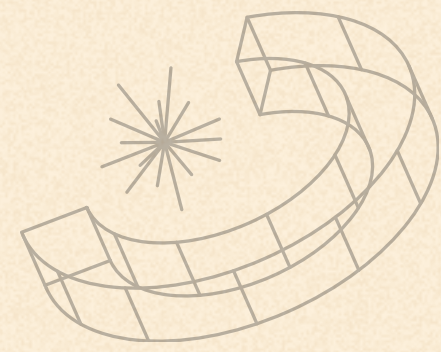


SYNTHETICA

OVERVIEW

APR 13, 2025

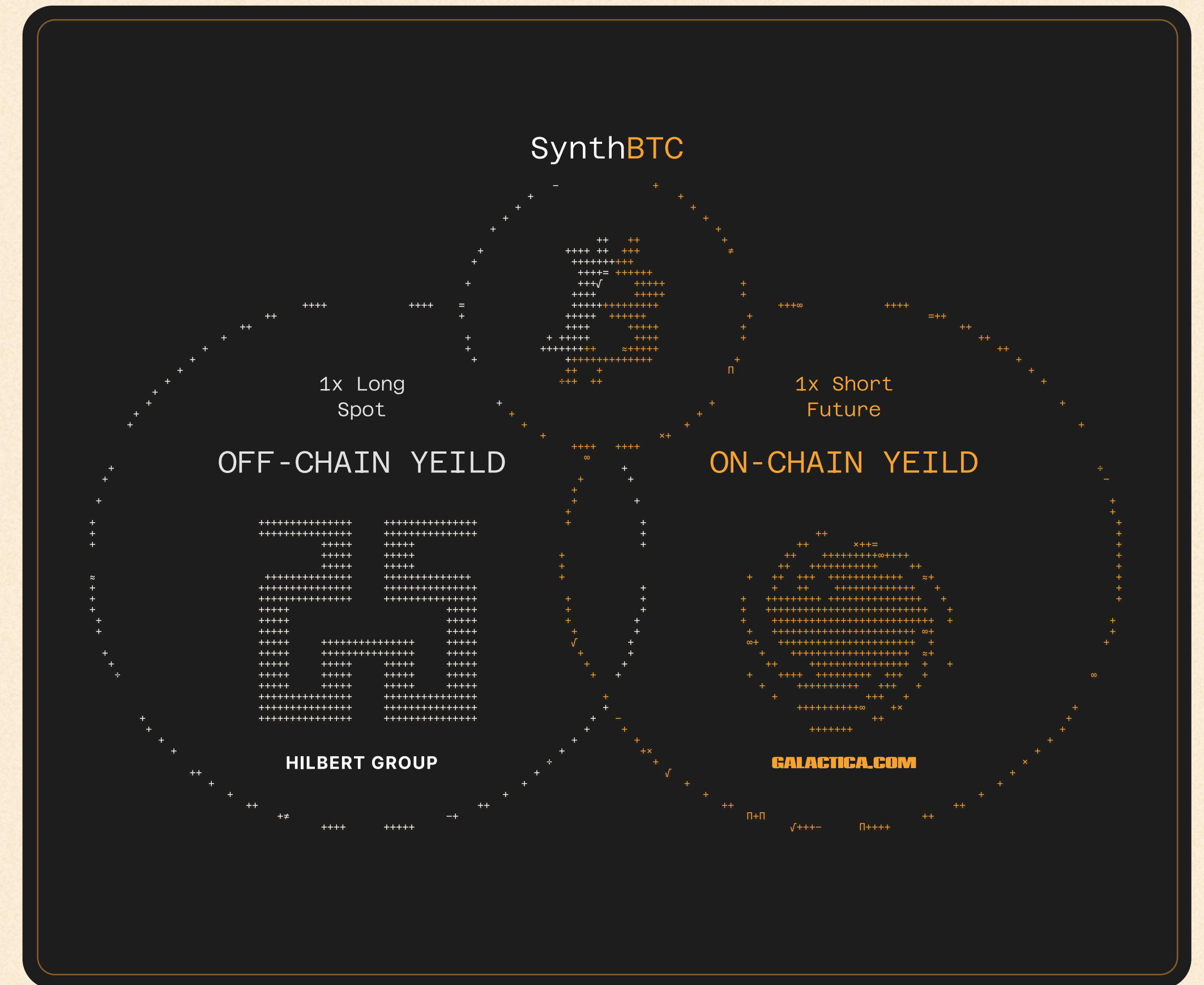
WHAT IS SYNTHETICA?



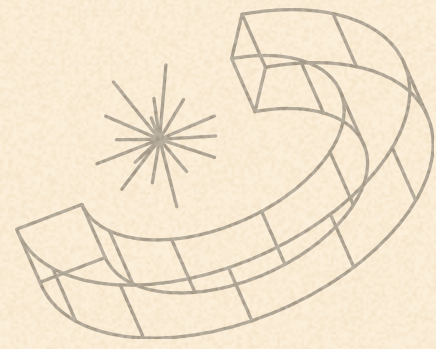
Synthetica is a protocol designed to **bridge TradFi and DeFi** to arrive at structured products with superior risk/return profiles by capturing **on-chain and off-chain yield opportunities**.

Our goal is to build infrastructure capable of providing **global, compliant, and accessible financial products**.

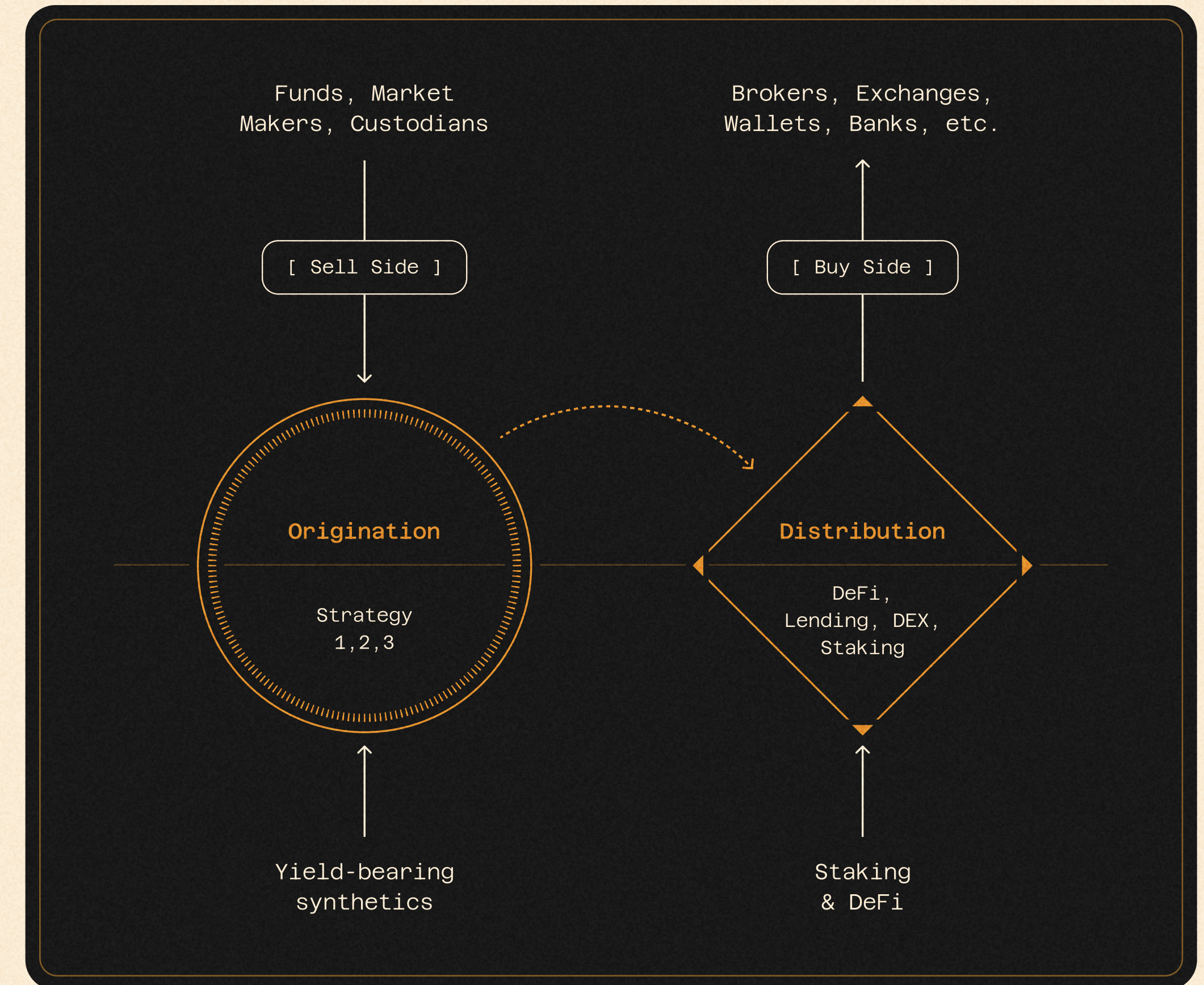
Thanks to our **compliant privacy stack**, we are best equipped for both **B2B and B2C** origination and distribution.



