Jito

(JTO)

Tokenholder Report

Q2 2026

Blockworks Advisory

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SECTION 01

Executive Summary

BAM crossed a third of Solana stake and the newly announced JTX established a direct product to token revenue channel, laying the foundation for more durable fee generation ahead.

$1.28M	~33%	9.85M	$164.7M
PROTOCOL REVENUE	BAM NETWORK STAKE	JITOSOL TVL (SOL)	DAO TREASURY
-45% QoQ	+5.3 pts QoQ	-20% QoQ	+141% QoQ

In Q2 2026, Jito strengthened its position in Solana's block-building infrastructure while shifting its revenue mix toward a more durable, recurring base.

Q2 2026 marked an important expansion of Jito's product strategy. BAM continued to deepen its position in Solana's block-building infrastructure, while the announcement of JTX established a path into the trading application layer and a more direct product to token revenue model.

JTX emerged as Jito's central forward-looking growth initiative, with spot trading as the initial product and perpetual futures and prediction markets on the roadmap. The Block Assembly Marketplace (BAM) also crossed a majority of Solana validators by count and reached about 33% of network stake. The broader Jito client family, comprising Jito-Labs and Jito-BAM, continued to run about 54% of active stake and remained the largest client family despite wider client diversification. The Jito Block Engine retains usage across 98% of total stake. Revenue fell as the pool of Transaction Ordering Value (TOV) remained well below its early-2025 highs, while JitoSOL supply and market share also declined. The quarter's strongest developments were continued BAM adoption, the first BAM plugin entering testing, the expansion of BAM to Frankendancer through FireBAM, JTX, and new proposals addressing JTO value accrual.

Jito operates the most widely adopted validator client on Solana and builds infrastructure that captures and redistributes the value generated by transaction ordering. Historically described as MEV, this value is now more precisely understood as Transaction Ordering Value (TOV). Jito's business has multiple complementary components. The JitoSOL stake pool delegates SOL to validators and earns the staking rewards and TOV tips they generate, which accrue to JitoSOL holders. Jito's more cyclical TOV infrastructure captures and redistributes value generated through transaction ordering. JTO holders direct protocol governance through Jito Improvement Proposals (JIPs).

Total protocol revenue was approximately $1.28M, down 45% from Q1 as lower TOV activity continued to weigh on tip-linked revenue. The mix became more balanced, with epoch and withdrawal fees contributing about 57% of the total and the epoch fee remaining the largest individual stream at 36.5%. The greater contribution from staking-linked fees provided a more recurring revenue base, although it did not offset the decline in TOV-linked revenue.

Product and governance activity was more constructive. Maker Priority entered testing as BAM's first plugin, while FireBAM opened early onboarding for validators running Frankendancer. Jito announced JTX on May 5 and launched on July 14. Jito has committed to routing 80% of JTX revenue to JTO buybacks. JIP-37, introduced on May 21, proposed maintaining the BAM subsidy at its full rate through Q3 while funding matching JTO buybacks from Cryptoeconomics SubDAO reserves. The DAO treasury closed the quarter near $164.7M, up from $68.2M at Q1-end, although most of the increase came from the revaluation of its JTO holdings rather than new cash.

SECTION 02

Jito & Solana, Context for Investors

Why Jito Exists

Solana is a high-throughput blockchain and a leading venue for onchain trading, payments, and financial applications. Like all proof-of-stake networks, it relies on validators that stake tokens to secure the network and produce blocks; roughly 420M SOL, around two-thirds of supply, is staked.

When a validator produces a block, it decides which transactions to include and in what order. The resulting economic value is referred to as TOV, and was historically discussed under the broader label of Maximal Extractable Value (MEV). On Solana, TOV flows mainly through arbitrage, liquidations, and oracle-update trading, all legitimate activity that keeps onchain prices aligned with off-chain venues. A smaller subset is adversarial, such as sandwich attacks against retail flow, but Solana's design (no public mempool, proprietary AMM dominance, and encrypted execution) has meaningfully curtailed those behaviors. Without infrastructure to surface TOV transparently, this value is captured privately rather than redistributed to stakers.

Jito was founded in 2021 by Lucas Bruder and Zano Sherwani to build that infrastructure, namely to surface TOV transparently, redistribute it to stakers, and improve Solana's block construction. What began as a validator client is now a vertically integrated protocol spanning block construction, liquid staking, decentralized rewards distribution, restaking, and governance. Today, the Jito client family runs on about 54% of Solana's active stake and remains the network's largest client family. JitoSOL is the largest standalone liquid staking token on Solana, while BAM secures roughly one-third of network stake by weight.

Product Lines

Block Assembly Marketplace (BAM) is Jito's newest infrastructure product and the quarter's central growth story. BAM is a modular framework for block construction that runs inside Trusted Execution Environments (TEEs), providing an encrypted mempool that shields users from sandwich attacks and a verifiable ordering process; BAM Nodes privately sequence transactions inside secure enclaves and BAM Validators execute them. It introduces application-controlled execution (ACE), letting developers build custom ordering logic through plugins for onchain order books, perpetual DEXs, and dark pools. BAM launched on mainnet in September 2025. Its share of Solana network stake is the single most important metric for Jito's long-term positioning. As more stake flows through BAM validators, the reward pool distributable to JitoSOL stakers grows proportionally, and under JIP-24 the BAM fees accrue to the DAO treasury.

JTX is Jito's self-custody trading platform and its principal expansion into the application layer. Announced during Q2, the platform entered phased early access following quarter-end on July 14. Spot trading is the initial product, with perpetual futures and prediction markets planned as future additions. Under JIP-38, 80% of platform revenue flows to the DAO, with the DAO's full share committed to programmatic JTO buybacks and burns for at least one year following launch.

JitoSOL is Jito's liquid staking token and the largest standalone LST on Solana. Depositors receive JitoSOL, a receipt token that appreciates against SOL as staking rewards and TOV tips accrue. Unlike native staking, it remains liquid and works across Solana DeFi as productive collateral (lending on Kamino and Save, LP on Raydium and Orca, margin on Drift) while earning yield. The pool charges a 4% fee on rewards (the epoch fee) and a 0.10% withdrawal fee, both DAO-governed. Delegation is managed autonomously by StakeNet, a fully onchain Steward Program that scores validators on performance and rebalances stake without human intervention, a differentiator from competitors with more centralized delegation.

TipRouter NCN is the decentralized rewards-distribution layer. It collects TOV tips and, since JIP-16, priority fees, and distributes them to stakers. TipRouter charges a 3% fee on the tips it distributes, split 2.7% to the DAO treasury, 0.15% to JitoSOL stakers, and 0.15% to JTO stakers. This sits alongside the separate 3% Jito tip (Block Engine) fee, bringing the combined protocol take on TOV tips to 6%, of which 5.7% accrues to the DAO.

JTO Governance Token gives holders voting power over Jito Improvement Proposals (JIPs), which govern protocol parameters, treasury allocation, fee structures, and strategic partnerships. JTO launched with a 1 billion-token genesis supply, reduced to about 986.5M by cumulative burns, allocated to Community Growth (34.3%, inclusive of the 10% retrospective airdrop), Ecosystem Development (25%), Core Contributors (24.5%), and Investors (16.2%).

Jito-Solana Client is the most widely adopted Solana validator client family, running on about 54% of active stake (Jito-Labs plus Jito-BAM), down from near-universal adoption a year ago as Firedancer, Harmonic, and Rakurai clients matured, but still the single largest. Despite client fragmentation, the Jito Block Engine, which drives TOV tips, is utilized by 98% of Solana stake. It lets validators distribute TOV tips and priority fees through the TipRouter and serves as the upgrade path to BAM. That reach is a strength and also a concentration point worth monitoring, since a bug or outage in Jito-Solana could affect most of the network at once.

SECTION 03

Management Commentary

Bear markets are for building, and that's exactly what Jito did in Q2.

Revenue once again fell on the quarter as the TOV pool remained compressed across the network, and JitoSOL supply contracted alongside a broader trend of long-term holders reducing SOL exposure. But beneath the headline numbers, this was one of the most consequential quarters in Jito's history, because the product we teased throughout Q1 now has a name: JTX.

JTX, announced May 5 and opened to its first cohort of users on July 14, is Jito's self-custody trading platform, and it represents the most important strategic expansion we have ever undertaken. For four years we have built the infrastructure layer of Solana's blockspace economy: the most widely adopted validator client, the largest standalone LST, and now BAM, which crossed a majority of Solana validators and a third of network stake this quarter. JTX is the application layer that sits on top of all of it. Because we operate both the block-construction layer and the trading interface, BAM's execution expertise, plugin-driven ordering, and protection from adversarial flow become product features that standalone front ends simply cannot replicate. Every point of BAM stake share makes JTX better, and every unit of JTX flow makes BAM's offering more valuable. The result is a flywheel capturing the entirety of what we call "The Market Layer."

JTX also changes what it means to hold JTO. We have committed 80% of JTX revenue to JTO, and with JIP-38 the DAO went further, directing 100% of its revenue share toward programmatic buybacks and burns for at least the first year. This is the first Jito product with an explicit, rules-based link between platform usage and reductions in token supply, and it reflects a philosophy the Cryptoeconomics Sub-DAO has been developing for over a year: pause value distribution when revenue is better spent on adoption, and return it decisively when the engine is running. JIP-37 embodies the same balance, maintaining the full BAM subsidy through Q3 while funding matching buybacks from reserves.

The rest of the quarter followed our usual bear-market playbook of consolidating position while others retrench. Maker Priority entered testing as BAM's first revenue-generating plugin. FireBAM extended BAM to Frankendancer operators. KODA and Solana Company expanded our institutional footprint across Asia while the VanEck filing advances in the US. The pattern should be familiar by now: we use quiet markets to build the things that compound in loud ones.

Weak quarters are when durable businesses get built. This one produced the product that turns our infrastructure into a platform, and gives JTO holders a direct claim on its growth.

