Explore the latest in institutional Bitcoin - staking efficiency, treasury moves, and key market developments

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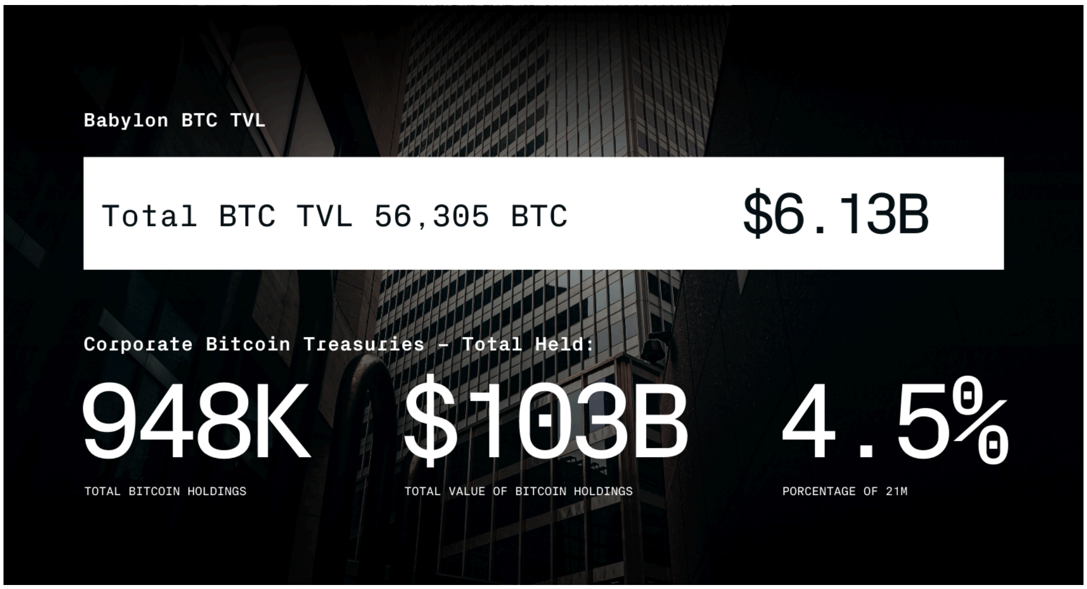

Babylon Institutional Update

BTC Price: $109,241

Total BTC ETF Holdings: $162,24B

Introducing the Trustless Bitcoin Vaults Whitepaper

Today, less than 1% of all Bitcoin is actively deployed in DeFi. This reflects a long-standing challenge: existing Bitcoin bridges are either centralized or rely on weak trust assumptions, limiting institutional participation.

Babylon's **Trustless Bitcoin Vaults** directly address this challenge by enabling Bitcoin to be deployed securely, without the need for wrapping or custodial risk. Hodlers will be able to commit BTC into verifiable, on-chain vaults, ensuring assets remain fully protected while still being available for use in broader financial applications.

David Tse, co-founder of the Babylon protocols, said, “This marks Bitcoin’s transformation from a static store of value to its trustless use as collateral for DeFi.”

For allocators and market participants, this opens the door to a range of opportunities:

- **Lending protocols** can incorporate native BTC as collateral for credit markets.
- **Stablecoin issuers** can back liabilities with verifiable native Bitcoin reserves.
- **Perpetual DEXs** and trading venues can build BTC-denominated liquidity products.

Combined with the Babylon Bitcoin staking protocol, Trustless Bitcoin enable hodlers to generate income on BTC, serving as productive collateral.

Read the whitepaper today

Insurance Insight: Native

Insurance: Restaked Bitcoin's $40 Trillion Use Case

The latest measure of total global insurance assets clocks in at $40 trillion, setting an ambitious target for the real-world deployment of restaked on-chain capital within insurer balance sheets. As Bitcoin staking protocols like Babylon develop at an accelerating rate, they're unlocking Bitcoin's utility for the world's most capital-intensive industry.

The scale opportunity is immense:

- **Size of global insurer assets**: $40 trillion USD
- **Current staked Bitcoin**: Babylon's $6.13bn+ TVL with 56,000+ BTC
- **Current restaked Bitcoin**: SatLayer's $300M+ TVL with 2,600+ BTC

In a world where on-chain assets are steadily outpacing traditional market structures, this represents at least an 800,000% scale opportunity for staked Bitcoin.