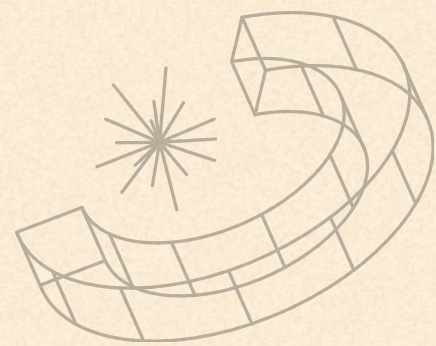
WHAT DOES SYNTHETICA DO?



- * Synthetica functions as a vault protocol connecting structured product originators (sell-side) with interested buyers (buy-side).
- * Initially launching as a synthetic Bitcoin protocol that provides backbone liquidity for the "Internet of Assets".
- * Provides a solution with Bitcoin-based yield generation at its core.



MARKET OVERVIEW



According to Binance only **~0.8% of the bitcoin supply** is currently being used in DeFi, and this presents a large "**untapped opportunity**". [\[11\]](#)

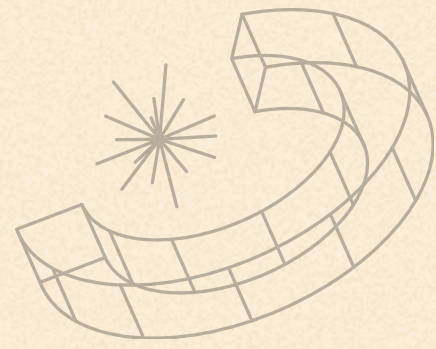
Julian Love, a deal analyst at Franklin Templeton Digital Assets, said the "**Bitcoin DeFi**" opportunity could be as much as **\$1 trillion**. [\[12\]](#)

Ethena, synthetic dollar protocol reached remarkable **\$5B TVL** with its novel design for synthetic yield-bearing stablecoin. [\[13\]](#)

The future role of stablecoins in the U.S. debt market is significant when viewed against the backdrop of a relative **decline in foreign holdings of US debt**. Over the past decade, foreign ownership has shrunk from **34% to 23%**, with strong historical players like China and Japan also reducing their treasury positions in an absolute sense. [\[4\]](#)

Approximately **74% of BTC** has not changed hands for most of 2024 and **45% of bitcoin** hasn't moved in more than 3 years. [\[5\]](#) [\[6\]](#)

SYNTHETICA: SEIZING THE OPPORTUNITY



Operating in a **post-Biden regulatory environment** that appears more crypto-friendly and adoption-focused.

Building upon the two most proven utilities in Web3: **Bitcoin** (internet store of value) and **DeFi** (improved financial infrastructure).

Going beyond typical Bitcoin DeFi, by creating a **comprehensive platform** for on-chain structured products.

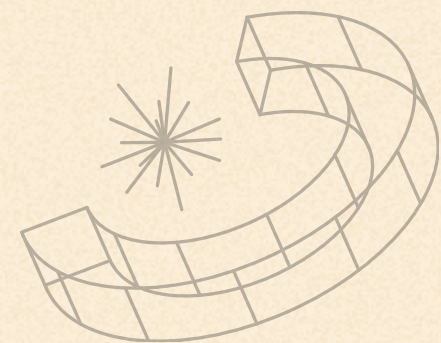
Designed to capture both **on-chain and off-chain yield** opportunities.

Features a **compliant privacy stack** making it suitable for both **B2B and B2C** origination and distribution.

Serves as the **liquidity layer** for brokers, wallets, blockchains, and exchanges needing to satisfy diverse user demands for **structured products**.

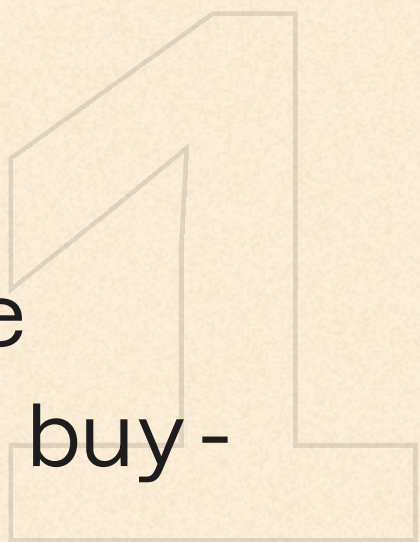
Accommodates a wide range of products from **barrier options** to **synthetic dollars** originating from delta-neutral trading strategies.

SYNTHETIC BITCOIN SOLUTION



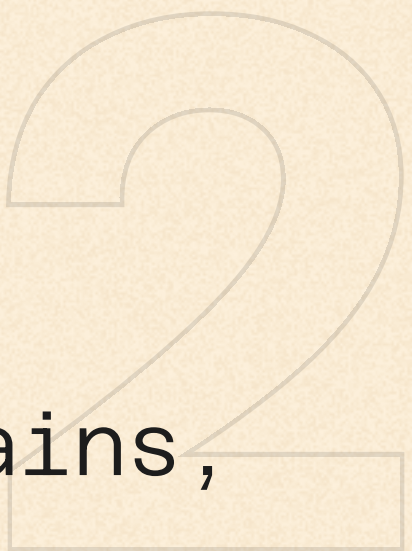
Vault Protocol:

Matches sell-side originators with buy-side demand.



Liquidity Layer:

Serves brokers, wallets, blockchains, and exchanges.



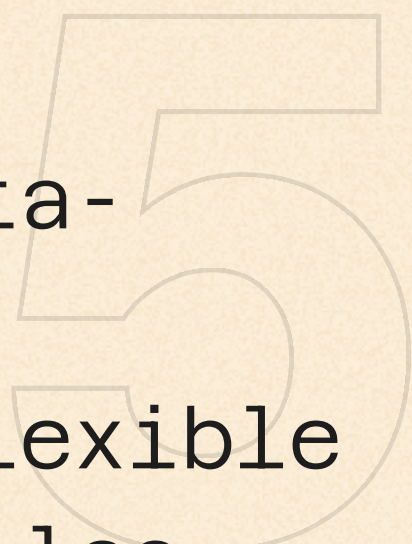
Supports diverse products from barrier options to synthetic dollars.



Platform for creating and managing on-chain structured products.



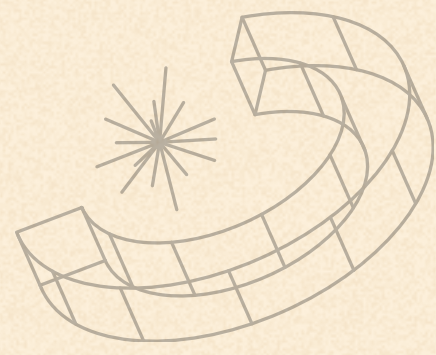
Accommodates delta-neutral trading strategies and flexible risk/return profiles.