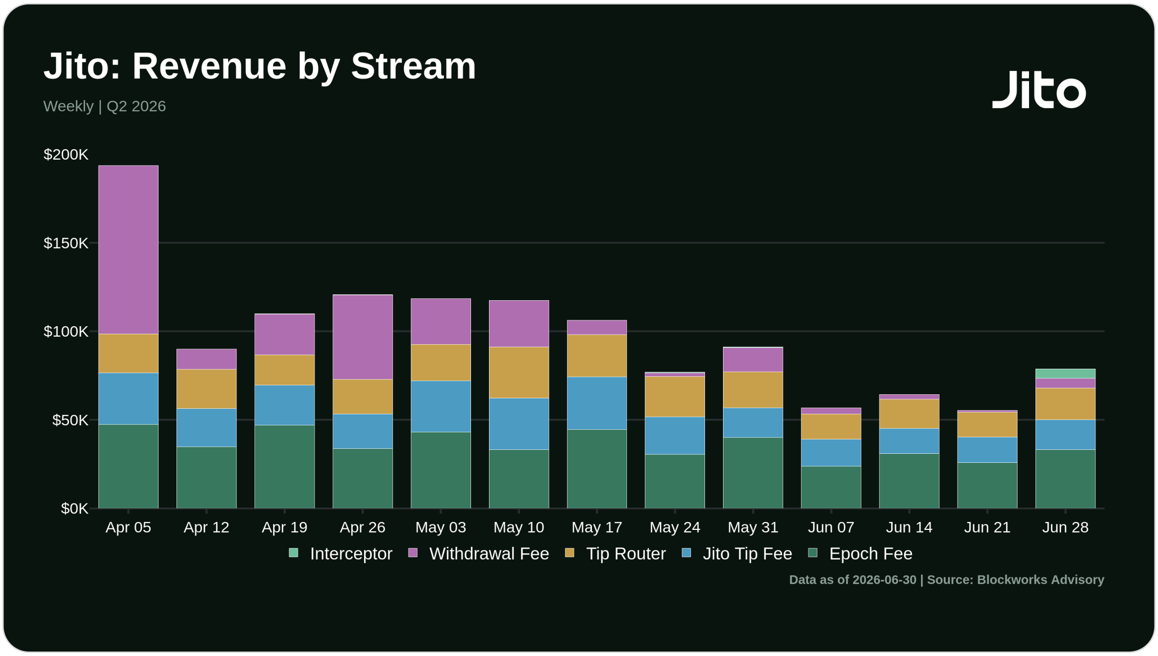
- Brian Smith, President of the Jito Foundation

SECTION 04

Revenue & TOV

Protocol Revenue

Jito monetizes its position in Solana's blockspace economy through several revenue streams. These include epoch fees from the JitoSOL stake pool, fees from TOV redistribution and the TipRouter NCN, withdrawal fees, and a small amount of other revenue.



Jito: Revenue by stream, quarterly. Source: Blockworks

During Q2 2026, Jito generated about $1.28M in total protocol revenue on the income-statement basis. The composition by stream, from the daily dashboard series, was as follows.

Jito: Protocol Revenue by Stream

Revenue Stream	Q2 2026	Share
Epoch fee	$467K	36.5%
Jito tip fee (TOV)	$280K	21.9%
TipRouter (NCN)	$260K	20.3%
Withdrawal fee	$266K	20.8%
Interceptor	$6.6K	0.5%
Total (by-stream)	**~$1.28M**	**100%**

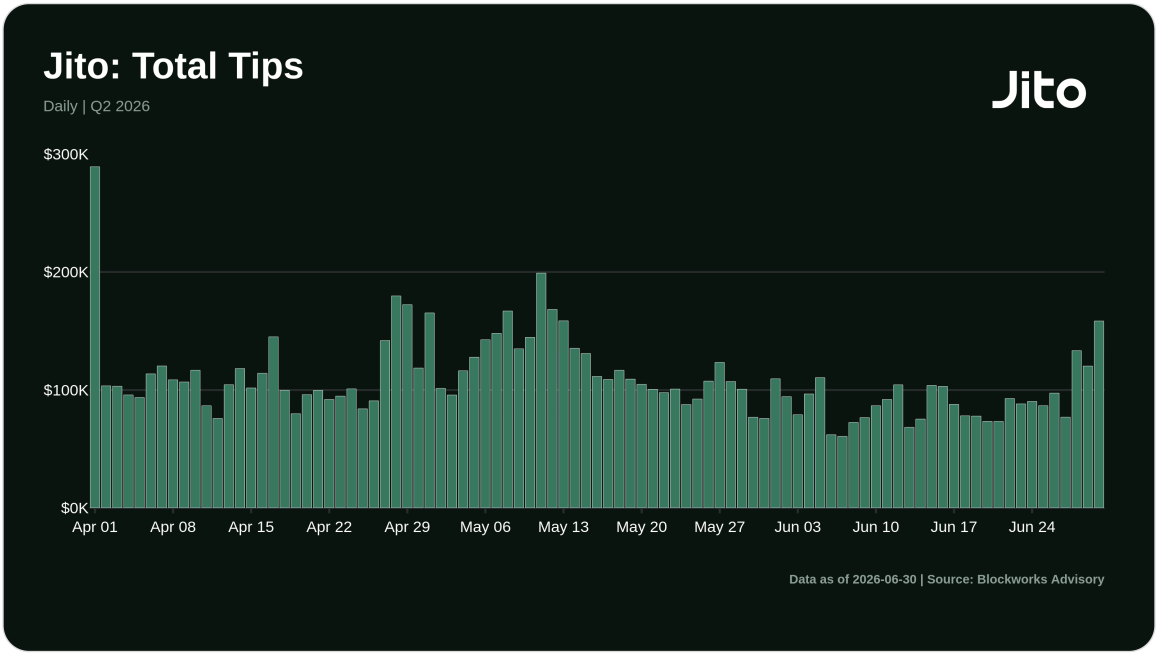
Data as of June 30th, 2026 | Source: Blockworks Advisory

Jito: Q2 2026 revenue by stream. Source: Blockworks

Grouped by underlying driver, staking-related revenue from epoch and withdrawal fees contributed approximately $733K, or 57% of the total, while TOV-related revenue from Jito tip and TipRouter fees contributed about $539K, or 42%. Other revenue remained immaterial. The epoch fee, a 4% fee on JitoSOL rewards, was the largest individual stream, increasing from 35.8% of revenue in Q1 to 36.5% in Q2, while the Jito tip fee's share declined from 25.7% to 21.8%. As TOV activity weakened, Jito's revenue mix consequently shifted toward its staking-related streams.

Revenue declined for the fifth consecutive quarter, falling from $26.1M in Q1 2025 to $1.28M in Q2 2026. Most of the decline came from TOV-linked streams, while staking-related revenue was more resilient. This suggests the weakness was concentrated in competitive transaction ordering rather than broader Solana activity. Solana led all blockchains in application revenue in May 2026 and was generating approximately $2.8M in daily application revenue across more than 100M daily transactions by late June.

Total Tips Received



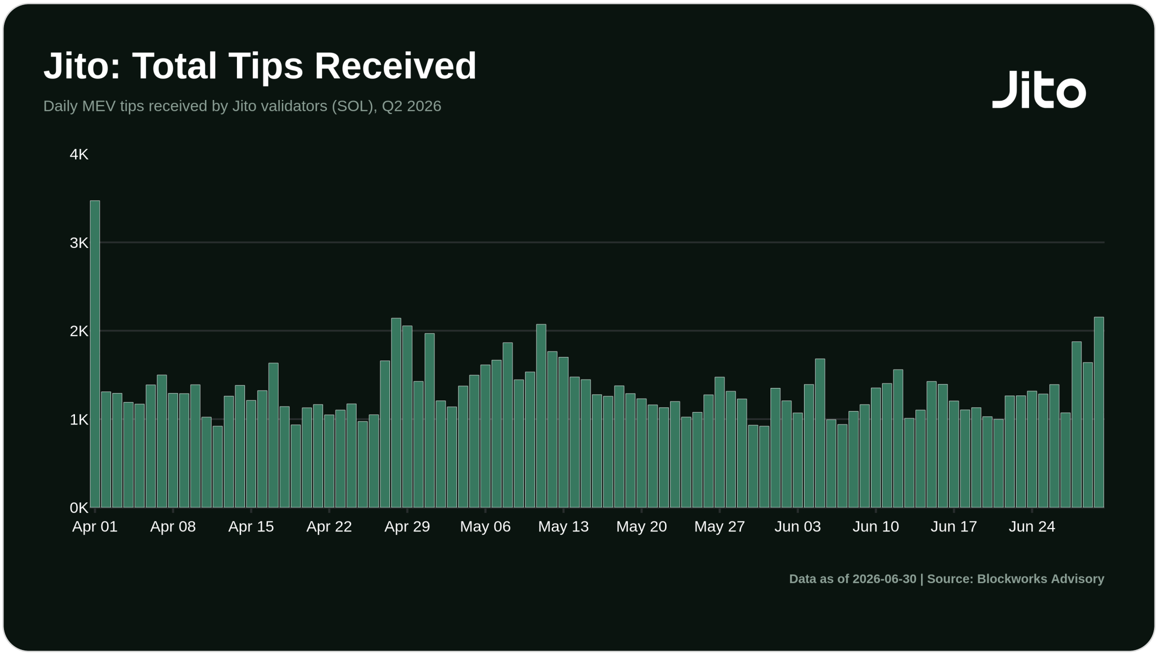
Jito: Total tips, daily. Source: Blockworks

Jito processed $9.9M in tips during Q2 2026, down approximately 50% from $19.85M in Q1. This decline closely tracked the contraction in tip-linked revenue. However, transaction count remained stable at approximately 1.045 billion, up 0.13% QoQ. This indicates that Jito's TOV infrastructure continued to process substantial transaction flow despite lower tip values.

Solana's transaction economics continue to shift toward priority fees and away from out-of-protocol tips. Jito is responding through BAM, accepting lower near-term tip revenue in exchange for a better execution environment. This reflects an established approach. In early 2024, Jito discontinued the revenue-generating MempoolStream because it enabled sandwich attacks, prioritizing execution quality over short-term revenue.

Tips from Prop AMM & Oracle Updates

Proprietary AMMs are onchain market makers that pay tips to secure priority for oracle updates and arbitrage trades. Prop AMM tips totaled approximately $51K in Q2, down 73% from $193K in Q1 and equal to about 0.5% of total tips. The category was therefore immaterial to overall revenue during the quarter.



