comparative claim that should be read as management framing rather than as an independently measured result.



Aerodrome: Spot Volume vs Leading DEXs. Quarterly | all-chain protocol spot volume | Q2 '25 - Q2 '26.
Source: Blockworks

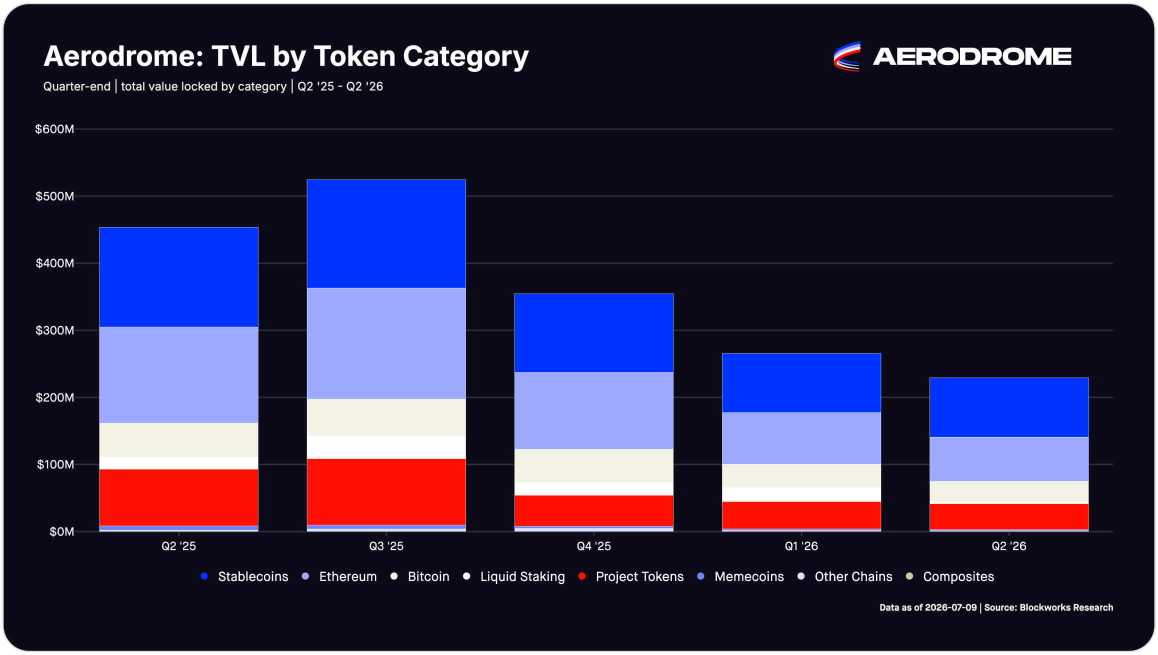
One cross-chain exception is worth isolating. In onchain FX trading Aerodrome is the single largest venue on any chain, handling roughly 48% of all onchain FX volume in Q2 and running ahead of Uniswap at about 34%. That position built from roughly 20% a year earlier and has held near half the market since mid-2025, concentrated in the EURC/USDC pair the protocol has actively fee-tuned. The absolute market is small, but it is one Aerodrome measurably leads across chains, which gives its Arc deployment and FX-infrastructure ambitions a running start rather than a standing one.



Aerodrome: Onchain FX Volume Share by Venue. Quarterly | share of onchain FX spot volume across all chains | Q2 '25 - Q2 '26. Source: Blockworks