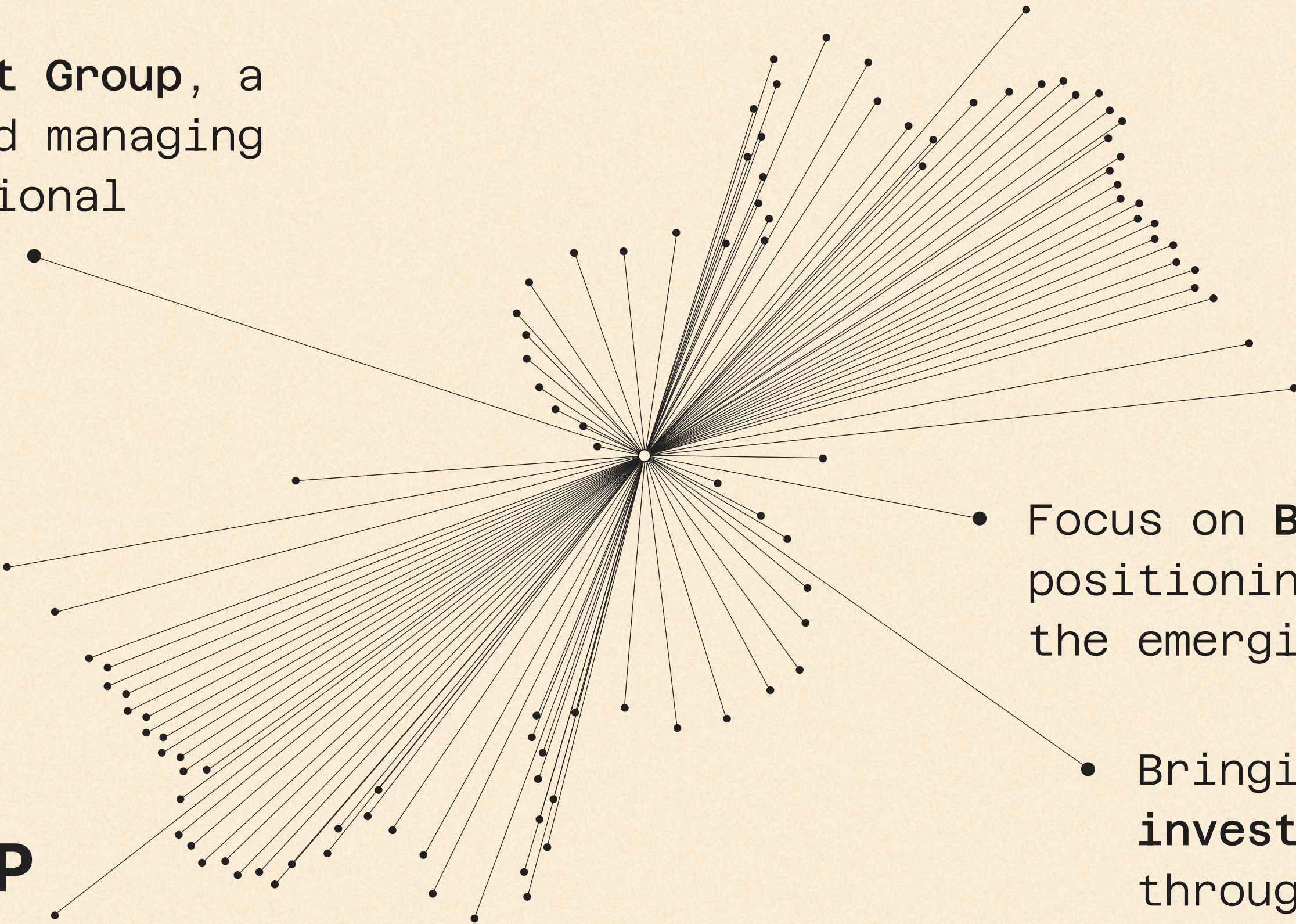
Providing BTC holders with the ability to earn yield with idle BTC.



TOKENIZING INSTITUTIONAL – GRADE FUNDS



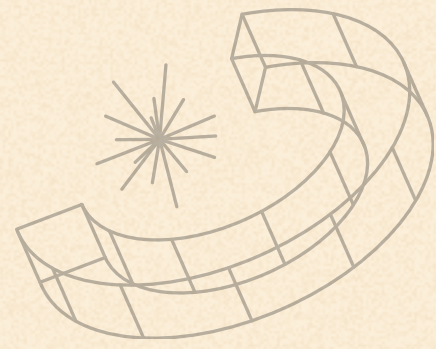
Partnership with Hilbert Group, a Nasdaq-traded hedge fund managing portfolios for institutional clients like Xapo Bank.



- Focus on **Bitcoin-native strategies**, positioning BTC as the cornerstone of the emerging **Internet of Assets**.
- Bringing **institutional-grade investment strategies** on-chain through tokenization.



YIELD GENERATION MODEL

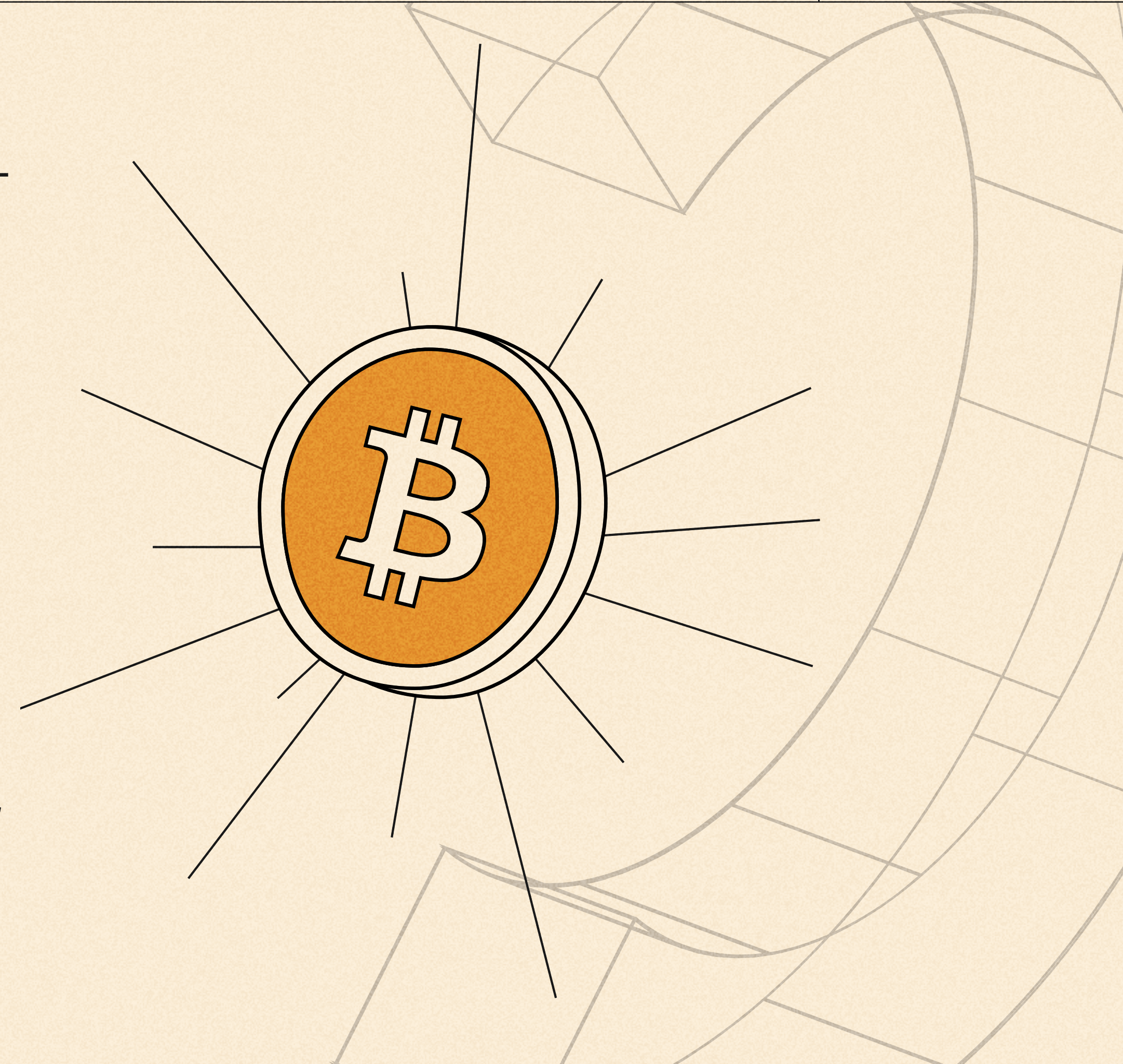


Synthetica's synthetic BTC - aBTC: a crypto-native, fully-backed, programmable reserve asset