Jito: Total tips received, daily (SOL). Source: Blockworks

The category fell faster than tips overall, since oracle-arbitrage opportunities compress most in calmer, lower-volatility markets, making this the most volatility-sensitive corner of the tip stack.

The more material Q2 development was the introduction of Maker Priority on April 29. As BAM's first plugin, it entered early testing with Prop AMM operators and provides enrolled makers with deterministic top-of-batch execution every 50 milliseconds. Users of the plugin pay a priority fee of 1 lamport per compute unit. Maker Priority is BAM's use case of ACE and the potential to generate plugin fees through specialized execution services.

Where the Fees Now Go

Jito's fee structure separates revenue held by the DAO from value returned directly to JTO holders. Under the standing JIP-24 framework, the full 6% Block Engine fee and all future BAM fees route to the DAO treasury and are earmarked for the Cryptoeconomics SubDAO (CSD). These are protocol assets held by the DAO rather than direct distributions to JTO holders.

During Q2, JIP-31 directed protocol revenue toward BAM validator subsidies, leaving no active buyback program funded by current protocol revenue. The original program scheduled a linear wind-down during Q3 rather than an expiration at the end of Q2.

JIP-37, introduced on May 21, proposed maintaining the subsidy at 100% through Q3 and using CSD reserves to fund JTO buybacks equal to protocol revenue. At quarter-end, this was a proposed Q3 mechanism rather than value returned during Q2.

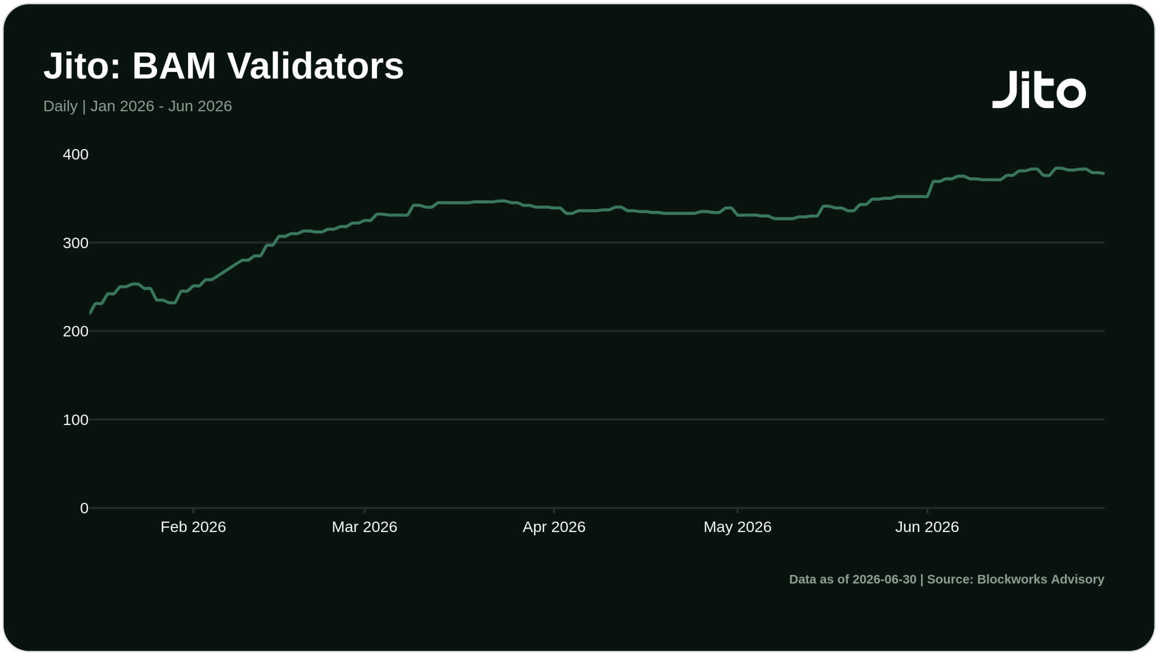
JTX has separately committed to routing 80% of its future revenue to JTO. The commitment becomes economically relevant once the platform launches publicly and begins generating fees.

SECTION 05

Validator Network & BAM

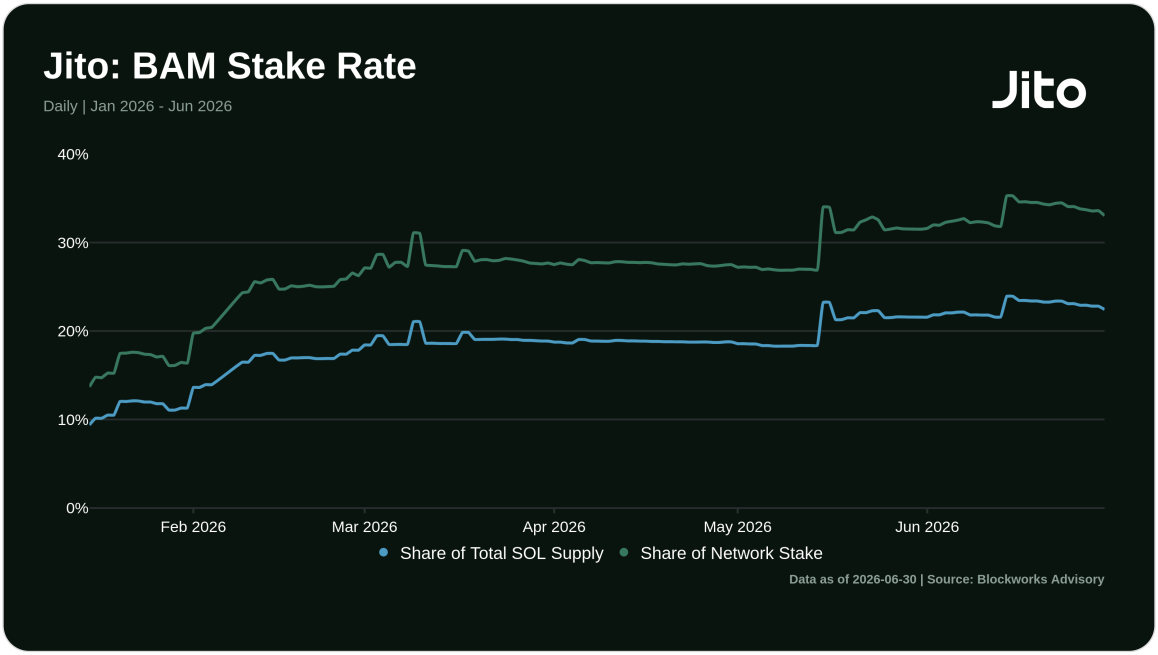
BAM Adoption

The Block Assembly Marketplace launched on mainnet in September 2025 and marked Jito's move from a proprietary block engine toward a modular framework for block construction. It combines an encrypted mempool inside TEEs with application-controlled execution through plugins. Adoption is measured by validator count and stake weight. Validator count shows the breadth of operator participation, while stake weight measures BAM's economic share of the network.



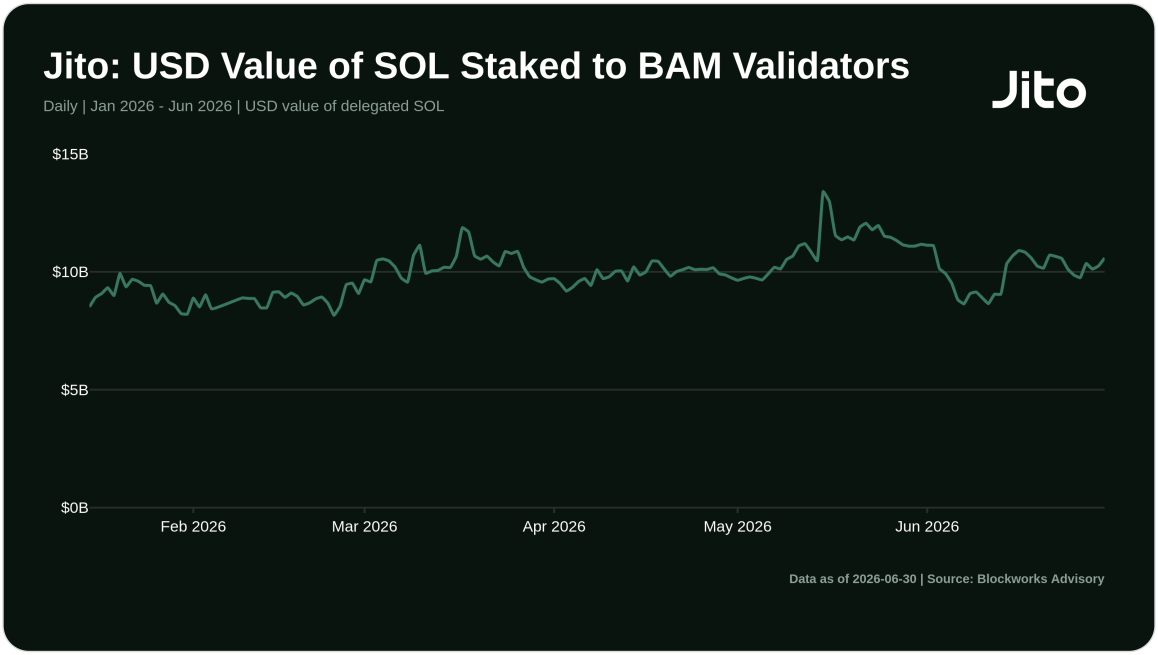
BAM: Validators over time. Source: Blockworks

BAM grew from 340 validators at Q1-end to 378 at Q2-end. On June 5, Jito stated that more than half of Solana validators were running BAM. Growth in validator count slowed from the rapid Q1 pace, while BAM's stake-weighted share continued to rise.



BAM: Share of network stake. Source: Blockworks

BAM's share of total network stake increased from 27.7% at Q1-end to 33.0% at Q2-end. Its share of total SOL supply rose from 18.9% to 22.4%. Because stake-weighted adoption increased faster than validator count, the validators added during the quarter were larger on average than the existing BAM base.