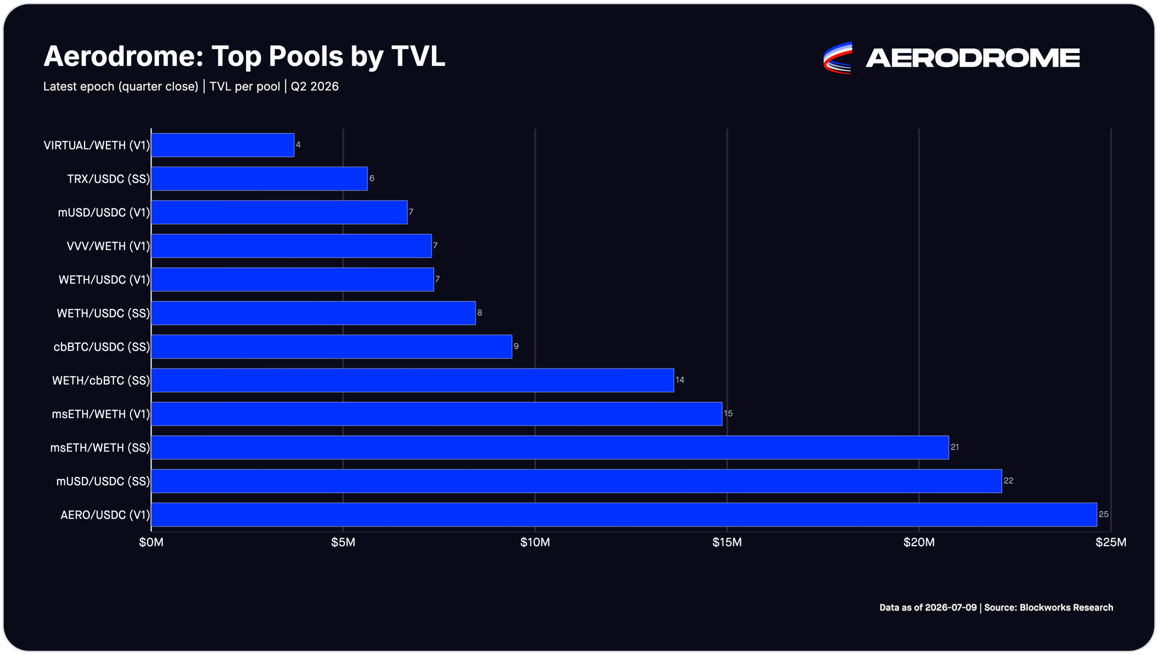
Liquidity

Total value locked continued to drift lower, ending Q2 near $240.5M, down 10.1% quarter over quarter and well below the $531M reached in Q3 2025. The composition grew more defensive: stablecoins rose to 36.9% of liquidity, providing a base that is relatively insensitive to price volatility, while ethereum and bitcoin liquidity both declined.



Aerodrome: TVL by Token Category. Quarter-end | total value locked by category | Q2 '25 - Q2 '26. Source: Blockworks

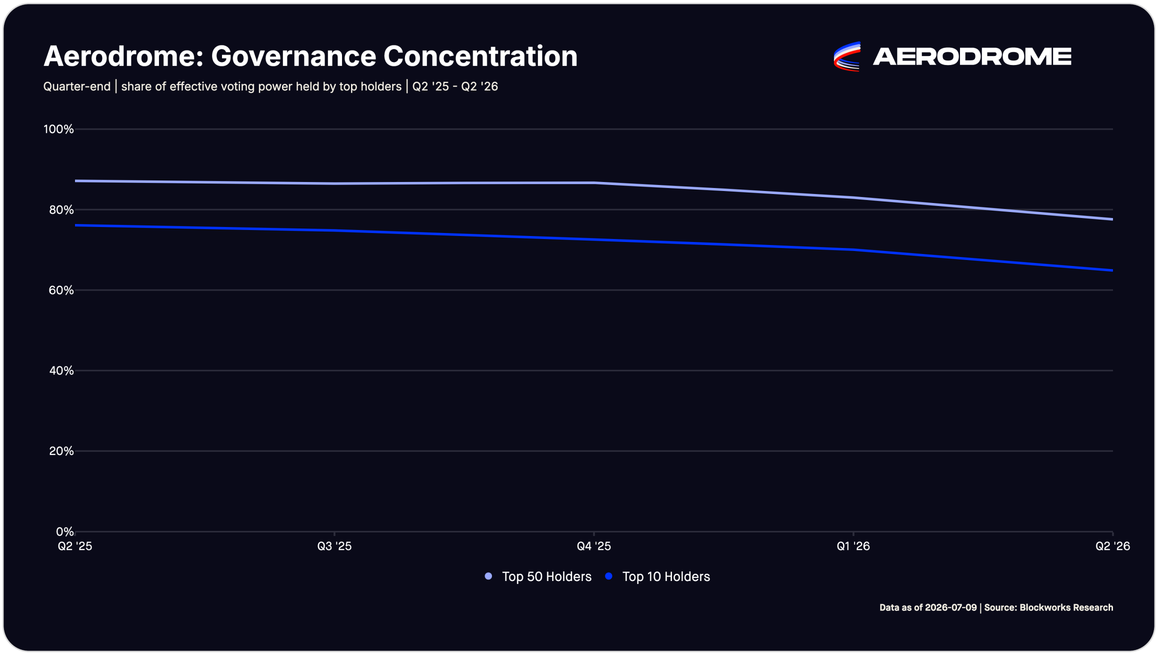
At the pool level, capital efficiency remained highly dispersed rather than converged; the largest pools by TVL (AERO/USDC, mUSD/USDC, and msETH/WETH) sit near 0.9x to 2.3x volume-to-TVL, while a concentrated pool such as cbBTC/USDC on Slipstream turned over more than 70x its liquidity, underscoring that efficiency is a pool-design outcome, not a protocol-wide constant.