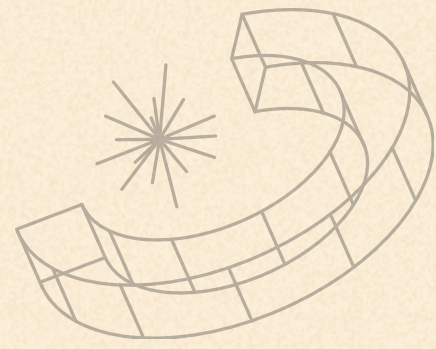
- *Uses Bitcoin-native delta-neutral basis strategies (similar to Ethena / Falcon).*
- *Peg stability through delta hedging against protocol-held backing assets.*
- *Composable throughout DeFi ecosystem.*

SynthBTC: Liquid staking token (LST) of aBTC

- *Automatically accrues **100%** of off-chain generated yield*
- *Yield amplification: When only **50%** of aBTC is staked, **APY** effectively doubles.*



HILBERT'S DELTA – NEUTRAL STRATEGY



- ✱ **A BTC-based program that represents a market-neutral strategy**
that generates alpha by exploiting inefficiencies in Bitcoin's interest rate curve.
- ✱ **Use Artificial Intelligence and Machine Learning**
Our models aim to generate the highest possible "Basis" from the spot and perpetual BTC markets.
- ✱ **Arbitrage the BTC yield curve and apply proprietary methods**
We capture additional yield by exploiting structural inefficiencies in the BTC interest rate curve.
- ✱ **The strategy is always market-neutral with deep liquidity**
It operates on the front end of the BTC yield curve, ensuring access to high liquidity levels.
- ✱ **Historically generated ~36% annualized returns**
Performance tracked from December 2023 to present.



> MINTING aBTC

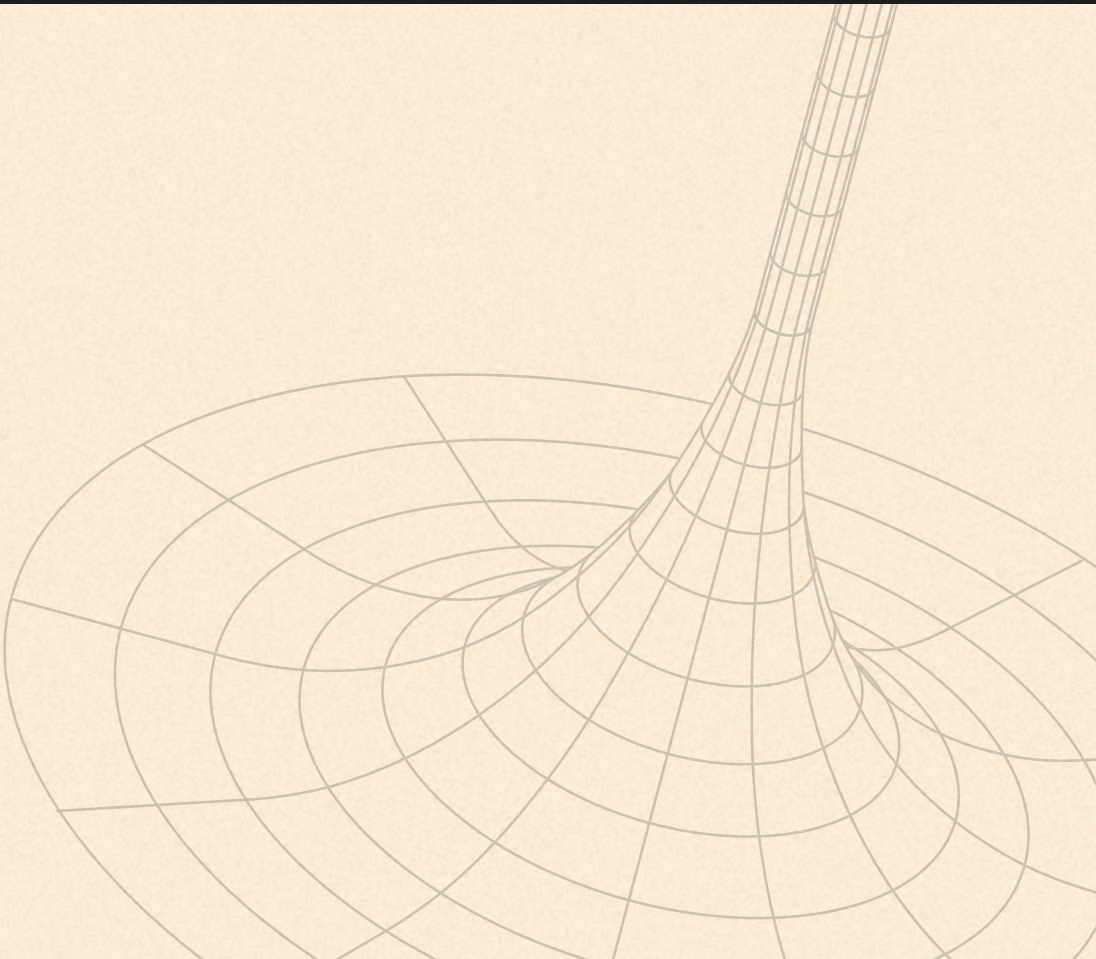
STAKING aBTC

SYNTHETICA TVL :

21M BTC

aBTC APY :

42%



[MINTING TERMINAL]

Deposit		My transactions	
2025-04-03 14:42		Status: Pending ⚠	
Amount	BTC Hash	Galactica Hash	
0.0150001 BTC	bc1qxyhx0wlhbx...0wlh 🔗 🔗	hx0wlhbc1qxybc...1qxy 🔗 🔗	
2025-04-03 14:42		Status: Pending ⚠	
Amount	BTC Hash	Galactica Hash	
0.0150001 BTC	bc1qxyhx0wlhbx...0wlh 🔗 🔗	hx0wlhbc1qxybc...1qxy 🔗 🔗	
2025-04-03 14:42		Status: Received ✅	
Amount	BTC Hash	Galactica Hash	
0.0150001 BTC	bc1qxyhx0wlhbx...0wlh 🔗 🔗	hx0wlhbc1qxybc...1qxy 🔗 🔗	
2025-04-03 14:42		Status: Minted ✔	
Amount	BTC Hash	Galactica Hash	