BAM: SOL delegated to BAM validators. Source: Blockworks

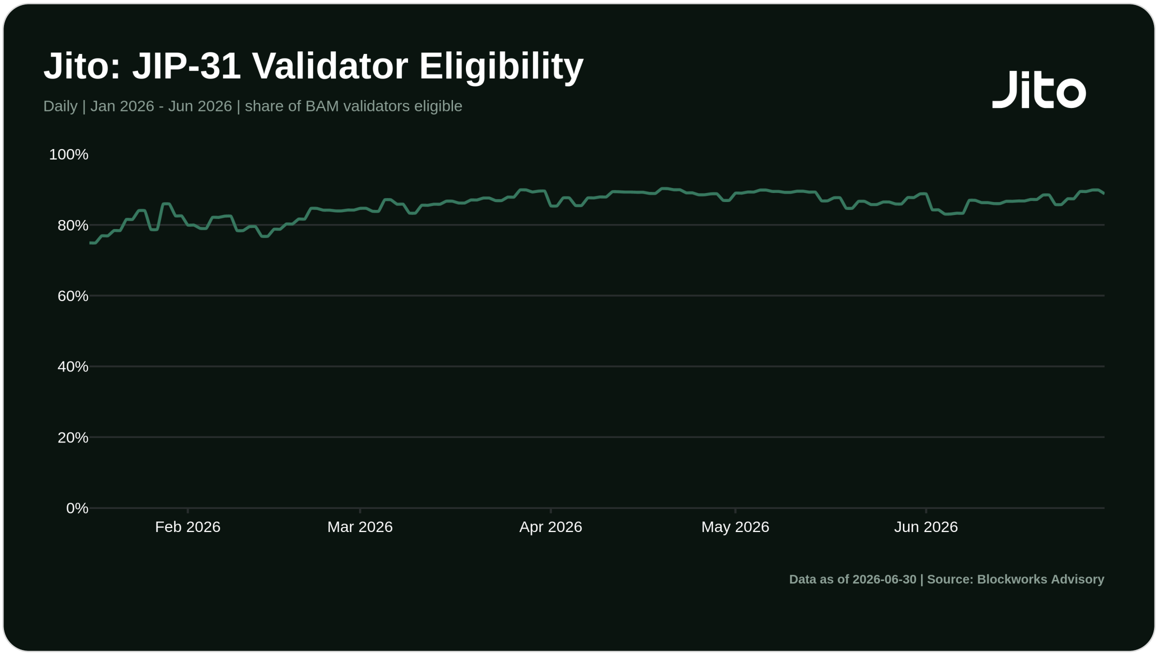
SOL delegated to BAM validators was worth approximately $10.6B at quarter-end. Greater stake adoption expands BAM's addressable execution base and the potential fee pool associated with it. Under JIP-24, future BAM fees will accrue to the DAO treasury, although realized revenue will depend on product usage and fee design.

Competitive Context

Competition continued to develop during the quarter. At quarter-end, the Jito client family ran about 54% of network stake, comprising approximately 33% on Jito-BAM and 21% on Jito-Labs. Temporal's Harmonic held roughly 21%, followed by Rakurai at 9% and Frankendancer at 8%.

Harmonic has been gaining share, in part through the recent onboarding of institutional validators including Coinbase and Kraken. The two systems take different approaches to transaction ordering and block construction. BAM orders transactions by priority fee per compute unit on a configurable auction tick and processes conflicting transactions on a first-in, first-out basis inside a TEE. Harmonic instead aggregates candidate blocks from multiple builders and selects the highest-fee option. Reported comparisons from BWR have associated BAM with shorter median slot times, earlier oracle positioning, and stronger average Prop AMM markouts.

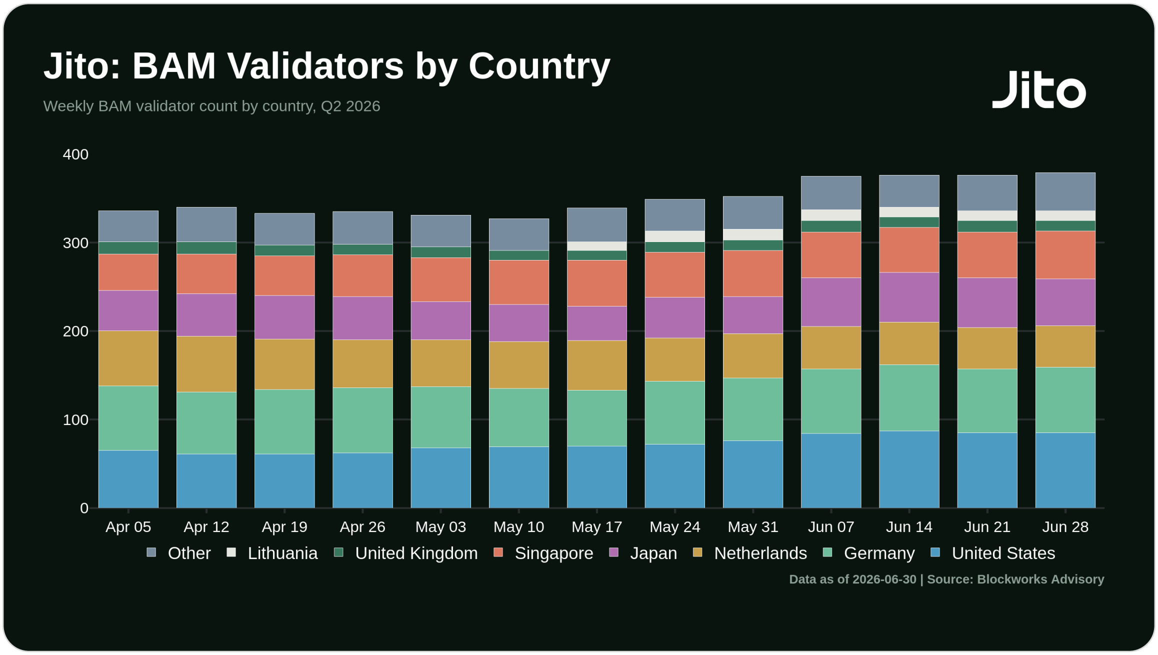
JIP-31 Eligibility & Subsidy Taper and JIP-37 Proposal



Share of BAM validators eligible for JIP-31 subsidies, daily. Source: Blockworks

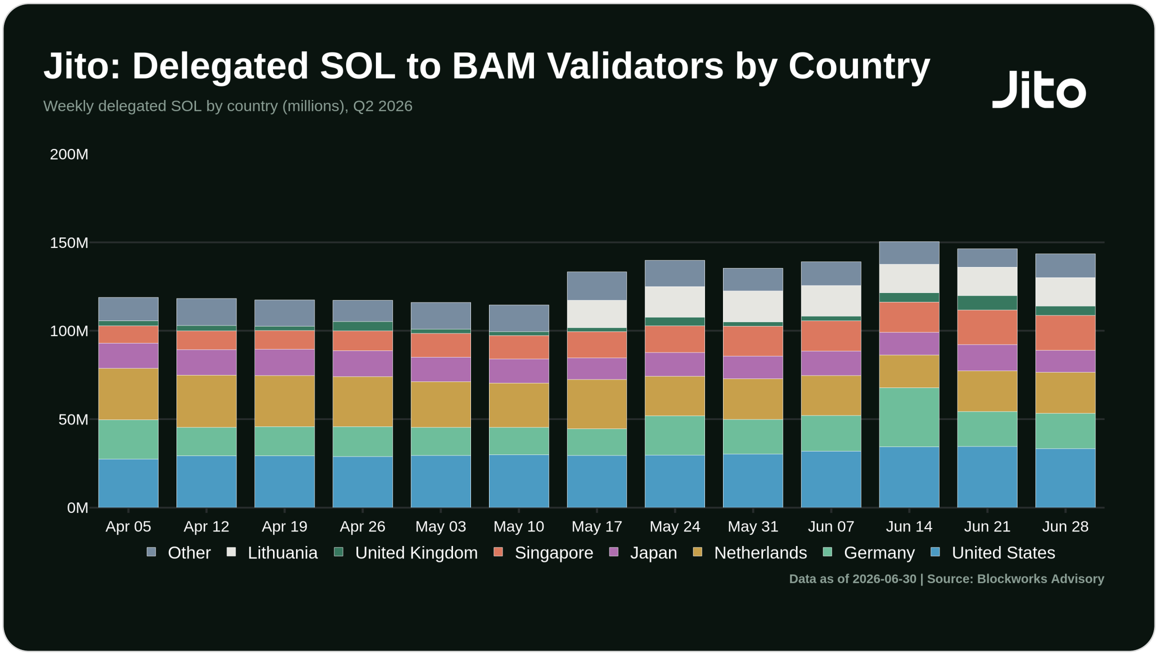
JIP-31 established a temporary subsidy program that redirects protocol revenue to eligible validators running BAM and complying with its execution requirements. The program began in January 2026 and was designed to run through Q3, with a 12-week linear wind-down scheduled to begin in July. At quarter-end, 340 validators were eligible, representing 88.8% of BAM validators. This compared with 325 validators and an 89.5% eligibility rate at Q1-end. The subsidy was the DAO's largest discretionary expense at approximately $1.2M in Q2, down from $1.58M in Q1. On May 21, JIP-37 proposed replacing the Q3 taper with a full subsidy through September 30 and matching protocol revenue with CSD-funded JTO buybacks. The subsidy therefore did not expire at the end of Q2, and its Q3 treatment depended on the outcome of JIP-37.

