



Sanctum Quarterly

Q2 2026

Published on 17 July 2026



Table of Contents

Letter to Investors	3
Investor Relations Hub	6
Company Vision	7
Financial Results	12
Product Recap	14
Stake	15
Reserve & Router	16
Infinity	17
Sanctum App	18
Looking Ahead: Risks	20
Get in Touch	22

Letter to Investors

Q2 2026



FP Sanctum CEO and Co-Founder

What does it mean to be long-term?

Over the years, whenever SOL price falls, people always ask: have you considered branching out, building liquid staking on other chains? And my answer has always been the same.

We started building on Solana in 2021 and have seen it go from \$10 to \$250 to \$8 to \$250 and now back to ~\$75. Regardless of how the price moves, we have seen steady improvement of the network; of its speed,

resilience, and acceptance. The Solana Foundation has done a phenomenal job stewarding the network over the years.

Despite the bear market, Solana has never been stronger. The network now facilitates the highest transaction activity in its lifetime, does more DEX spot volumes than Ethereum, and is the settlement layer for \$3 billion in tokenised real-world assets. Despite capital moving away from crypto, spot SOL ETFs have seen 12 straight months of net inflows (\$2.7 billion dollars). This is the clearest signal yet that institutions treat Solana as credible infrastructure, not merely as a speculative venue. Meanwhile, Alpenglöw, the largest consensus upgrade in Solana's history, will collapse finality from roughly 12 seconds to under 150 milliseconds.

The price of SOL has directly affected our revenues; this is a factor outside of our control. What we can do is manage our treasury and burn prudently – we have a healthy runway of ~\$5-6 million in our treasury.

We continue to have long-term conviction in Solana. We believe that Solana will become a global financial ledger. And because staked SOL sits at the heart of it all, that Sanctum will benefit from Solana's success.

Our long-term view also applies to how we think about our products. At the start of this year I mentioned our two main foci: growing our core business and building Sanctum App.

Our core business continues to grow. This marks the 11th consecutive quarter in which Sanctum has grown its SOL TVL. Today, Sanctum is responsible for around 2.72% of all SOL in circulation. A year ago that number was 2.02%, and two years ago that number was 1.04%. Still good progress, but growth has slowed. Why? Partly because of softer SOL demand, and partly because Sanctum's TVL now grows via partnerships with larger institutions, which require a different process and longer sales cycles.

2.72% is still a small slice of the pie. I see no structural reason why we cannot keep growing into the rest of the ~97%. Last month, we brought on dedicated institutional sales hires to continue driving that growth. I want to stress that all of this growth will be done prudently and organically: we are not interested in unsustainable growth via TVL deals or token incentives.

TVL is to some extent a vanity metric; what we care about internally is SOL-denominated revenues. This quarter it dipped ~1% QoQ, as bearish sentiment meant less capital rotating through Solana DeFi and therefore less demand for SOL liquidity. We expect revenues to pick back up next quarter, as TVL is the input from which most of our revenue flows: most of our revenue is earned as fees on assets, so revenue follows TVL with a lag. The TVL we added this quarter should show up in revenue over the coming quarters.

As for the Sanctum App, it is built for a specific type of person: those who want to grow their wealth by holding good assets for the long term. Most crypto apps make money from trading activity and therefore push their users to speculate. We are making a deliberate choice to focus on positive-sum products instead, an extension of what we already do. Our thesis is simple: if your users lose money in expectation, then you will need a constant flow of new users to extract from. But if your users grow their money in expectation, then you can keep them forever; better yet, they are literally worth more every year! That is why there are no memecoins, no perps, and no prediction markets. We want to build a compounding business, not a leaky bucket.

The app went live in March 2026 and was recently launched on iOS and Android. As of July 2026 we have over 8,000 registered users, although we have not found true product-market fit yet. Our biggest bottleneck is the drop off from registration to first deposit: less than 20% of people make a deposit after signup. Once users do deposit, though, they are remarkably sticky; in our latest cohorts, the share of people who maintain or increase their balances from month to month is close to 40%. We have many ideas for fixing this and are improving the app every day. We believe that this will eventually be the place for serious people to park and grow their money for years and decades.

Finally, I want to talk about the token. "If the business is doing so well, then why is the token down so bad?" I think the answer is that tokens today trade on attention, not fundamentals, and we have been focused very much on fundamentals and not at all on attention. (It is not because "team is dumping": aside from one OTC deal with AppWorks, which we disclosed in advance, no founder has sold a single token. AppWorks still holds the tokens).

In the short-term the market is a voting machine; in the long-term the market is a weighing machine. We already see the industry changing for the better. For the first time, token holders are starting to care about fundamentals; they care about buying good tokens with strong, sustainable revenues and genuine value accrual. We see more and more of these people now and this trend will only accelerate.

It is now very much in vogue to divert protocol revenues to programmatic buybacks, and our steadfast refusal to do so has likely also depressed the token price. I understand why projects do this; it sends a strong alignment signal. But this comes at a great cost; using capital to buy back the token, when reinvesting in growth generates superior expected returns, destroys long-term value. Buybacks should be a considered capital allocation decision, not a price pump mechanism. They make sense discretionarily when prices are depressed, not programmatically at all-time highs.

To be clear, not driving value back to token holders via buybacks in the short-term requires holders to trust us to be good long-term stewards of Sanctum and its capital. We will work our butts off and do our utmost to earn and maintain that trust.

I have said before that Sanctum can become our life's work. I take pride in the fact that all four founders who started in 2021 are still here and excited to build after five years, and still holding on to the vast majority of our tokens. But we are still extremely early in our journey. We want to build something that lasts for decades, hopefully a century.

