

# Project Research Dossier

**Project:** Fhenix (CoFHE — FHE coprocessor for EVM chains)

**Question:** Is dilution risk priced in?

**Constraint check:** No public token sale and no active ICO/TGE located in primary sources. Private VC is disclosed on the company site. Seed / Series A is **not** a public raise.

## GOAL

Fhenix builds **onchain privacy via fully homomorphic encryption (FHE)**. It is not a new L1. The live surface is **CoFHE**, a coprocessor so Solidity contracts can compute on encrypted values. The company states there is **no new VM and no rollup**. Integration: `import "@fhenixprotocol/cofhe-contracts/FHE.sol"` plus `@cofhe/sdk`.

Public chains leak balances, orders, and identity. The product claim is dual-mode tokens — public when composability is needed, confidential on demand — for DeFi, RWAs, payments, and private AI, without a wrapper, a bridge, or a new liquidity pool.

**What is true now:** CoFHE is on **public testnets**: Ethereum Sepolia, Arbitrum Sepolia, and **Base Sepolia**. Mainnet is described as planned, not shipped. Heavy FHE work runs off-chain on the coprocessor; on-chain cost is framed as encrypted handles, not full encrypted compute in the EVM.

*"If you can't link it, you can't claim it."*

## TOKENOMICS (FDV, CIRCULATING, VESTING, CLIFFS, EMISSIONS)

| ITEM                               | PRIMARY-SOURCE STATUS                        |
|------------------------------------|----------------------------------------------|
| Tokenomics / vesting document      | <b>Not published</b>                         |
| FDV                                | <b>Not published</b>                         |
| Circulating supply                 | <b>Not published</b> (no listed token found) |
| Team / treasury / investor token % | <b>Not published</b>                         |
| Cliffs vs linear; unlock dates     | <b>Not published</b>                         |
| Emissions / inflation              | <b>Not published</b>                         |
| Live token contract address        | <b>Not published</b>                         |

Company FAQ on fhenix.io: **over \$22 million** raised. **\$7 million seed** (Multicoin Capital, Collider Ventures, others). **\$15 million Series A** led by Hack VC (Amber Group, Primitive Ventures, GSR, others). Strategic: Tandem (Offchain Labs / Arbitrum); BIPROGY + Translink. These are **equity / private rounds**, not a public ICO and **not** a token vesting calendar. Equity lockups ≠ token cliffs.

## UNLOCK AND DILUTION (CLIFFS VS LINEAR)

With no calendar, the only defensible model is **un-underwritable**. A missing schedule is not a bullish “low float.” It is a missing primary source. If a later TGE prints a large day-one unlock or a high FDV on thin circulating supply, selling pressure cannot be sized from anything Fhenix has posted today. **Do not invent percentages.**

## TEAM VERIFICATION VS MARKETING

**Named on fhenix.io:** Guy Zyskind (University of Miami, ECE); Guy Itzhaki (ex-Intel FHE and blockchain BD); Ravital Solomon (Sunscreen, acquired by Fhenix); Chris Peikert (University of Michigan); additional product, engineering, and marketing names with prior employers as listed on the site.

**Code:** docs cite `@fhenixprotocol/cofhe-contracts` — GitHub org **FhenixProtocol**. No token or mainnet-bridge **audit PDF** in the pages used here — consistent with **no live token** in primary sources.

**Slogan vs receipt:** “Unlock Ethereum’s \$100 trillion future” is marketing. CCS 2025 decryption benchmarks (ePrint 2025/1781) are labeled **research measurements, not production figures**.

## KEY RISKS

1. **Supply / incentives (highest for this quest):** no FDV, no circulating, no cliffs, no linear map. Investor equity is not token lockup.
2. **Technical:** FHE is expensive. Coprocessor liveness, decryption, and key management are not production-mainnet claims in this dossier.
3. **Execution:** testnet ≠ mainnet DeFi or RWA volume.
4. **Governance:** unknown until a token exists (if it ever does).
5. **Legal:** confidential balances vs AML / travel-rule expectations — flagged, not legal advice.

**Rating:** Passes **no public raise / no active ICO-TGE**. Fails **dilution modeling** until a primary vesting table exists. Do not size a position.

## DISCLOSURE

**No position.** No Fhenix-related token held. Written for a Legion Republic research quest (participation reward if approved). Not an offer to buy.

## PRIMARY SOURCES

- <https://www.fhenix.io> (product, FAQ: funding, testnets, team, research vs production)
- <https://cofhe-docs.fhenix.zone>
- <https://www.fhenix.io/what-is-fhe>
- <https://github.com/FhenixProtocol>
- ePrint 2025/1781 (decryption paper they cite)

**Footnote:** Screened many names (Fermah, Puffpaw, Squads, OpenSea, Kalshi, Soneium, Polymarket, Variational, Jia, Cashmere, Nava, EarnOS, River Markets, Very, Billions Network, Oshi, Hemera, OpenRouter, RavenDAO, Jeeves, Cyclops, Velocity). **Constraint:** no *public* raise, no *active* ICO/TGE; private rounds allowed. **Hard fail:** completed TGE (Billions Network **BILL**, TGE 4 May 2026 — aggregator, footnote only). Equity-only scale-ups with no crypto TGE surface (OpenRouter, Jeeves, Cyclops, Velocity). **The rest share one hole:** real product, **no primary vesting table**. Serious teams usually publish full allocations, cliffs, and FDV **immediately before TGE**, not months earlier. High-signal dossier in that window: *dilution cannot be priced — that is the finding*. Fhenix is the least-bad fit: named cryptographers, live testnets including Base Sepolia, disclosed private funding, explicit tokenomics gap instead of a fake schedule.