Decentralization & Geography



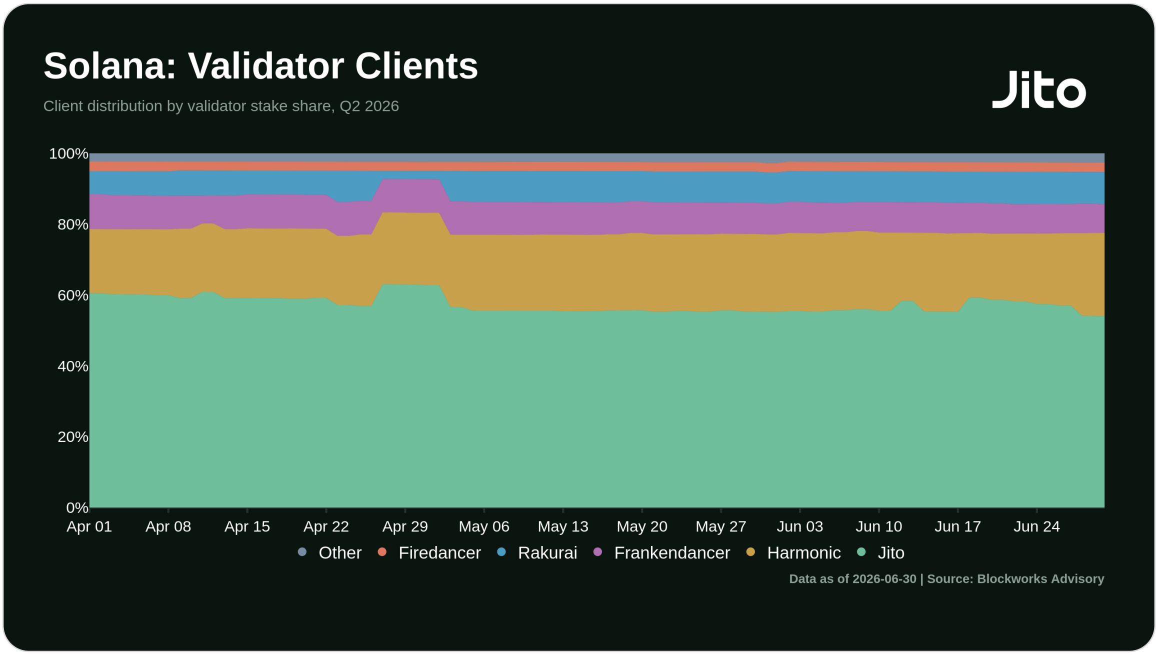
Jito BAM validators by country, top 12. Source: Blockworks

At quarter-end, BAM validators spanned a broad set of countries. By validator count, the United States led with 87, followed by Germany (72), Japan (52), Singapore (51), and the Netherlands (49), with the US having moved into the top spot as adoption broadened, and Japan and Singapore reflecting Solana's growing institutional footprint in Asia. By delegated SOL, the US again led at about 33.3M SOL, then the Netherlands (23.8M SOL), Germany (19.8M SOL), Singapore (17.0M SOL), and Lithuania (16.1M SOL). The European concentration partly reflects an accommodating regulatory environment; the Asian presence should deepen with the Solana Company partnership.



BAM: Delegated SOL by country. Source: Blockworks

Client diversity advanced on May 13 with the introduction of FireBAM, a Frankendancer-compatible BAM client that opened for early onboarding on testnet and mainnet. FireBAM remained under audit at quarter-end, with a full mainnet release targeted for August. The integration extends BAM availability to approximately 12% more Solana validators and reduces its dependence on the Agave-derived Jito-BAM client.

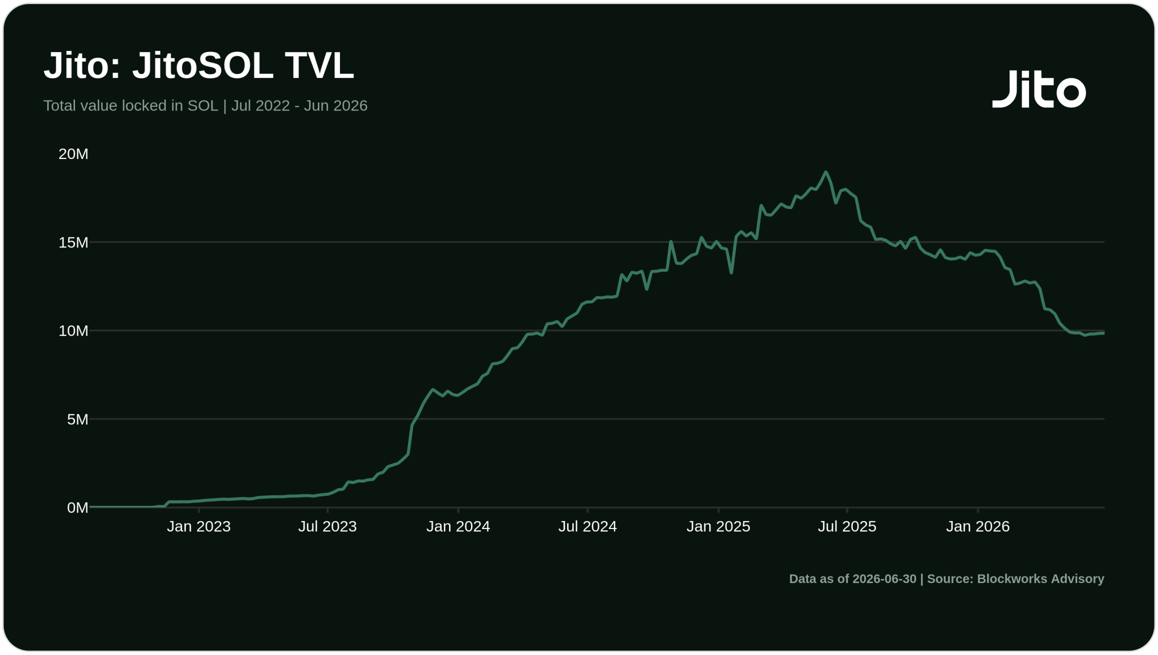


Solana: Validator client families. Source: Blockworks

SECTION 06

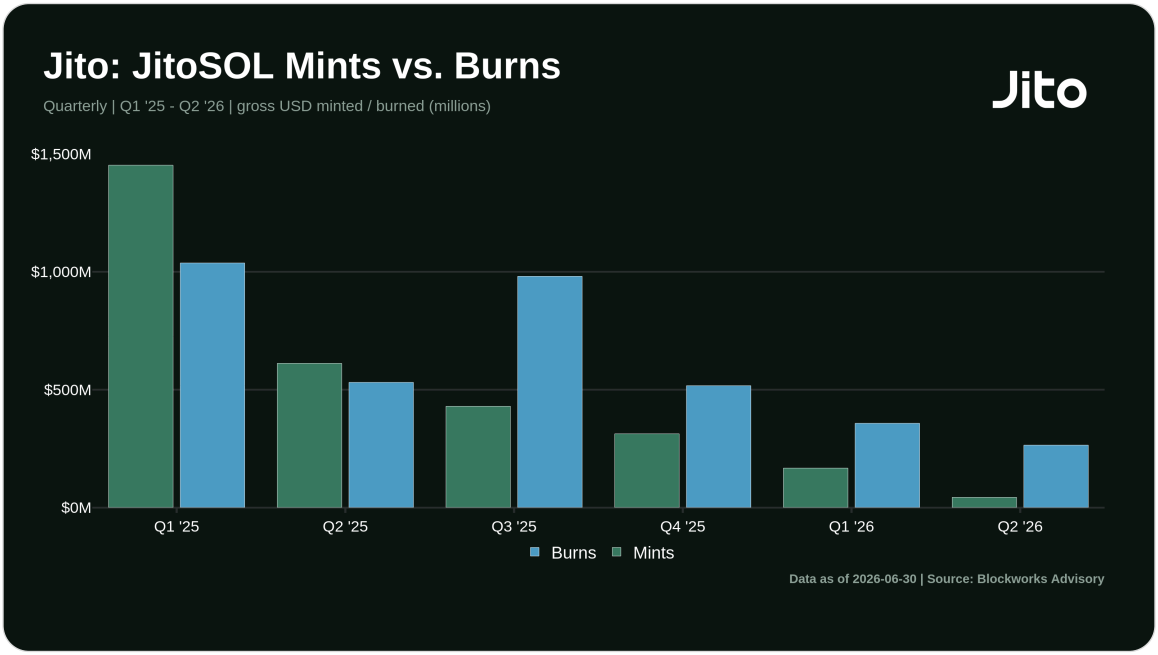
JitoSOL Growth & Supply

Supply



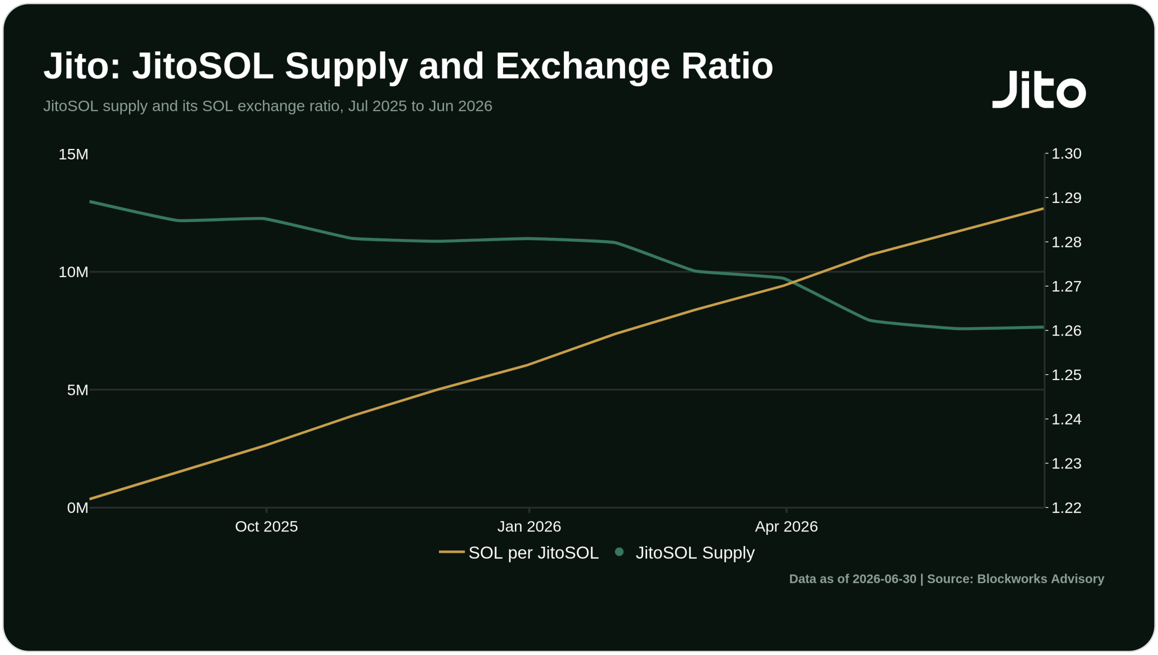
JitoSOL: TVL in SOL. Source: Blockworks

JitoSOL declined from approximately 12.35M SOL at Q1-end to 9.86M SOL at Q2-end, a decrease of roughly 20%. Most of the contraction occurred in April. Supply then stayed roughly flat with some recent increases.