I close with a delightful quote by Warren Buffett:

Charlie [Munger] and I hope that you do not think of yourself as merely owning a piece of paper whose price wiggles around daily and that is a candidate for sale when some economic or political event makes you nervous. We hope you instead visualize yourself as a part owner of a business that you expect to stay with indefinitely, much as you might if you owned a farm or apartment house in partnership with members of your family. For our part, we do not view Berkshire shareholders as faceless members of an ever-shifting crowd, but rather as co-venturers who have entrusted their funds to us for what may well turn out to be the remainder of their lives.

– FP, Sanctum CEO and Co-Founder

Introducing



Investor Relations Hub

investors.sanctum.so

Net Revenue (2026-06)

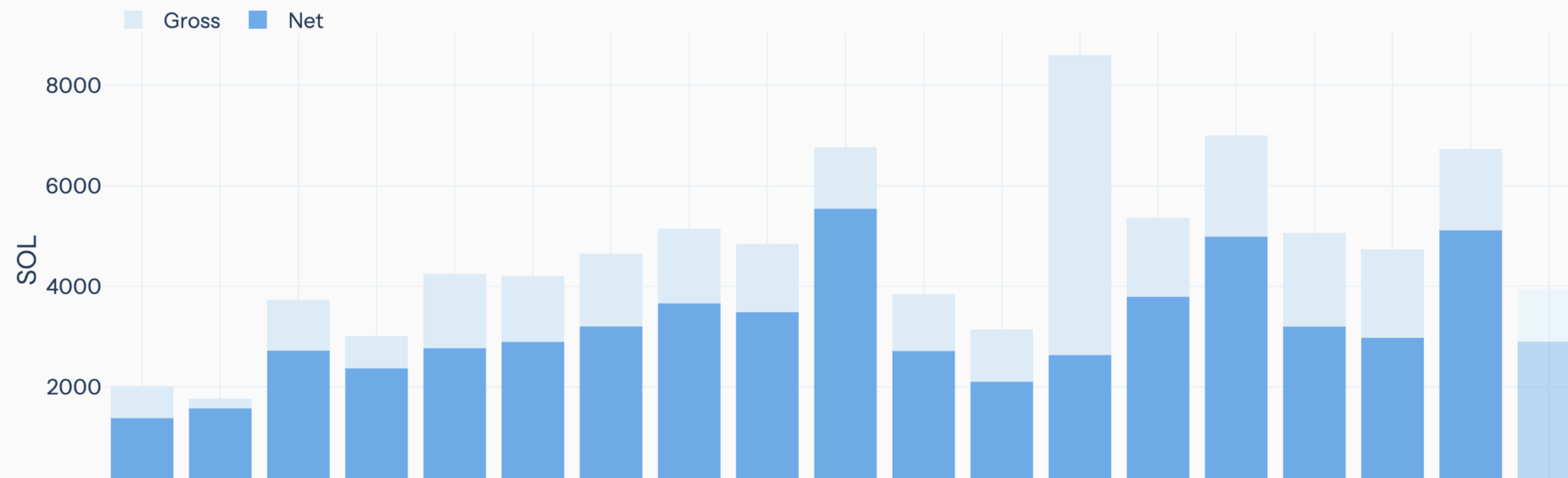
5,113.7 SOL

Revenues (30D annualized)

62.4K SOL

Gross Revenue (2026-06)

6,731.4 SOL



Company Vision

We are still early in crypto

2–3%

CRYPTO vs PUBLIC EQUITIES

of the ~\$115T value of global public equities is held in crypto today.

~285x

TOKENIZED REAL-WORLD ASSETS

growth projection by 2030 — from \$33B today to a BCG-estimated \$9.4T.