SYNTHETICA
OVERVIEW

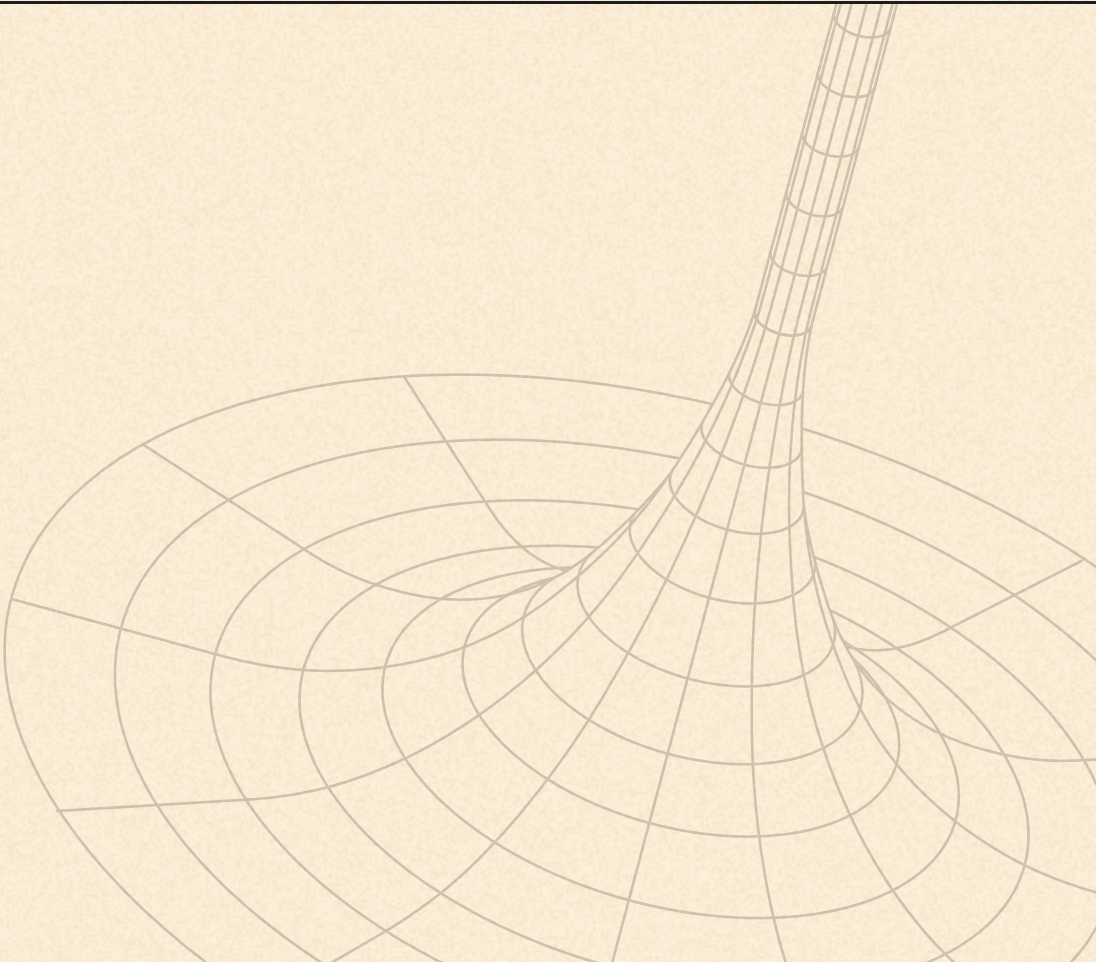


MINTING aBTC

> STAKING aBTC

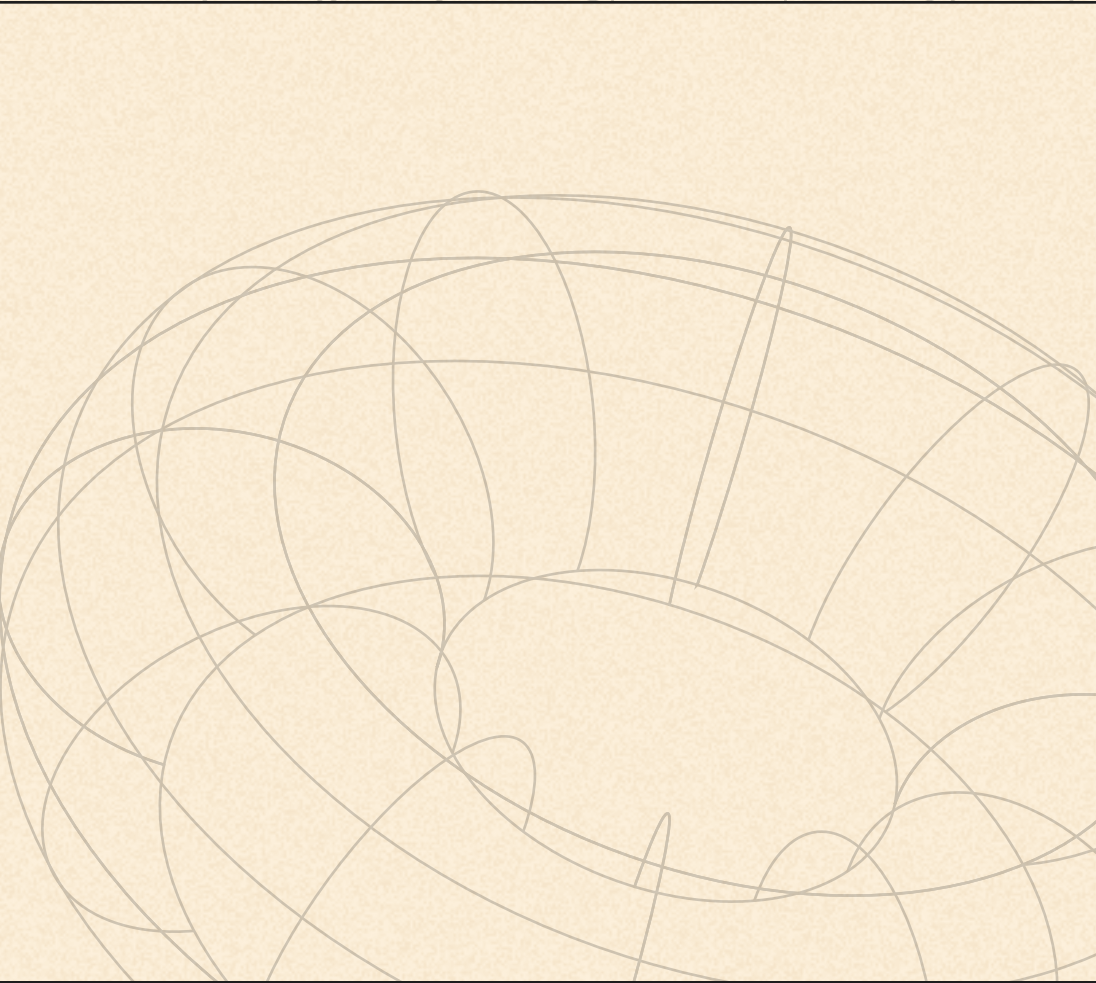
SYNTHETICA TVL :

21M BTC



aBTC APY :

42%



[STAKING TERMINAL]

Stake

Unstake

You Send

0.00052

aBTC

Balance: 0.00052 aBTC

MAX

You Recieve

0,000301

SaBTC

Balance: 0 SaBTC

[STAKE]

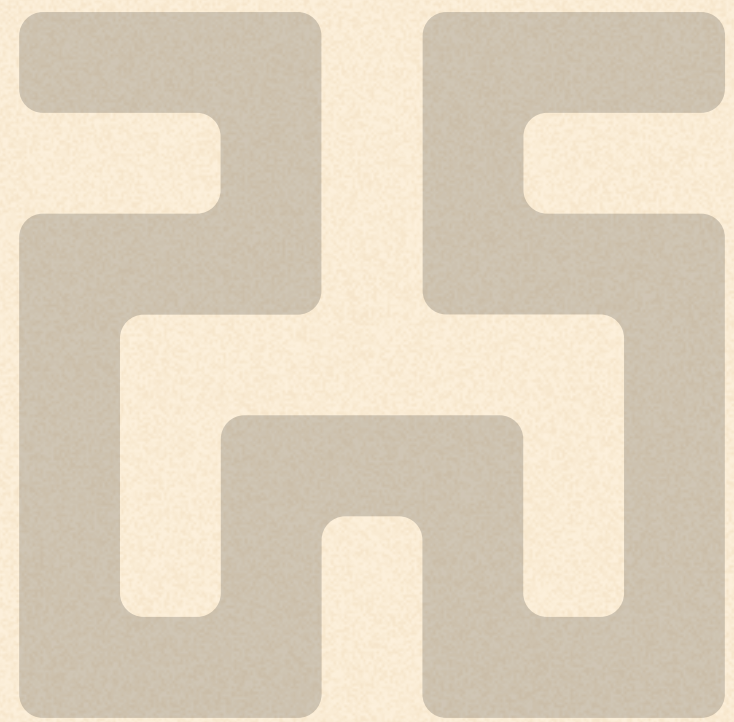
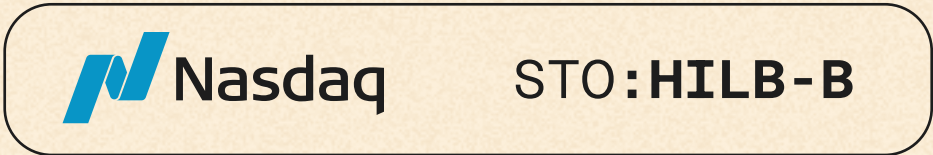
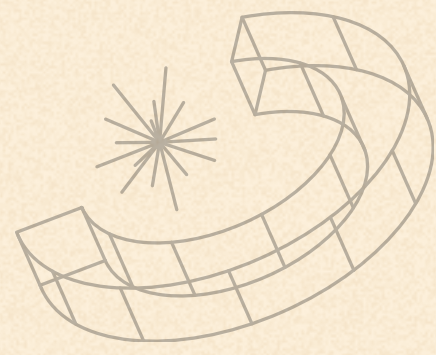
Transaction Gas: 0.008 GNET