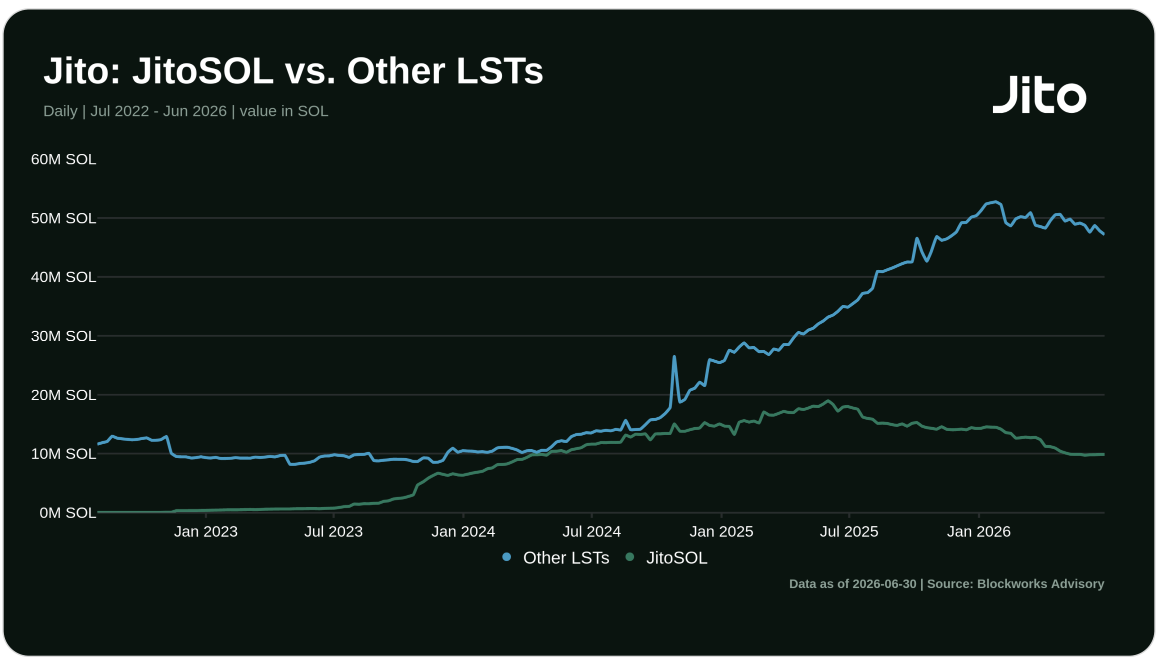
JitoSOL: Mints and burns. Source: Blockworks

Gross flows comprised approximately $43.2M of mints and $264.6M of burns, producing a net contraction of about $221M. These flows confirm that net redemptions drove the decline in supply. The JitoSOL to SOL exchange ratio continued to appreciate and approached 1.28 at quarter-end, reflecting staking and TOV rewards accrued per token. This per-token appreciation did not offset the decline in JitoSOL supply and market share, but it distinguishes asset flows from the yield earned by remaining holders.



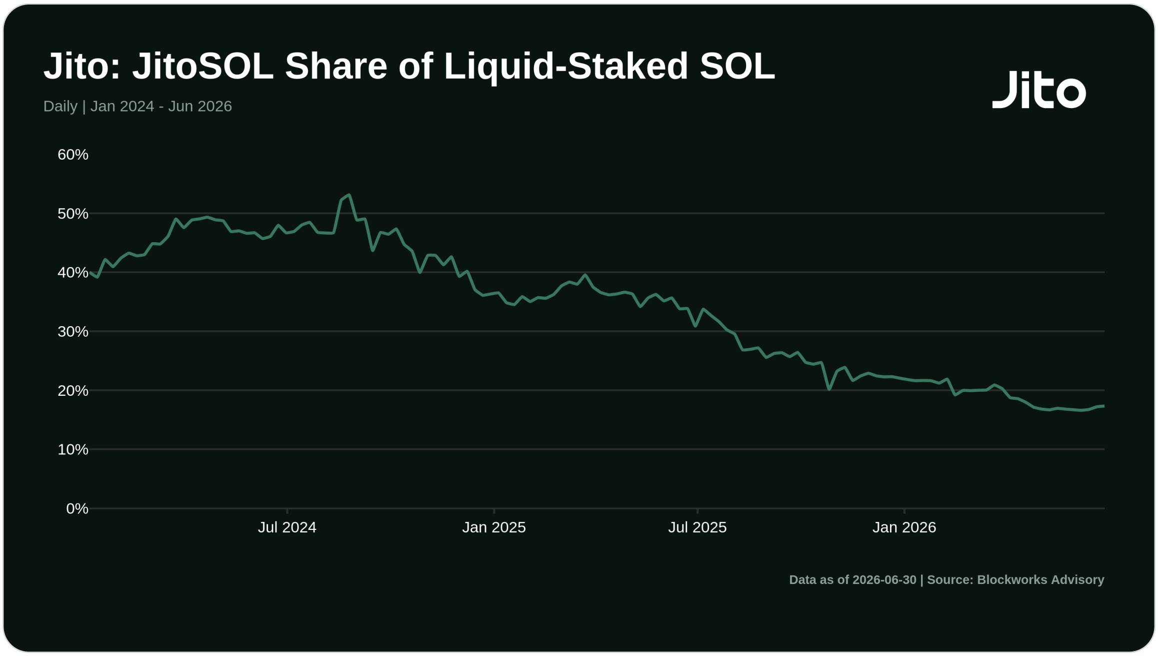
JitoSOL: Supply and SOL exchange ratio. Source: Blockworks

TVL & Market Share



JitoSOL vs other Solana LSTs, TVL in SOL. Source: Blockworks

At quarter-end, JitoSOL held approximately 9.85M SOL in TVL, worth about $0.7B at a SOL price near $74. Other Solana LSTs held approximately 47.2M SOL in aggregate. JitoSOL therefore remained the largest standalone liquid staking token on Solana.



JitoSOL: Share of liquid-staked SOL. Source: Blockworks

JitoSOL's share of liquid-staked SOL declined from approximately 20.3% at Q1-end to 17.3% at quarter close, compared with a 2024 peak above 50%. The decline reflects a more competitive LST market that now includes multi-token platforms such as Sanctum as well as exchange-backed and validator-branded products. JitoSOL remained the largest standalone LST and retained broad DeFi integration, but the Q2 trend was continued market share loss.

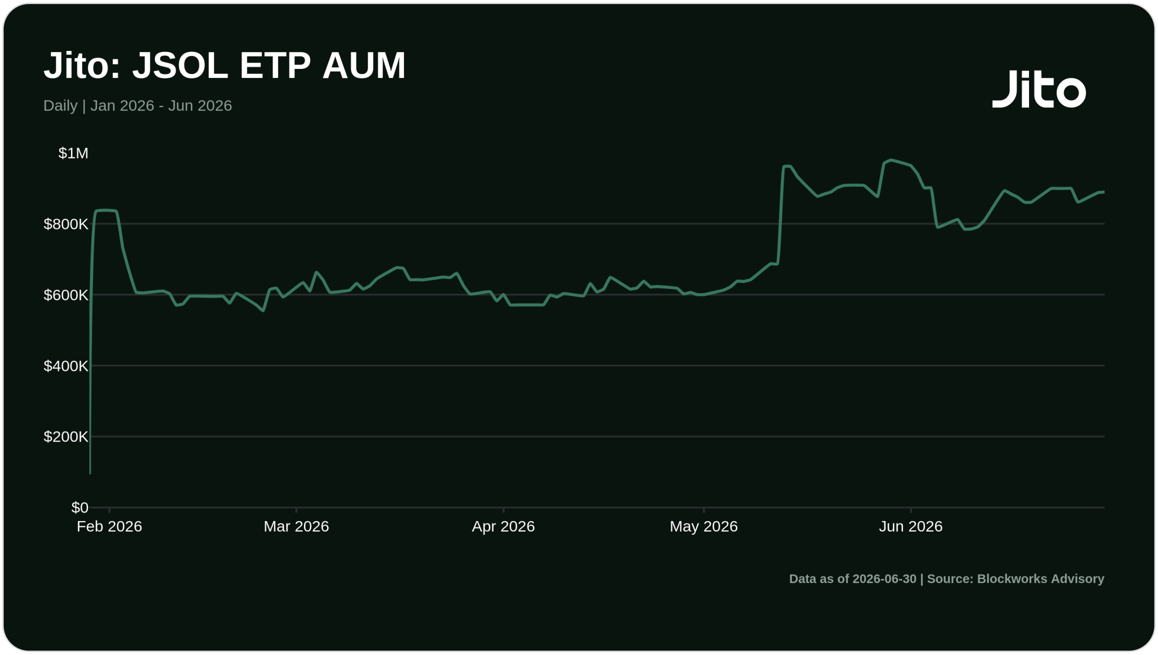
Network Structure

StakeNet's onchain Steward Program continued to manage delegation across the JitoSOL validator set by scoring validators on their onchain history and rebalancing stake. The pool delegated to approximately 294 validators at quarter-end, down from 333 at Q1-end alongside the smaller supply base. JIP-27 and JIP-28, adopted before Q2, continued to influence delegation by directing a tiered share of JitoSOL stake toward BAM validators as adoption thresholds were reached.