2–3%

STABLECOIN PAYMENT VOLUME

of Visa's ~\$17T annual volume — just \$390B/yr flows through stablecoins today

Company Vision

 Sanctum’s track record

16.64m

TOTAL TVL

SOL staked — up for 11 consecutive quarters

\$200.2m

STAKING REWARDS TO STAKERS

Cumulative yield that stakers have earned with all Sanctum's Partner LSTs

8.64%

INF ANNUALIZED YIELD

Compounded APY delivered by INF since March 2024

Company Vision

 Sanctum’s opportunity

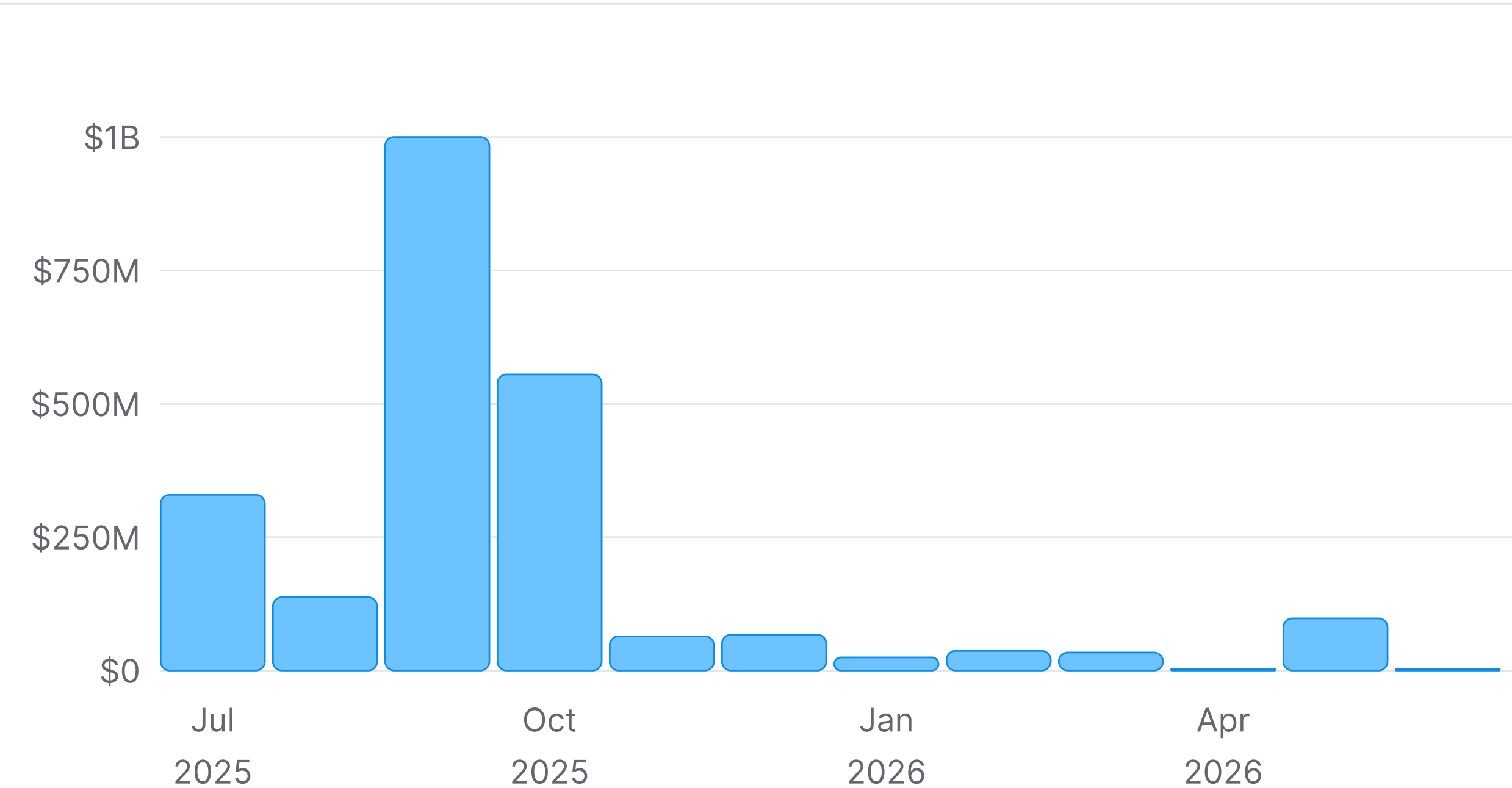
12 months

Consecutive months of net-positive SOL ETF inflows

~\$2.5 B

accumulated in SOL ETF assets under management

SOL ETF Net Flows



Source: Blockworks Research

SOL institutional adoption is still in its early innings –
we expect these flows to continue growing as the industry becomes increasingly institutionalized.

Company Vision

 Sanctum’s market opportunity

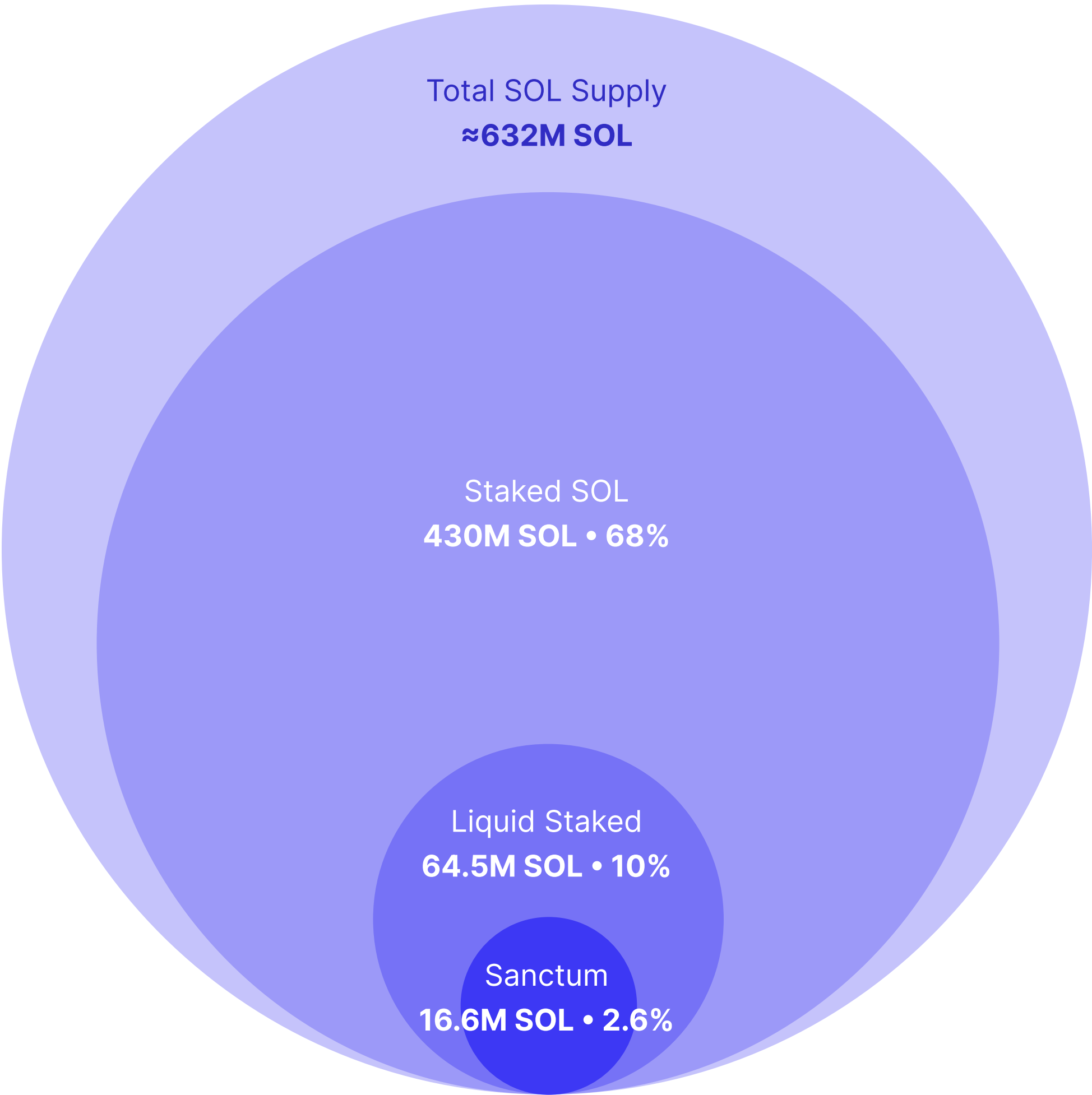
~2.6%

of all SOL is Sanctum’s today

~97%

of the market is still open to capture

Each layer is a subset of the one around it; unstaked, native-staked and competitor share is white space Sanctum can grow into.