Aerodrome: Top Pools by TVL. Latest epoch (quarter close) | TVL per pool | Q2 2026. Source: Blockworks

Governance Market Health

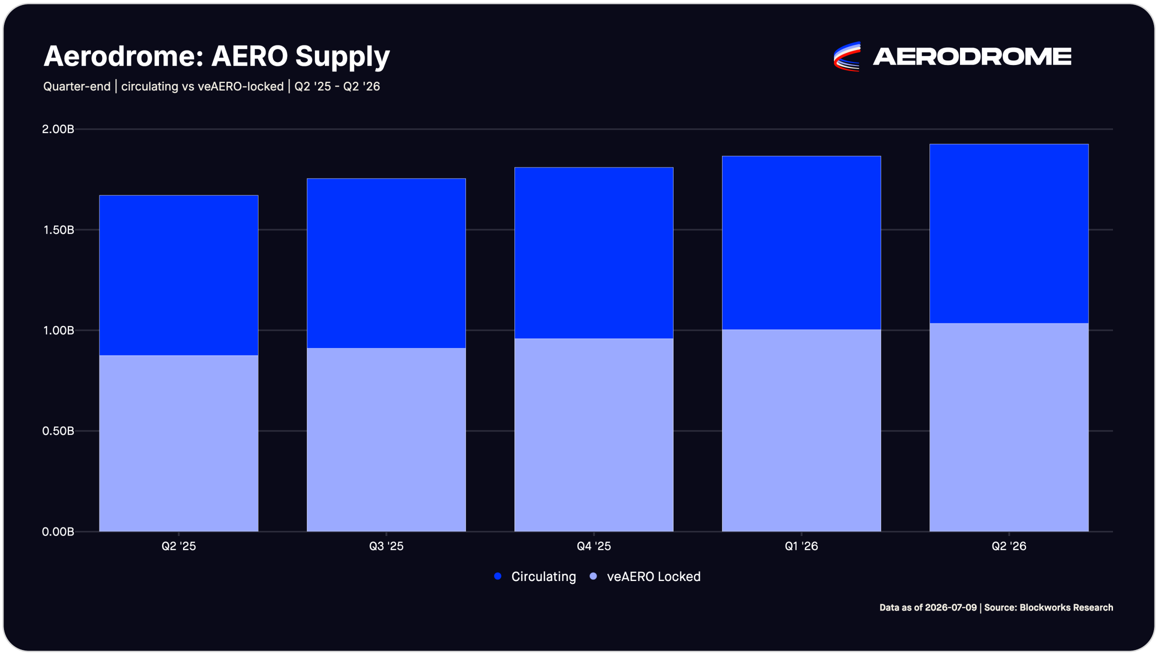
Governance was the quarter's clearest area of improvement. Effective participation held near 86%, voting breadth widened to 378 pools receiving votes from 340, and concentration eased on every measure: the top-10 pool share of voting weight fell to 53.6% from 63.1%, and the pool-level HHI more than halved to 0.038. Voting weight also rotated slightly back toward V1 gauges, with Slipstream's share of weight easing to 77.3% from 84.7%. Taken together, the governance frontier widened and de-concentrated in Q2, a constructive offset to the weaker financial internals.