SECTION 07

Institutional Adoption

JitoSOL ETPs



21Shares JSOL ETP: AUM. Source: Blockworks

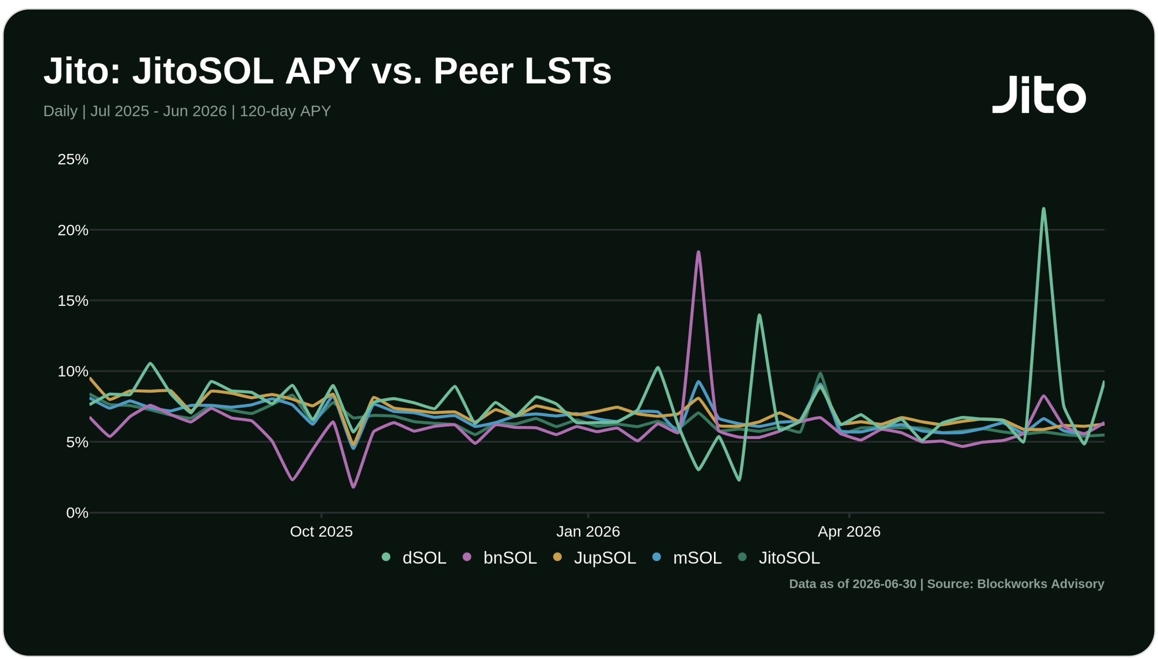
The 21Shares Jito Staked SOL ETP (JSOL) launched on Euronext Amsterdam and Paris on January 29, 2026. It provides regulated exposure to JitoSOL's staking and TOV-related yield. AUM increased from approximately $583K at Q1-end to $890K at Q2-end, a 53% increase, while the expense ratio remained 0.99%. The growth rate was high, but the absolute AUM remained immaterial to Jito's financial performance. Its relevance is as an early regulated distribution channel rather than a meaningful source of scale.

Institutional distribution advanced during Q2 through an April 13 memorandum of understanding with Korea Digital Asset (KODA), focused on expanding institutional access to JitoSOL in South Korea. The agreement built on the Hanwha Asset Management MOU signed in Q1. In the United States, Nasdaq's March 10 filing for a proposed VanEck JitoSOL ETF remained under review at quarter-end and had not been approved.

Coinbase Integration

On June 16, Coinbase launched JitoSOL-backed borrowing, enabling users to borrow up to $100,000 in USDC against JitoSOL through Morpho on Base. The noncustodial product gives JitoSOL holders access to liquidity without requiring them to sell their holdings, while continuing to earn staking and tip rewards on their collateral. Coinbase's first borrowing product was backed by Bitcoin on Morpho and has scaled to over $2bn in TVL. This partnership has the potential to drive substantial demand to JitoSOL as adoption grows. The partnership also directs JitoSOL stake attributable to Coinbase users to a Coinbase-operated BAM validator, which had attracted approximately 166,000 SOL by quarter-end. Together, these features expand JitoSOL's utility within Coinbase's product suite while linking adoption of the lending product to growth in JitoSOL and additional stake directed toward BAM.

Yield & Competitiveness



JitoSOL APY vs peer LSTs. Source: Blockworks

JitoSOL combines base Solana staking rewards with TOV-related yield distributed through the TipRouter. Base Solana staking yielded approximately 5.4% during Q2, while JitoSOL recorded a Q2 daily median implied APY of about 5.7%. This was broadly in line with peers, compared with 5.6% for bnSOL, 5.8% for mSOL, 6.3% for JupSOL, and 6.6% for dSOL. Lower tip activity narrowed JitoSOL's yield premium, but its APY remained competitive. Its liquidity and DeFi integrations also supported its utility despite a lower market share.

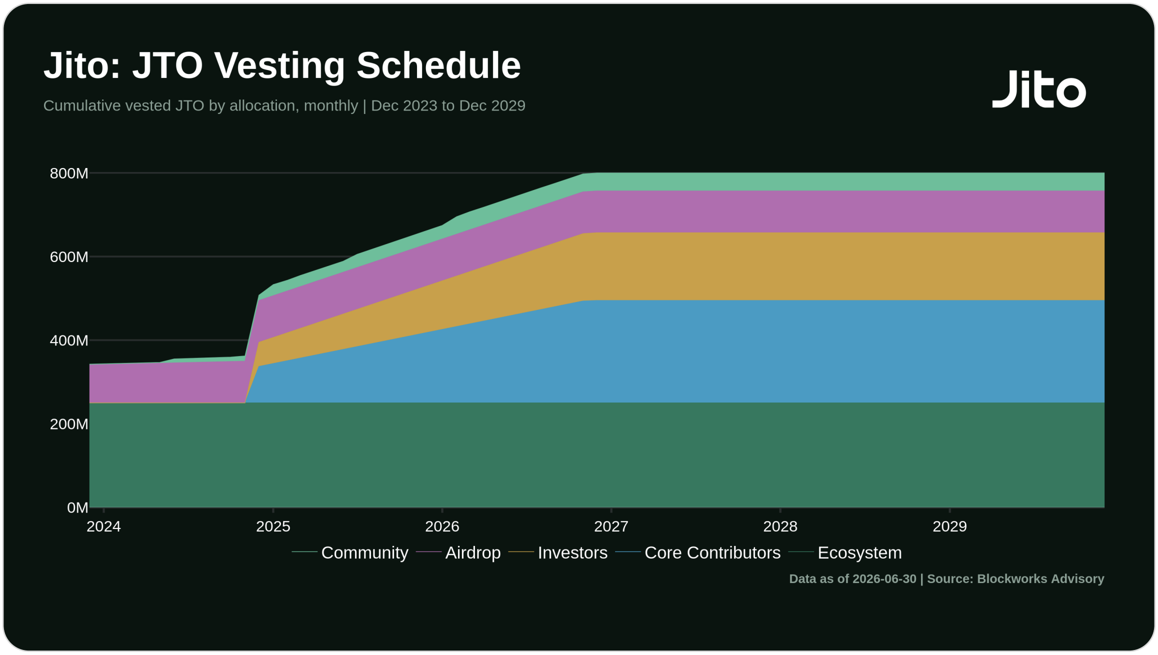
SECTION 08

JTO Tokenomics

08

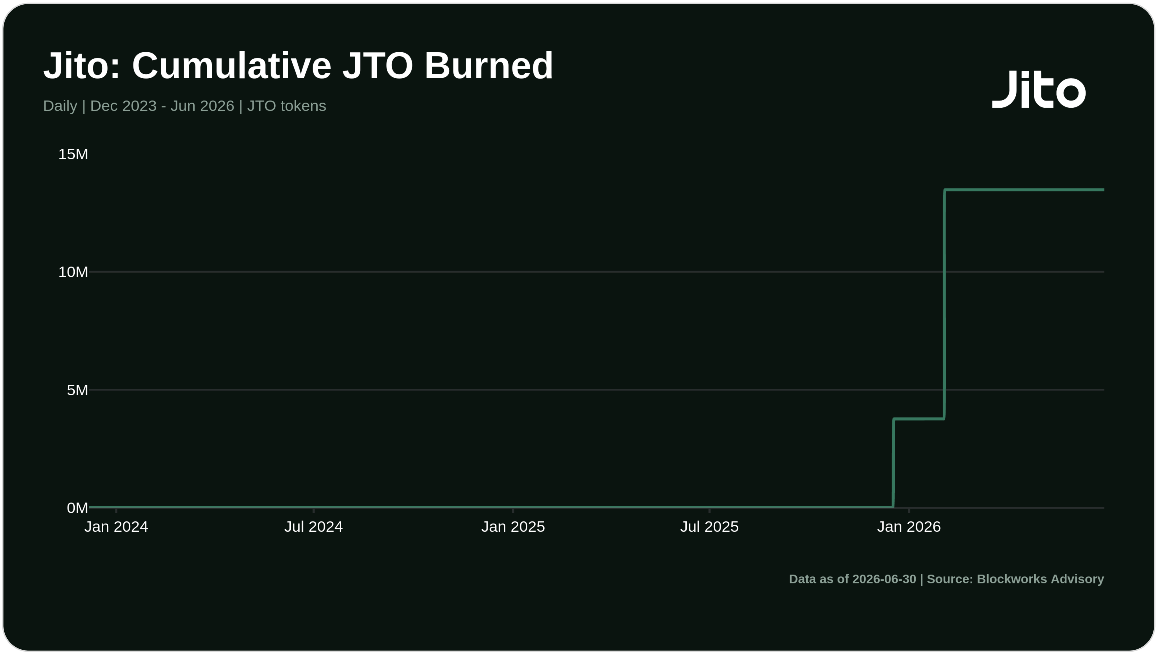
Supply & Vesting

JTO is Jito's governance token and launched with a genesis supply of 1 billion tokens. Approximately 986.5M remained outstanding after cumulative burns. The original allocation comprised 34.3% for Community Growth, including the 10% retrospective airdrop, 25% for Ecosystem Development, 24.5% for Core Contributors, and 16.2% for Investors. Contributor and investor allocations vest over three years following a one-year cliff. Approximately 741M tokens had been issued by quarter-end, with monthly vesting continuing to increase circulating supply. The current vesting schedule is expected to top out near 800M tokens, leaving approximately 59M of additional scheduled issuance from quarter-end levels.