Financial Results for Q2 2026

Protocol Revenue (USD)

\$0.88M

↘ -39.73% QoQ

Q1 2026: \$1.46M

Protocol Revenue (SOL)

11,287 SOL

↘ -1.06% QoQ

Q1 2026: 11,408 SOL

SOL Price

~\$78

↘ -6.00% QoQ

~\$83 start of Q2

CLOUD Market Cap

\$7.60M

↘ -63.3% QoQ

Q1 2026: \$20.70M

SOL Staked (TVL)

16.64M SOL

↗ +6.67%

Q1 2026: 15.60M SOL

Treasury (USD)

Stablecoins	\$3.69M
SOL & LSTs	\$2.16M
Total Treasury	\$5.84M

Excludes CLOUD tokens and loans to market makers

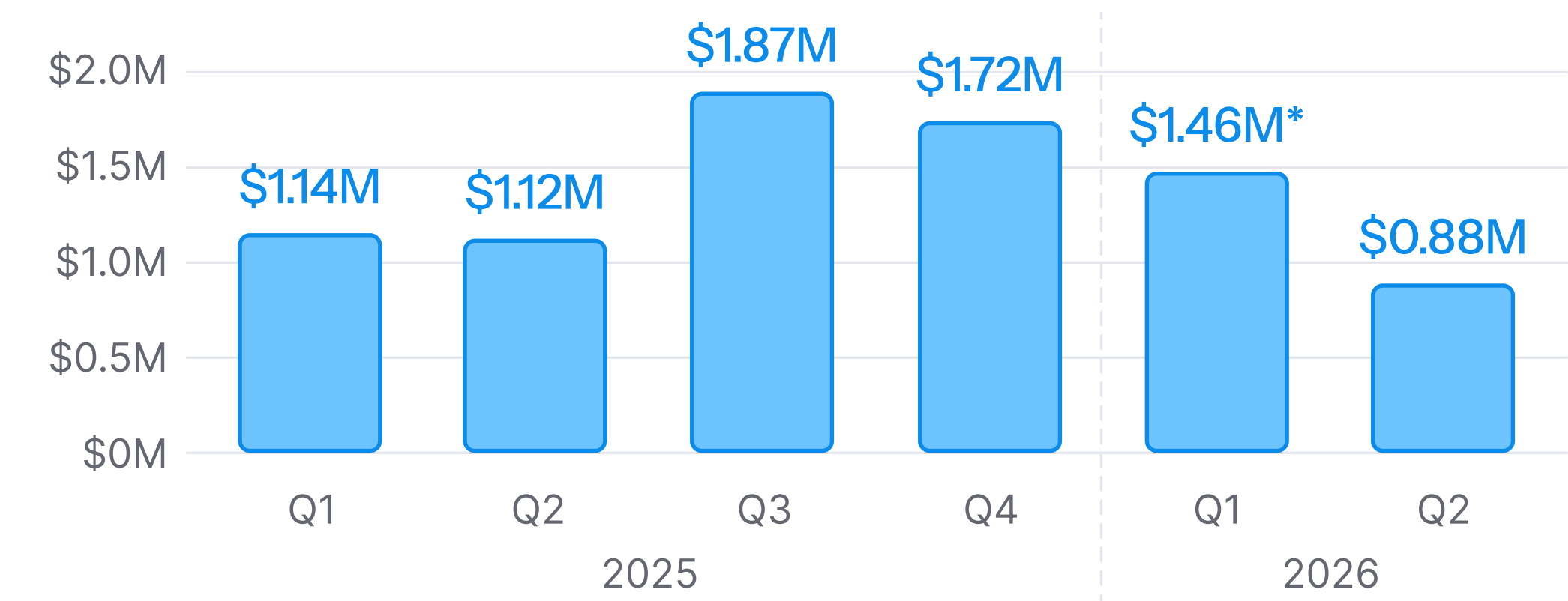
Financial Results for Q2 2026

Protocol Revenue (USD-denominated)