POWERED BY



GALACTICA

POWERED BY

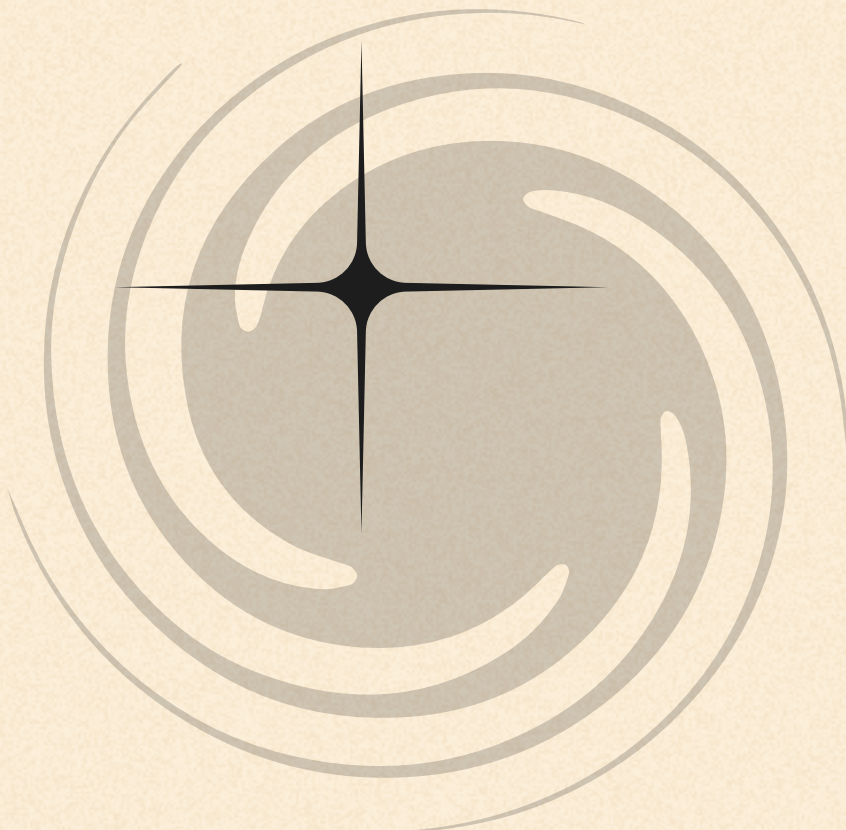


Hilbert Group

Crypto Asset Manager with \$500M AUM. Partner with Xapo Bank operating the Xapo Byzantine’s Bitcoin Yield Fund.

Co-founder by Dr Niclas Sandström & Dr Magnus Holm, PhDs in Theoretical Physics.

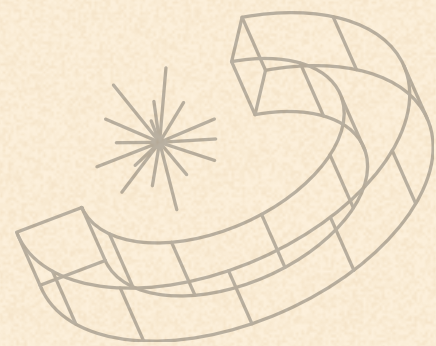
CEO Barnali Biswal, former Goldman Sachs Veteran MD.



Galactica.com

Co-founded by Swissborg.com, Europe's premier brokerage firm and crypto community, Galactica.com's protocol core is powered by Fully Homomorphic Encryption (FHE) and Zero Knowledge Proofs (ZKP) stack to arrive at very applied use-cases aimed primarily at real users - web2 and web3 alike.

TEAM



100+ years in TradFi, led by veterans from Goldman Sachs, JP Morgan, Morgan Stanley, and top hedge funds.

Expertise in quant trading, asset management, and financial engineering.
Strong background in institutional investments, risk management, and blockchain integration.

TEAM MEMBERS FROM

J.P.Morgan

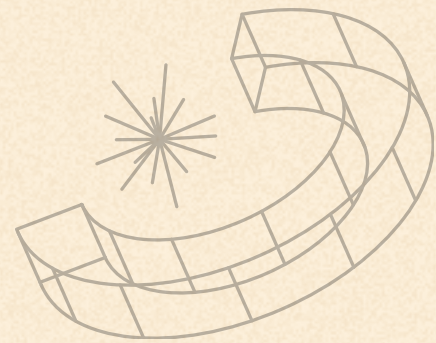


Morgan Stanley

Goldman Sachs



TOKEN ECONOMICS

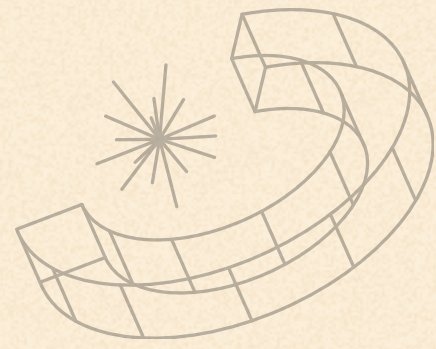


	in \$SYNTH	in % of Tot. Supply	Initial Unlock %	Initial Unlock in \$SYNTH	Cliff (months)	Vesting (months)
Funding Round I	10,000,000	10.00%	20.00%	2,000,000	2	10
Funding Round II	15,000,000	15.00%	20.00%	3,000,000	2	10
Incentives	35,000,000	35.00%	0.00%	0	-	-
Foundation	20,000,000	20.00%	20.00%	4,000,000	2	10
Team	20,000,000	20.00%	0.00%	0	3	12
Total	100,000,000	100.00%	9.00%	9,000,000		

The background features a light beige, textured surface. Overlaid on this is a faint, light gray geometric design. It consists of a large, multi-layered spiral that winds around a central point. At the center of the spiral is a starburst or sunburst pattern, formed by numerous thin lines radiating outwards in various directions. The overall composition is minimalist and architectural.

APPENDIX

TRANSFORMING GLOBAL FINANCE



The RWA Opportunity: Tokenizing the \$95 trillion global stock market and other traditional assets (bonds, real estate, commodities) on blockchain

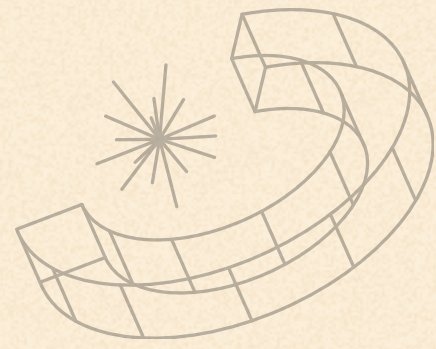
Core Value Proposition

- 24/7 trading beyond traditional market hours
- Fractional ownership of expensive assets
- Near-instantaneous settlement vs. T+2 in traditional markets
- Global accessibility without geographic restrictions
- DeFi composability for trading, lending, and collateralization
- Transparent and immutable transaction records

Market Validation

- 87% of institutional investors have expressed interest in tokenized assets [[1](#)]
- Treasury Products Market Cap rising from \$700M to \$5.8B from Oct 2023 [[2](#)]
- RWA TVL in DeFi reaching over \$11B [[3](#)]
- Private securities market projected to reach \$250 billion by 2027

TECH INFRASTRUCTURE & COMPLIANCE



Tokenization Process Components

1. Asset Acquisition and Custody: Legal entities purchasing and securing traditional securities
2. Tokenization Layer: Smart contracts representing ownership rights
3. Compliance Infrastructure: zkKYC technology ensuring regulatory adherence
4. Decentralized Exchange: Marketplace for trading tokenized securities
5. Liquidity Provision: Market makers ensuring efficient price discovery
6. DeFi Integration: Connections to lending protocols and yield strategies