Aerodrome: Governance Concentration. Quarter-end | share of effective voting power held by top holders | Q2 '25 - Q2 '26. Source: Blockworks

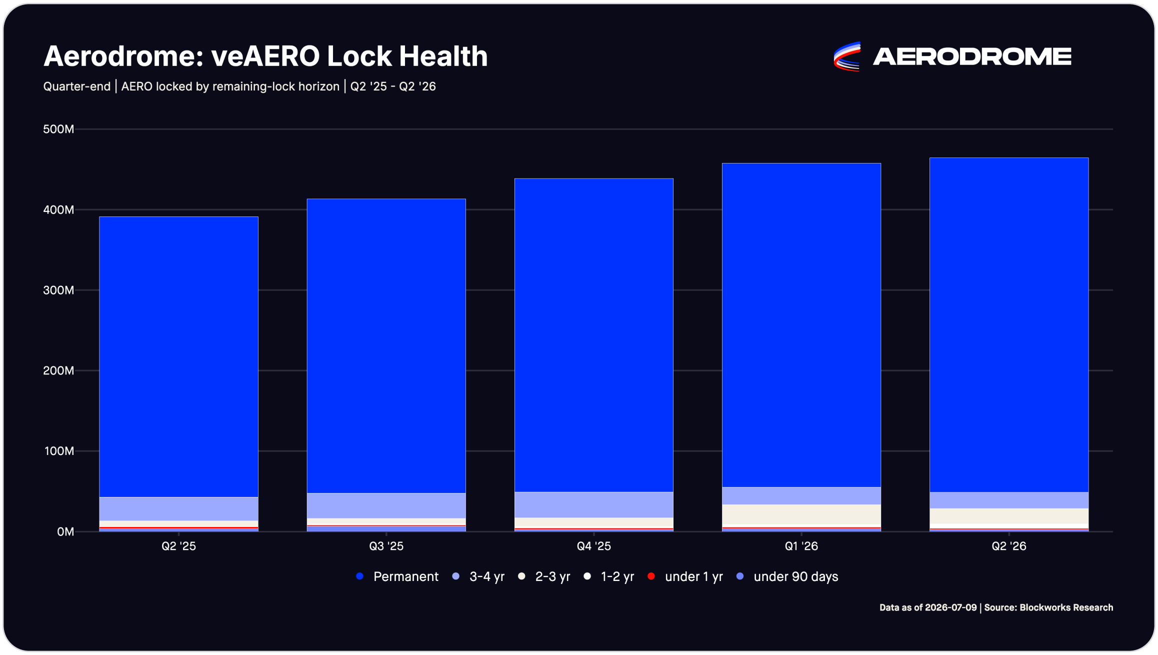
veAERO and Lock Health

The lock base kept building. veAERO-locked AERO rose 3.0% to 1.03B, unique holders grew 5.4% to 47,055, and the lock rate held near 53.7% of supply.



Aerodrome: AERO Supply. Quarter-end | circulating vs veAERO-locked | Q2 '25 - Q2 '26. Source: Blockworks