\$0.88M

↘ -39.7% QoQ

Q1 2026: \$1.46M



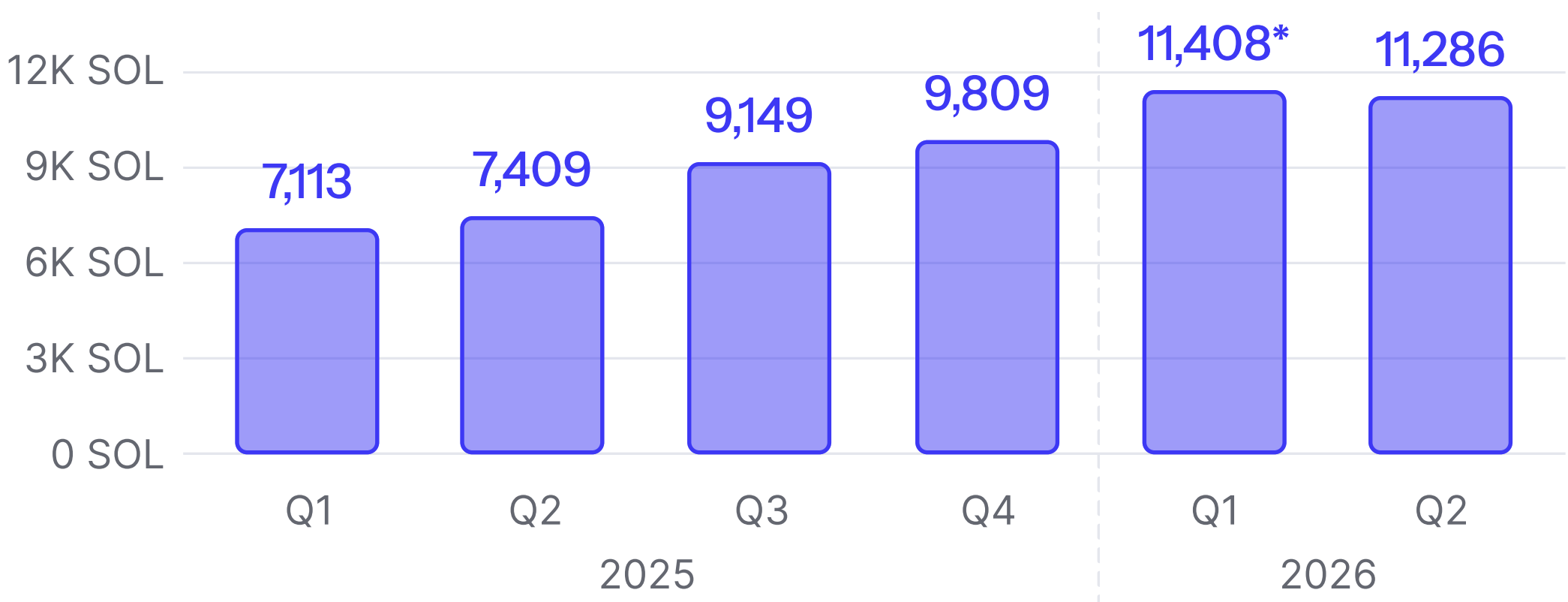
USD-denominated revenues in Q1 2026 was overstated because it included a 4,096 SOL exploit that we returned to Step Finance. Nonetheless, USD-denominated revenues have continued to decline due to SOL price action.

Protocol Revenue (SOL-denominated)

11,287 SOL

↘ -1.1% QoQ

Q1 2026: 11,408 SOL



In SOL terms, Sanctum generated 11,286 SOL in net revenues: -1% from 11,408 SOL in Q1.

Financial Results for Q2 2026

SOL TVL (LSTs + Infinity)

16.64M SOL ↗ +8.2% QoQ
End of Q1 2026: 15.44M SOL



Source: DefiLlama

Despite a market downturn, our core business continues to grow. Sanctum grew SOL TVL (LSTs + Infinity) by 8.2% since the end of Q1 2026.

Product Recap

Revenues by Product

	Q4 '25		Q1 '26	Q2'26		QoQ	Q1'26	Q2'26		QoQ
Sanctum Stake	\$1,183,769		\$855,231	\$675,008		↘ -21.1%	9,440 SOL	8,705 SOL		↘ -7.8%
Sanctum Reserve + Router	\$464,775		\$555,682*	\$74,630		↘ -86.6%	1,307 SOL	961 SOL		↘ -26.6%
Sanctum Infinity	\$60,065		\$46,532	\$130,469		↗ +180.4%	661 SOL	1,621 SOL		↗ +145.2%
Other	\$12,611		—	—		—	—	—		—
Total	\$1,721,220		\$1,457,445	\$880,107		↘ -39.6%	11,408 SOL	11,287 SOL		↘ -1.1%

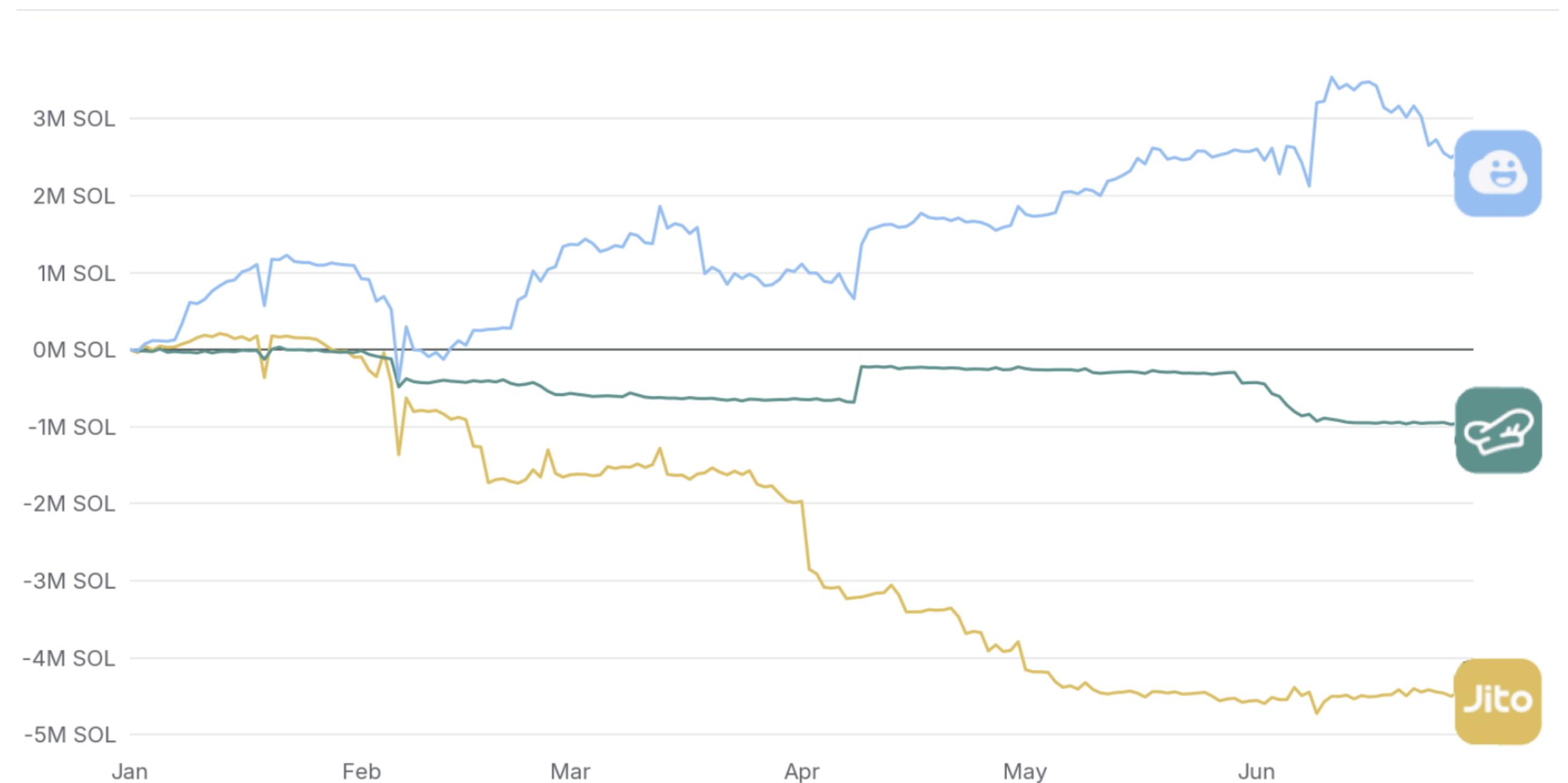
Q1 revenues included a 4,096 SOL exploit fee that was refunded to the Step Finance team.