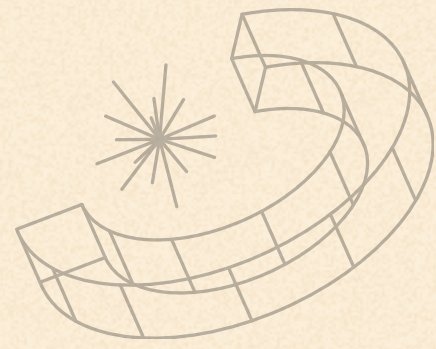
Smart Contract Architecture

- Two-layer approach with non-fungible tokens (NFTs) representing specific assets
- NFTs include valuation series and acquisition details
- Conversion to fungible ERC20 tokens for standardized tradable units

Privacy & Compliance Solutions

- Zero-knowledge proofs (zkKYC): Verifying users meet requirements without collecting personal data
- Fully Homomorphic Encryption (FHE): Performing computations on encrypted data
- Built on Cosmos SDK, CometBFT, and EVM compatibility
- Project EPIC integration for encrypted confidential transactions

STRUCTURED PRODUCTS ON GALACTICA NETWORK



Building Blocks

- **Core Financial Instruments**

- Spot: Direct asset ownership with immediate delivery
- Forwards/Futures: Price-locked contracts for future settlement
- Options: Call and Put rights with premium payments

- **Crypto-Native Mechanisms**

- Staking Yields: Network security rewards
- Liquidity Provision: Fee earnings from DEX participation
- Decentralized Borrowing & Lending: Interest rate markets

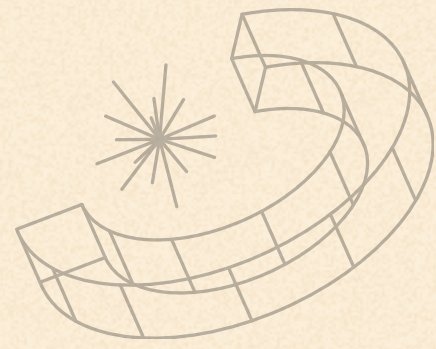
- **Adapted Traditional Components**

- Fixed Income/Bonds: Replaced with staking, lending protocols, and yield-bearing stablecoins
- Swaps: Cash flow exchange agreements adaptable to DeFi

Privacy & Compliance Solutions

- **Capital Protection:** Various notes with participation, barriers, twin win, or coupon features
- **Yield Enhancement:** Discount certificates, reverse convertibles with different barrier and coupon structures
- **Participation:** Tracker, bonus, outperformance, and twin win certificates
- **Leverage:** Warrants, mini-futures, and constant leverage products

STRUCTURED PRODUCTS ON GALACTICA NETWORK PT. 2



Detailed Product Examples

1. Capital Protection Note with Participation (CPNP)

- **Goal:** Protect initial investment while offering upside potential
- **Target Investor:** Cautious investors expecting moderate gains
- **Structure:**
 - Protection Component: Yield-generating stablecoin lending or staking
 - Participation Component: Call options on underlying assets (e.g., ETH)
- **Payoff Profile:** Full principal protection with capped upside participation

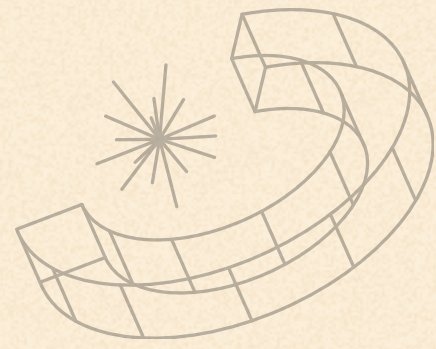
2. Barrier Reverse Convertible (BRC)

- **Goal:** Enhanced yield with conditional downside risk
- **Target Investor:** Investors expecting stable or slightly rising prices
- **Structure:**
 - Yield Component: Premium from selling downside protection (Put options)
 - Barrier Mechanism: Protection voided if price breaks below threshold
- **Payoff Profile:** High fixed coupon with potential asset conversion at loss if barrier breached

3. Outperformance Certificate

- **Goal:** Leveraged participation in positive price movements
- **Target Investor:** Strongly bullish investors willing to accept amplified risk
- **Structure:**
 - Core Component: Direct spot asset holding (e.g., ETH)
 - Leverage Component: Call options at/near initial price
- **Payoff Profile:** >100% participation in upside, 1:1 downside exposure

DEFI-TRADFI CHALLENGES AND SOLUTIONS



Adapting Traditional Building Blocks

- Bond replication through predictable yield streams
- Addressing creditworthiness in pseudonymous environments
- Creating reliable fixed income substitutes through staking and lending

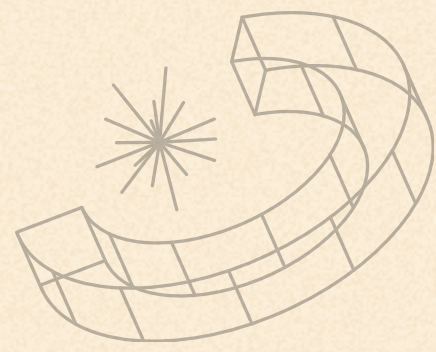
Enhancing Privacy for Institutional Adoption

- FHE enabling confidential fund subscriptions and private trading
- ZK technology protecting participant identity and transaction patterns
- Combined stack creating compliant "dark pools" for institutional activity

The Path Forward

- Infrastructure Development: Building robust, secure tokenization frameworks
- Regulatory Advancement: Establishing clear guidelines for tokenized securities
- Market Education: Bridging understanding between TradFi and crypto participants
- Liquidity Growth: Attracting market makers for efficient markets
- Protocol Expansion: Extending beyond equities to other asset classes

MARKET OVERVIEW



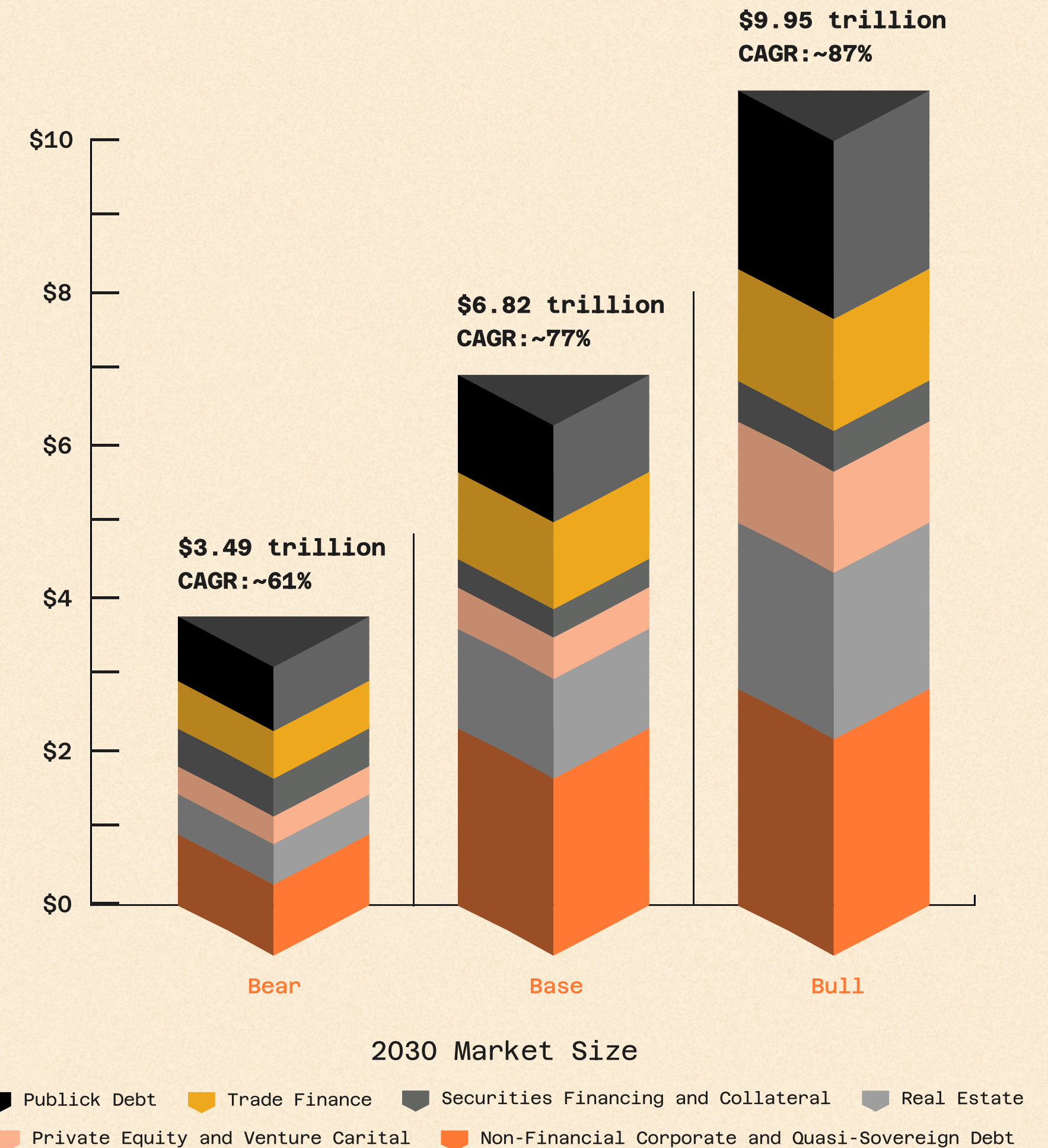
It's estimated that the market value for tokenized assets will be between US\$ 3.5 trillion in a bear-case scenario and US\$ 10 trillion in a bull-case scenario by 2030. [7]