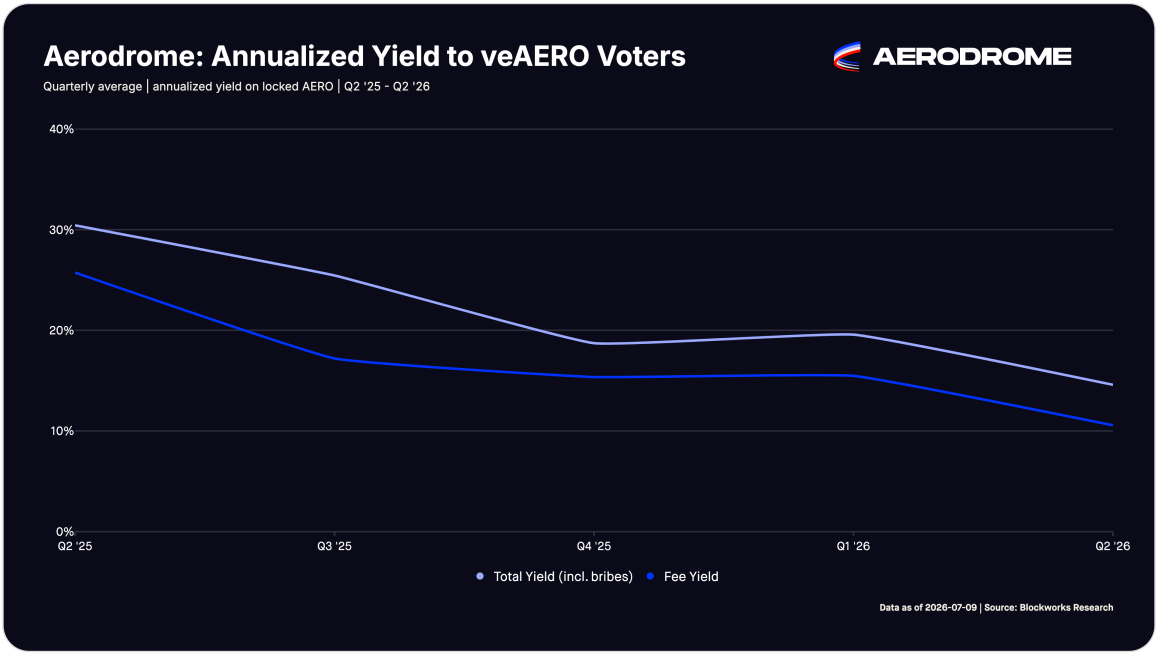
Lock composition stayed committed but did not lengthen: roughly 40% of locked AERO sits in permanent positions, and the average remaining lock length was about 2.4 years at quarter close, modestly shorter than Q1. Holder concentration continued to ease, with the top-10 share of effective voting power down to 64.9% from 70.0% and the top-50 share down to 77.6%, extending a multi-quarter distribution trend. These are the protocol's own onchain figures; where team communications cite a higher average lock length, a higher auto-max share, or a lower holder count, the differences reflect alternative definitions, and this report uses the measured onchain values.



Aerodrome: veAERO Lock Health. Quarter-end | AERO locked by remaining-lock horizon | Q2 '25 - Q2 '26. Source: Blockworks

Voter Economics

The cost of the revenue decline showed up directly in voter yield. Annualized fee yield to veAERO voters compressed to 10.6% from 15.5%, and total yield including bribes fell to 14.6% from 19.6%. Because the locked base grew while distributable revenue shrank, per-unit economics for lockers weakened even as participation and lock commitment held. Notably, holders kept locking through the compression: the lock base still grew to a record and the holder count reached an all-time high, a sign that commitment is tracking conviction in the franchise and the coming redesign rather than spot yield. Voter yield is nonetheless the metric most directly tied to whether the July transition improves holder outcomes, and lifting it is the clearest near-term win available.



Aerodrome: Annualized Yield to veAERO Voters. Quarterly average | annualized yield on locked AERO | Q2 '25 - Q2 '26. Source: Blockworks

Ignition

The Ignition launch platform generated $319.3M in trading volume in Q2, dominated by CHECK at $253.4M with FUN and SYND behind it, and directed roughly $0.9M in bonus voter rewards during the quarter. Ignition is best understood as a governance-economics program rather than a pure launch venue. Allocations flow only to veAERO holders who vote on a launch, with the quarter's marquee AtlasOra launch depositing 15% of AORA supply as voter incentives across four epochs. The team also tightened the program's disclosure regime, requiring heavy disclosure of market-making and exchange arrangements before a launch proceeds, and one launch (Tea Protocol) prepared a standardized token-transparency filing ahead of listing. Management's claim that Ignition has compressed centralized-exchange listing terms from 10-15% of supply to low single digits is a market-structure assertion that should be attributed to the team rather than presented as measured data.