Stake

Over Q2, Sanctum LSTs gained roughly +1.17M SOL. This growth takes place in the context of our competitors Jito and Marinade seeing outflows: about -2.61M SOL and -0.40M SOL respectively.

Sanctum welcomed two new LST partners this quarter: Raiku (rkuSOL) and Dawn Labs (dawnSOL). Raiku is a Solana blockspace auction protocol, and Dawn Labs is a Japan-based Solana validator operator. As of 2nd July 2026, rkuSOL has amassed 95,977 in SOL stake.

Solana Liquid Staking net inflows (TVL)



Reserve & Router

Sanctum's Reserve and Router revenues are both fundamentally volume-driven, which makes them highly exposed to the broader crypto downturn we've seen through 2026. Bearish market sentiment through Q2 has meant less speculative capital rotating through Solana DeFi generally, fewer new LST issuances competing for share, and reduced appetite for the kind of active yield-chasing and repositioning between Solana LSTs that drives Router swaps.

Infinity (INF)

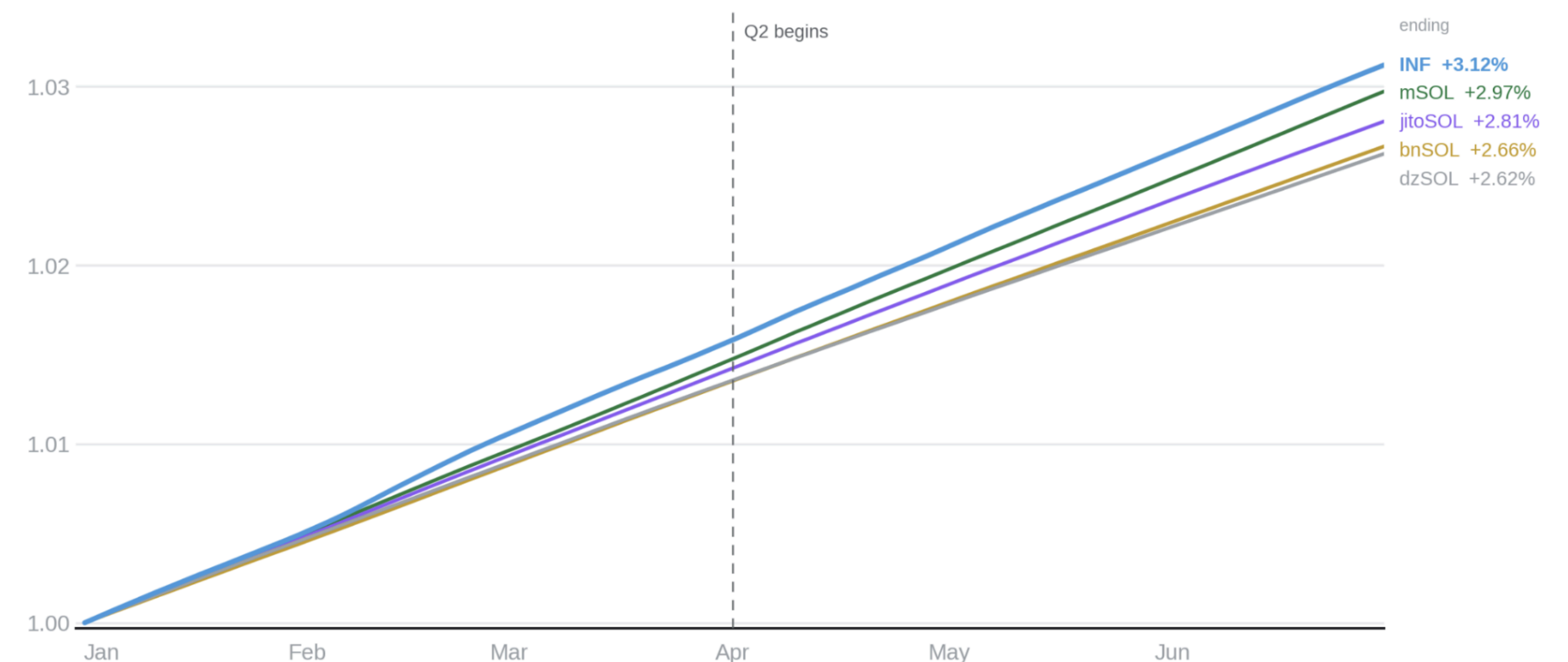
INF V2 launched in March 2026, which delivers streamed yield every 0.4 seconds and cheaper swap rates for users swapping from Sanctum Partner LSTs.