JTO: Vesting and circulating supply. Source: Blockworks

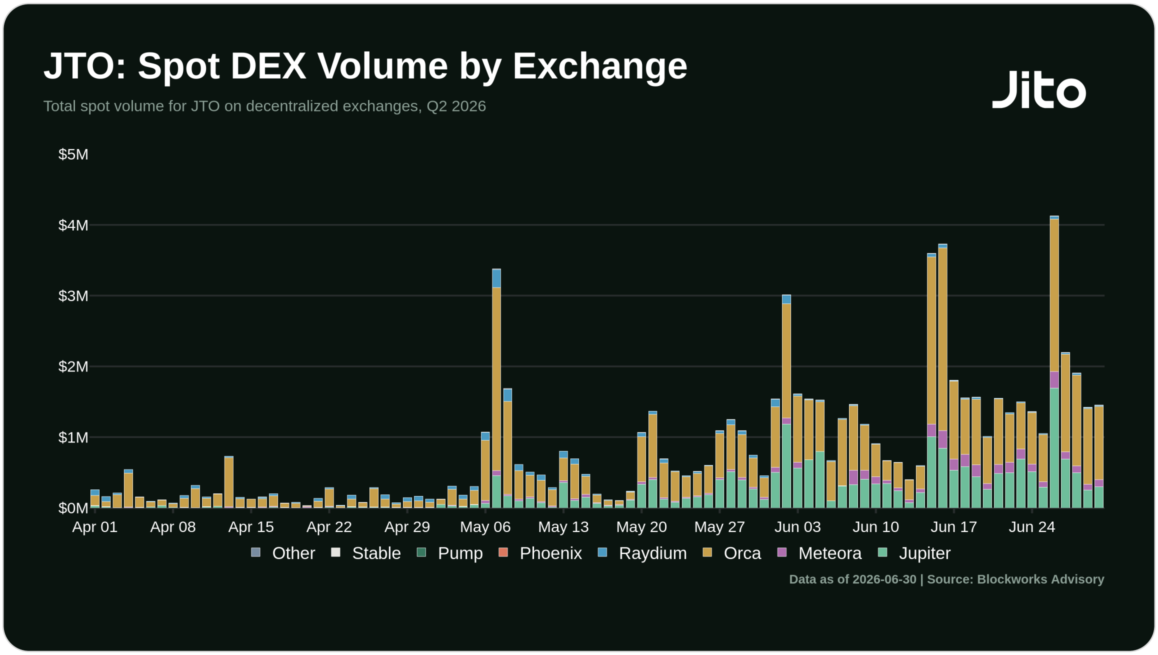
Burns & Buybacks



Cumulative JTO tokens burned over time. Source: Blockworks

Cumulative JTO burned stood at approximately 13.48M tokens at quarter-end and was effectively unchanged during Q2. Before the quarter, the Cryptoeconomics SubDAO had bought back and burned roughly 13.5M JTO through a TWAP mechanism. JIP-31 then redirected protocol revenue toward BAM incentives, leaving buybacks paused throughout Q2. JIP-37 proposed using CSD reserves to fund Q3 buybacks equal to protocol revenue while maintaining the BAM subsidy at its full rate. At quarter-end, this remained a proposed Q3 mechanism rather than an active Q2 program. JIP-24 routes fees to the treasury but does not itself create a buyback or distribution mechanism.

DEX Trading & Treasury



Daily JTO spot DEX trading volume by exchange, Q2 2026. Source: Blockworks

JTO spot DEX volume increased from approximately $30.1M in Q1 to $75.3M in Q2, a 150% rise, with onchain liquidity concentrated on Orca and Raydium. JTO also recovered from approximately $0.27 at Q1-end to between $0.67 and $0.72 at quarter close. These movements indicate stronger trading interest, although direct cash flow received by tokenholders remained limited.

The DAO treasury closed Q2 at approximately $164.7M, up from $68.2M at Q1-end. Around $154.6M consisted of JTO holdings, up from $57.3M primarily because of JTO price appreciation, while JitoSOL represented approximately $9.2M. The increase therefore reflected asset revaluation rather than an equivalent inflow of cash. Operating cash was negative $566K as the BAM subsidy of approximately $1.2M and liquidity incentives of roughly $680K exceeded quarterly revenue. Future subsidy expense depended on the outcome and implementation of JIP-37.

SECTION 09

Governance & Ecosystem Developments

09

JTX

Jito announced JTX, its self-custody trading platform, on May 5, 2026. Following quarter-end, JTX began a phased rollout on July 14, opening early access to an initial cohort of users ahead of full public availability. JTX is designed to provide a unified trading experience while allowing users to retain control of their assets. Spot trading is the initial product, with perpetual futures and prediction markets planned as future additions. Over time, this broader product set could develop JTX from a spot interface into a comprehensive venue for onchain trading.

Strategically, JTX extends Jito beyond staking and block-construction infrastructure into the application layer, where it can build a direct relationship with traders. This gives Jito an opportunity to diversify its fee base beyond revenue tied to the size of the JitoSOL stake pool and the TOV cycle. A successful rollout could also expand Jito's distribution, strengthen its presence across the trading lifecycle, and create a new source of recurring platform activity.

JTX also gives Jito a channel to surface BAM's execution features directly to end users. Because Jito operates both the block-construction layer and the trading interface, plugin capabilities can translate into execution quality inside JTX that standalone front ends cannot easily replicate. A larger BAM stake share therefore strengthens JTX's product position, while JTX flow increases the value of BAM's execution guarantees, linking the two growth stories described elsewhere in this report.

JTX is particularly relevant to tokenholders because Jito has committed to routing 80% of platform revenue to JTO. This establishes a more direct product-to-token link than Jito's existing treasury-based fee flows and gives JTO holders clearer exposure to the potential growth of a consumer-facing product. The near-term revenue contribution will depend on the public launch, user adoption, and trading volume. However, JTX provides a credible path for Jito to translate its infrastructure position into a broader commercial platform with more direct tokenholder value accrual.

JIP-38, approved on July 13, formalized this commitment by directing 100% of the DAO's revenue share from JTX toward programmatic JTO buybacks and burns for at least one year following launch. This converts the previously stated revenue allocation into a governance-backed, rules-based value accrual mechanism and adds a direct burn component. JTX therefore becomes the first Jito product line with an explicit relationship between platform usage, token purchases, and reductions in JTO supply.

Key JIPs

JIP-24, Fees to the DAO Treasury. Established before Q2, JIP-24 routes the full 6% Block Engine fee and all future BAM fees to the DAO treasury, with the proceeds earmarked for the CSD. The proposal estimated that BAM fees could eventually add approximately $15M in annual DAO revenue. JIP-24 does not create a buyback or direct distribution mechanism, and treasury accrual is not value received directly by JTO holders.

JIP-31, BAM Early Adopter Subsidy. JIP-31 redirected protocol revenue toward eligible BAM validators to accelerate adoption. The program began in January and was designed to run through Q3, with a 12-week linear taper originally scheduled to begin in July. It did not expire at the end of Q2.

JIP-37, Extend the BAM Subsidy and Mandate Q3 Value Accrual. Introduced on May 21, JIP-37 proposed replacing the original Q3 taper with a full subsidy through September 30. It also proposed requiring the CSD to fund JTO buybacks equal to protocol revenue during Q3. The proposal directly addressed the tension between continued BAM incentives and tokenholder value accrual. At quarter-end, its effects remained forward-looking and were not part of Q2 results.

JIP-35, Updated Jito DAO Constitution. Introduced on May 21, JIP-35 proposed replacing the existing DAO constitution, formalizing the Security Council and Dev Council, and delegating defined program and parameter authorities to the Dev Council. The proposal sought to improve operational responsiveness while preserving the DAO’s ability to revoke delegated authority.

JIP-36, Jito DAO Veto Trigger. Introduced alongside JIP-35, JIP-36 proposed an onchain mechanism allowing tokenholders to revoke delegated Dev Council authorities through a standard JIP. It provides a governance counterweight to the additional operational authority contemplated under JIP-35.

Ecosystem Milestones

Jito announced three institutional partnerships during Q2. The April 13 KODA agreement focused on expanding institutional JitoSOL access in South Korea. The May 6 Solana Company partnership targeted BAM validator deployment and wider institutional JitoSOL access across the Asia-Pacific region. On June 16, Coinbase expanded JitoSOL’s utility by enabling eligible users to borrow up to $100,000 in USDC against JitoSOL through Morpho on Base.

SECTION 10

Closing Summary & Outlook

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Q2 2026 broadened Jito's opportunity set across both infrastructure and applications. BAM expanded its share of validators and network stake, while the announcement of JTX introduced a consumer-facing growth platform with a direct path from platform usage to JTO buybacks and burns. Although current revenue remained under pressure, the quarter established multiple potential growth drivers for the second half of 2026.

Network position. The Jito client family ran approximately 54% of active stake. BAM crossed a majority of Solana validators by count and reached 33% of stake across 378 validators. Maker Priority entered early testing as BAM's first plugin, while FireBAM expanded early access to Frankendancer operators. Harmonic remained the largest competing client at approximately 21% of stake.

Institutional distribution. The 21Shares JSOL ETP increased to approximately $890K in AUM but remained immaterial in absolute terms. The Q2 KODA and Solana Company partnerships expanded Jito's institutional distribution efforts in Asia. The VanEck filing remained pending in the United States, while the earlier Hanwha and Coinbase initiatives remained in progress.

Revenue and token dynamics. Staking-related fees represented a larger share because TOV-linked revenue contracted more sharply, not because the staking base grew. JTO DEX volume increased by approximately 150%, and the token recovered to the high $0.60 range. The DAO treasury rose to $164.7M, primarily because its JTO holdings appreciated in value.

Value accrual. JIP-24 routes fees to the DAO treasury, while JIP-31 redirected protocol revenue toward BAM incentives during Q2. JIP-37 proposed maintaining those incentives through Q3 while funding matching JTO buybacks from CSD reserves. JTX has committed to routing 80% of future platform revenue to JTO. Direct value received by holders during Q2 remained limited to the TipRouter's 0.15% allocation of TOV tips to JTO stakers.

Jito enters the second half of 2026 with broader BAM adoption and an expanding product suite, despite weaker current financial performance and a smaller JitoSOL base. Maker Priority and FireBAM broadened BAM's capabilities and client reach, while JTX introduced a prospective product-to-token revenue channel. JIP-37 also established a clearer balance between funding BAM growth and supporting tokenholder value accrual. Together, these developments position Jito to convert greater adoption and product breadth into more sustainable fee generation and more direct value for JTO holders.

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APPENDIX

Disclosures

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