Aerodrome: Ignition Volume by Token. Quarterly | spot volume across Aero Ignition launches | Q2 '25 - Q2 '26. Source: [Blockworks]

SECTION 06

Product Updates

The Aero Transition (Execution-Dependent)

Q2 was organized around preparing the largest architectural change in the protocol's history. Predictive Allocation, announced during the quarter, is designed to replace weekly voting: rather than voting each epoch, sAERO stakers would live-allocate AERO rewards to pools and receive exchange revenue in real time as it accrues. The AER Engine, which adjusts the AERO reward rate per pool to track productivity, is positioned to launch alongside it. The team opened the MetaDEX03 repository publicly and set an audit sequence of three rounds plus a bug bounty ahead of a July mainnet, with ChainSecurity and Sherlock among the named audit partners and initial phases reported complete by quarter end. These are pending mechanisms, not delivered results, and the report treats them as the scenario the current-regime baseline will be measured against.

Expansion Surfaces

Alongside the core transition, Aerodrome broadened its surface area beyond Base spot trading. Metaswaps beta began extending Base assets across the Superchain, and the protocol announced a deployment to Circle's stablecoin-native Arc environment to extend the onchain FX book it already leads across chains. In real-world assets, the protocol reported generating the large majority of volume in the first licensed tokenized S&P 500 product on Base, a claim best read as management framing of an early and narrow market. Distribution widened through a Coinbase DEX integration described as live across 87 countries, and the protocol shipped MEV-resistant pools and an agent-facing SDK and CLI. The through-line is a shift from defending Base spot share toward expanding the number of surfaces on which Aerodrome liquidity is reachable.

Value Distribution and Governance Programs

The financial narrative the team emphasized was value distribution: routing revenue to holders, sustaining the buyback-and-max-lock programs, and preparing the Momentum Fund to consolidate strategic allocation and buyback-and-burn. On the policy front, Dromos Labs publicly backed passage of the CLARITY Act with developer protections intact, and the team aligned Ignition disclosures with a token-transparency framework. That framework is associated with Blockworks, the publisher of this report, so its mention here is factual rather than an endorsement, and any characterization of it as independent validation is deliberately avoided.

Product Read-Through

The product stack expanded credibly in Q2 across the Aero transition, cross-chain reach, RWA depth, and distribution. The Q3 bar is unchanged from the financial read: these surfaces need to convert into stronger fee capture and healthier emissions economics, and the July transition needs to demonstrate that replacing weekly voting improves, rather than merely restructures, holder outcomes.

SECTION 07

Closing Summary

Aerodrome closes Q2 2026 as the dominant venue on Base, with a franchise that broadened and deepened even as quarterly economics stepped back. Volume rebounded 31.5% to $45.08B and Base share recovered to 56.1%, confirming that demand and market position are intact. Revenue fell 18.7% to $15.23M, fee capture eased to 76.0%, and net income widened to -$6.63M quarter over quarter, so the quarter delivered activity recovery ahead of margin recovery, though the net loss is still about two-thirds narrower than a year ago as emissions have fallen 61% over the same span.

The structural signals were the quarter's real story. Voting breadth widened, pool-level and holder-level concentration eased to multi-quarter lows, and bribe ROI recovered to 1.83x, while the lock base grew to a record 1.03B AERO across an all-time high of 47,055 holders. The cost of the revenue decline did land on voters, with annualized fee yield compressing to 10.6%, which keeps monetization quality, not participation or commitment, as the binding constraint.

The framing that matters most is timing. Q2 was the final full quarter under the weekly-epoch voting and emissions system, and the protocol enters the transition from a position of market and ownership strength even as the deficit widened quarter over quarter. The July move to Predictive Allocation, the new Aero, and the AER Engine is an execution opportunity as much as a test: it is aimed squarely at the metrics that softened this quarter, namely fee capture per unit of volume, emissions-to-revenue, and yield to lockers.

The Q3 scorecard is straightforward: sustain the Base volume and share recovery, translate that throughput into higher fee capture, hold emissions under control, and show that the new allocation mechanism lifts per-unit holder economics through the transition. With demand and ownership already recovered, the variables that most need to improve are precisely the ones the July redesign targets; if the launch pairs Q2's recovered demand with restored conversion quality, the current regime hands off from a position of strength.