INF's TVL (AUM) has declined slightly since the start of Q2 – about a -2.5% (51,939 SOL) dip to 2.03M SOL.

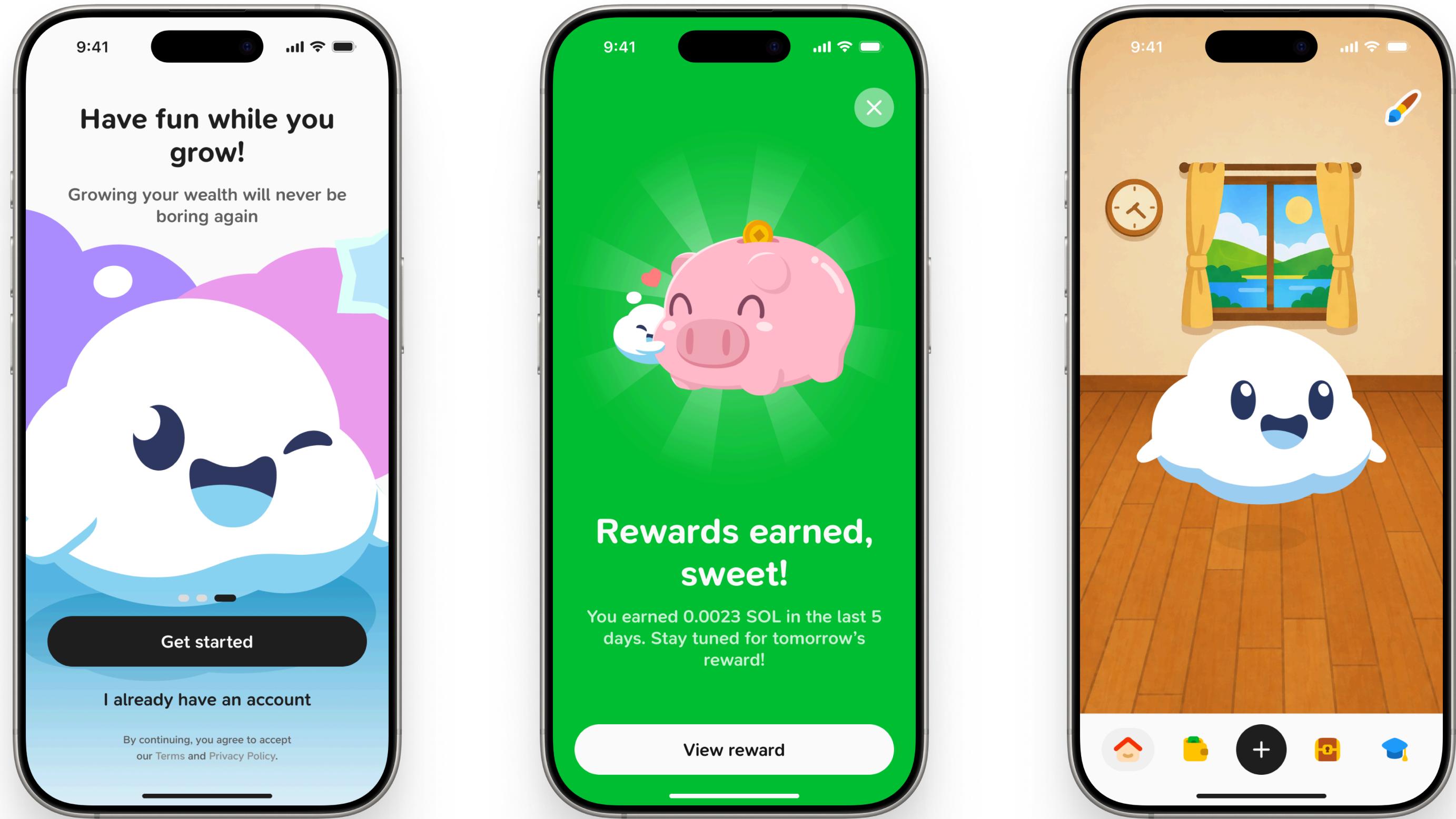
We're proud to say that INF continues to be the best yield in class throughout the Solana ecosystem. Thanks to optimizations made to INF, INF's APY averaged 6.22% APY in Q2, 11% stronger than our benchmark.