For real estate it's estimated:

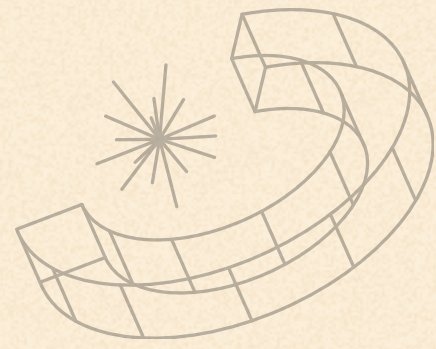
- Bear case: 15% of total
- Base case: 20% of total
- Bull case: 25% of total

For the base case, it's assumed that tokenization will capture about ~10% of the net assets of regulated open-end funds worldwide, which was ~US\$ 70 trillion at the end of Q2 2023.

For the bull case, the CAGR is comparable to the one we have observed historically for the growth of crypto owners. The bear case is ~0.5x the base case.



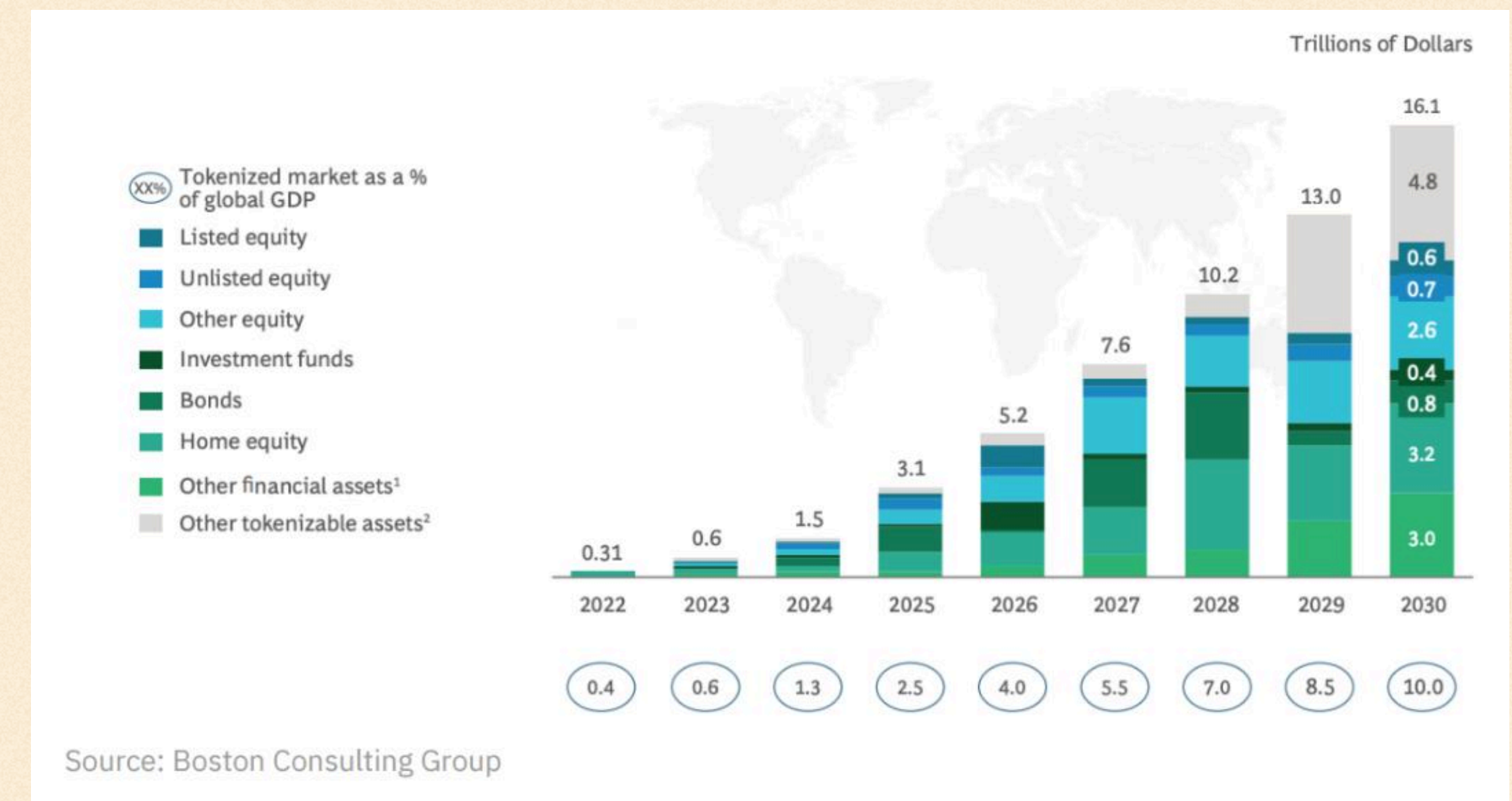
MARKET OVERVIEW PT.2



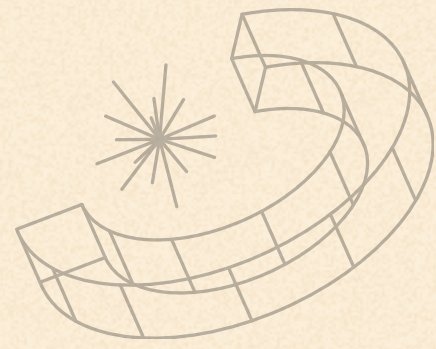
According to BCG Tokenized assets are projected to reach \$16T by 2030, yet they will represent less than 1.8% of the global \$900T asset value [8]

Current TVL of Real World Assets sector is \$11B [9]

Although significant progress has been made in integrating RWAs on-chain, the current market across public blockchains like Ethereum, Arbitrum, Avalanche, Optimism, and Base is still largely dominated by stablecoins, which make up 97% of the market share [10]

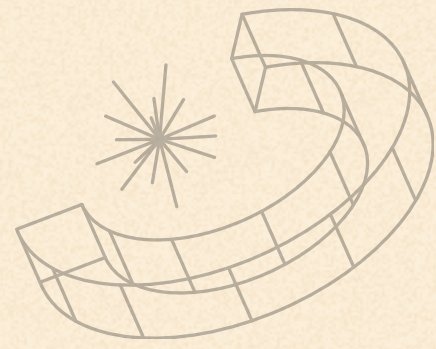


SYNTHX: THE RWA DECENTRALIZED EXCHANGE



- A Balancer-style Decentralized Exchange
- Enables liquid secondary market for SynthBTC and other Real-World Assets
- Designed with familiar DeFi mechanics users already understand

SYNTHX: THE VISION



- Democratize access to exclusive investment opportunities like SpaceX and OpenAI
- Enable global secondary liquidity for traditionally illiquid assets like private equities
- Strategic partnership with Galactica.com to offer on-chain secondary markets for securities
- Bridge traditional finance and DeFi with familiar blockchain infrastructure