Bitcoin is inherently an insurance asset

Bitcoin's monetary properties align with insurance capital requirements better than traditional alternatives:

- **Long time horizons**: Insurance liabilities extend decades; Bitcoin's deflationary 21m cap provides enhanced purchasing power protection
- **Inflation hedge**: Since 2020, US M2 Money Supply has expanded by 45%, signalling a serious devaluation of dollar-denominated assets. Bitcoin outperforms TIPS and traditional inflation-linked assets.
- **Zero counterparty risk**: Unlike bonds, equities, or gold ETFs, properly-custodied Bitcoin eliminates issuer default risk and market abuse

Additionally, there are also operational advantages to the use of Bitcoin as insurance capital:

- **24/7 liquidity**: $1 billion of Bitcoin can move globally in ~10 minutes for <$5 (vs. weeks for real estate liquidation)
- **Portfolio diversification**: Low correlation with traditional assets enables "barbell" strategies with 2-5% allocations delivering asymmetric upside

Restaking as Insurance Infrastructure

The emergence of restaking bitcoin as an insurance layer will transform how capital underwrites risk:

Current Market Signals:

- **EigenLayer**: With $19bn in TVL, and redistribution mechanisms now live, Eigenlayer demonstrates how restaked on-chain capital can align with insurance structures from operational and capital size perspectives.
- **SatLayer**: By building on top of Babylon Genesis, Satlayer is powering 30+ BVS projects building insurance, prime brokerage, and liquidation protection, and more. This unlocks Bitcoin, as a long-term, deflationary asset, to become a tool for bolstering high-performing insurance balance sheets.

The Institutional Adoption Path

Near-term catalysts:

- Corporate treasury expansion: 145 public companies hold 946k BTC ($107bn) - representing a natural progression toward yield demand.
- Regulatory progress: Both global and US regulatory progress, like the repeal of SAB 121, allowing US banks to custody BTC, will lead to investors demanding services that generate yields.

Inflationary pressures on insurers: Insurers themselves face pressure as investments become devalued. Exploration of the use of Bitcoin to mitigate these risks will lead to exploring staked Bitcoin and restaked Bitcoin as insurance capital.

Native & Babylon

Native and Babylon Genesis are working to deliver specialized Bitcoin slashing coverage.

By protecting those who participate and build within the Babylon ecosystem, we can support their aims to scale Bitcoin into the $40tn insurance opportunity.

As restaking infrastructure matures, we are approaching the inflection point where restaked Bitcoin transitions from experimental yield strategies to core insurance portfolio allocations.
For institutions ready to embrace this evolution, the path from millions to trillions in restaked capital runs directly through proven insurance risk management structures.

Institutional Market Insight

The data below underscores how Bitcoin's retail-dominated base is steadily giving way to institutional ownership, with treasury stacking and ETFs at the forefront of this structural shift.

- In 2024, institutional buyers — led by ETFs and public treasury companies — absorbed 913,000 BTC, while only 337,000 BTC were newly mined.
- Year-to-date 2025, the pattern is even more pronounced: 690,710 BTC of institutional demand versus just 109,072 BTC of new supply.

- The last time supply outweighed demand was back in 2020; since then, institutional accumulation has scaled relentlessly.

Boris Alergant, Head of Strategic Initiatives and Institutional Partnerships at Babylon Labs, commented, *"With the rise of DATs, institutional participation is no longer episodic – it has become systematic, generating persistent demand pressure on the asset, independent of discretionary flows."*

The graphic below from River underscores how Bitcoin's retail-dominated base is steadily giving way to institutional ownership, with treasury stacking and ETFs at the forefront of this structural shift.

Bitcoin Treasury Update

Corporate treasuries continue to expand their Bitcoin strategies, reshaping global balance sheets. Corporate treasury expansion: 145 public companies hold 946k BTC ($107bn):

Why mNAV Matters

mNAV (multiple to Net Asset Value) remains a key institutional lens:

- Premium (>1): market confidence in compounding BTC per share faster than spot accumulation.
- Discount (<1): skepticism about governance, sustainability, or debt burdens.

As of September 2025:

- Strategy trades at 1.3x mNAV
- Metaplanet trades at 2x mNAV
- Semler Scientific trades at 0.8x mNAV (discounted)

Strategy (MSTR) 🇺🇸

- BTC added: 3,081 BTC (~$362.6M)
- New total holdings: 632,457 BTC (~3.02% of supply)
- mNAV: 1.3x

Strategy remains in a league of its own, holding more than 12x the Bitcoin of its nearest competitor. Its latest buy was financed through preferred equity, avoiding dilution while converting market trust into BTC per share. With a revised dividend policy, Strategy continues to refine its capital preservation tools while setting the pace for the entire sector.

Metaplanet (MTPLF) 🇯🇵

- BTC added: 1,009 BTC (~$112M)
- New total holdings: 20,000 BTC (~0.084% of supply)
- Funding: Preferred stock equity issuance
- mNAV: 2x
- Global Ranking: #6

Metaplanet broke the 20k BTC threshold, climbing toward the global top 5. Its new financing mechanism — a preferred equity issuance pegged to 25% of BTC NAV — provides resilience even in severe drawdowns. This hybrid approach highlights how non-US corporates are adapting the treasury playbook with local capital markets tools.

Babylon Ecosystem Update

BitVM Alliance Night | Istanbul | Sept 5 - https://lu.ma/tjzxc7l3

Bitcoin Night | Seoul | Sept 23 - https://lu.ma/a9exr8ay

Stay informed on Babylon Labs' institutional developments and innovations.

For inquiries, please contact our institutional relations team.

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