INF vs Major LST Yields

Cumulative staking yield as smoothed APY compounded per epoch



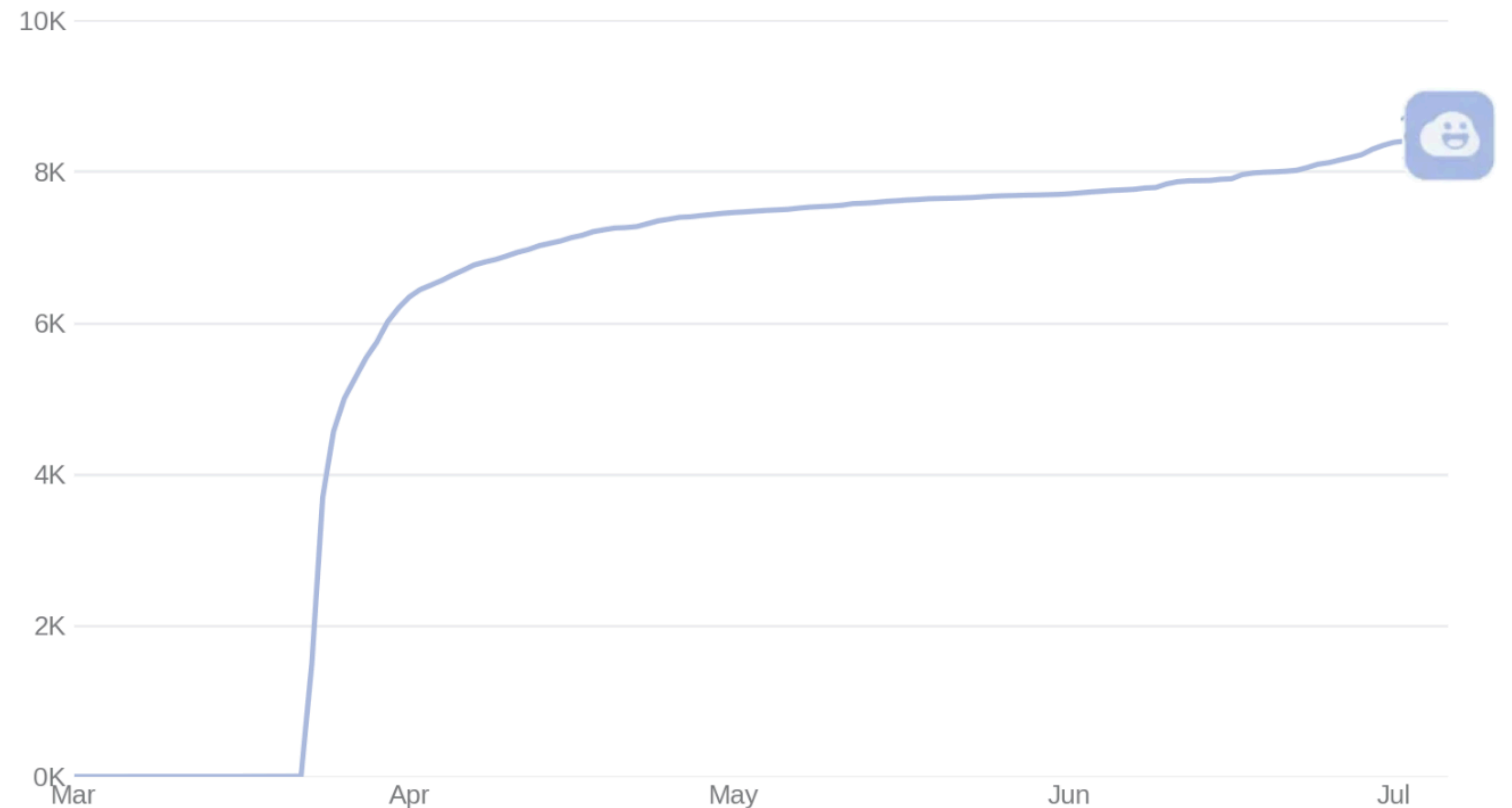
Sanctum App



Sanctum App

We first announced the Sanctum App at Breakpoint 2025. The app finally went live in March 2026 and is currently live across iOS and Android. As of July 2026, our Solana Seeker integration has onboarded at least 8,465 users organically without any token incentives.

As of today, the App has attracted ~38,000 SOL in SOL deposits, with our largest user depositing over 2,500 SOL. We plan to introduce yields for USD deposits soon.



Looking Ahead: Risks

SOL Bear Market

SOL is currently trading at ~\$80, down 37% year-to-date. As such, even though our business continues to grow in SOL terms, in dollar terms, it affects our earnings negatively.

Mitigation strategy: The SOL liquid staking market is still deeply underpenetrated, leaving a large addressable market ahead of us to capture regardless of SOL's price action. That growth in SOL terms is what we're building toward. We've weathered a bear market before, and unlike 2023, Solana today occupies a far stronger position: deeper liquidity, real usage, and institutional adoption that didn't exist previously. On top of this, Sanctum holds a \$5-6M treasury, giving us a healthy runway and buffer to operate comfortably through periods of price volatility. We're confident to survive this cycle and emerge stronger, just like before.

SIMD-550

A renewed push to reduce SOL's inflation is on the horizon, and we're tracking it closely. SIMD-550 proposes doubling the disinflation rate from -15% to -30%, pulling forward the terminal 1.5% inflation rate to H1 2029 from H1 2032. This would compress nominal staking yields from ~5.84% today toward ~4.34%, ~3.00%, and ~2.25% over the first three years. Because Sanctum takes 2.5% of staking yields, faster yield compression does place near-term pressure on our staking take-rate.

Mitigation strategy: We're not overly concerned, for two reasons. First, our business is fundamentally long SOL — SIMD-550 is designed to strengthen SOL's monetary profile by reducing emissions by ~18.9M SOL (~\$1.51B) over six years, and a stronger SOL lifts the fiat-denominated value of the TVL and yields we sit on top of. While we do lose out in yield compression, we expect to recover some of the lost take rate through SOL appreciation and SOL TVL growth. Second, we continue to diversify beyond SOL-denominated staking yield via the Sanctum App and our other products.

Get in Touch

Find Us Here



<https://sanctum.so>



<https://x.com/sanctumso>



<https://x.com/sanctumIR>



<https://discord.gg/sanctumso>

Disclaimer: All figures referenced in this report (including prior reports) are sourced from DefiLlama and are accurate only as of the time of publication. Sanctum makes no representations or warranties as to the accuracy, completeness, or timeliness of this data and disclaims any liability arising from its use. Data may be updated or revised by third-party sources without notice.

