KAIO

Whitepaper

White Paper for Crypto-Assets Other Than Asset-Referenced Tokens or E-Money Tokens

Crypto-asset: **$KAIO** · A utility token issued on Ethereum (ERC-20)

Offeror / person seeking admission to trading	LN Technology (TIV) Limited
Legal entity identifier (LEI)	254900NF20CQKJR3Z895
Digital Token Identifier (DTI)	JCCGKDCN4
Type of submission	New
Date of notification	2026-04-21

This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The offeror of the crypto-asset is solely responsible for the content of this white paper.

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i General information

01 Date of notification	2026-04-21

02 Statement in accordance with Article 6(3) of Regulation (EU) 2023/1114

This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The offeror of the crypto-asset is solely responsible for the content of this crypto-asset white paper.

03 Compliance statement in accordance with Article 6(6) of Regulation (EU) 2023/1114

This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 of the European Parliament and of the Council and, to the best of the knowledge of the management body, the information presented in the crypto-asset white paper is fair, clear and not misleading and the crypto-asset white paper makes no omission likely to affect its import.

04 Statement in accordance with Article 6(5), points (a), (b), (c), of Regulation (EU) 2023/1114

The crypto-asset referred to in this crypto-asset white paper may lose its value in part or in full, may not always be transferable and may not be liquid

05 Statement in accordance with Article 6(5), point (d), of Regulation (EU) 2023/1114

The utility token referred to in this white paper may not be exchangeable against the good or service promised in this white paper, especially in the case of a failure or discontinuation of the crypto-asset project.

06 Statement in accordance with Article 6(5), points (e) and (f), of Regulation (EU) 2023/1114

The crypto-asset referred to in this white paper is not covered by the investor compensation schemes under Directive 97/9/EC of the European Parliament and of the Council or the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council.

S SUMMARY

07 Warning in accordance with Article 6(7), second subparagraph, of Regulation (EU) 2023/1114

Warning This summary should be read as an introduction to the crypto-asset white paper. The prospective holder should base any decision to purchase this crypto –asset on the content of the crypto-asset white paper as a whole and not on the summary alone. The offer to the public of this crypto-asset does not constitute an offer or solicitation to purchase financial instruments and any such offer or solicitation can be made only by means of a prospectus or other offer documents pursuant to the applicable national law. This crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the Council or any other offer document pursuant to Union or national law.

08 Characteristics of the crypto-asset

KAIO is a utility token within the meaning of Article 3(1)(9) of Regulation (EU) 2023/1114, issued by LN Technology (TIV) Limited on the Ethereum public blockchain as an ERC-20 token. The total supply is fixed at 10,000,000,000 (ten billion) $KAIO tokens. $KAIO serves as the access and coordination mechanism for the

KAIO protocol- a platform for on-chain issuance, lifecycle management, and multi-chain distribution of tokenised alternative investment funds. Participants interacting with the KAIO protocol are required to hold a minimum quantity of $KAIO tokens to access the platform's tokenisation engine and protocol services In addition, $KAIO holders participate in protocol governance through a time-weighted voting mechanism.

Rights of the holder: (i) platform access - right to use the KAIO tokenisation platform upon holding the required minimum quantity; (ii) governance participation - time-weighted token-holder voting on protocol parameters, fee allocation, and upgrades; (iii) transferability - $KAIO tokens are freely transferable on Ethereum.

Obligations: compliance with applicable law; independent due diligence; private key security. $KAIO tokens carry no redemption right, no revenue participation, and no debt claim against the issuer. Any buyback or burn introduced through governance is discretionary and does not constitute a contractual financial right.

09 Further information about utility tokens

Quality of service: access to KAIO's end-to-end tokenisation infrastructure, comprising (a) the

KAIO tokenisation engine- compliant on-chain issuance of regulated alternative fund interests with embedded KYC/AML and transfer controls; (b) the

KAIO Gateway- multi-chain distribution layer enabling fund tokens to be distributed across public and private blockchain networks while preserving a unified compliance and lifecycle framework; (c) lifecycle automation - on-chain subscriptions, redemptions, dealing windows, and distributions governed by programmatic rules; and (d) governance rights - participation in time-weighted protocol governance votes. Issuers using the KAIO protocol will also have ability to set requirements for users to hold minimum quantities of the KAIO token. This functionality will be available to issuers at their discretion.

Quantity: As of TGE, any issuer requires a minimum 500,000 KAIO tokens to be able to utilise the KAIO protocol. The protocol will also allow sponsored launches where any tokenholder can sponsor the issuer by holding the KAIO token on the issuer's behalf. The threshold of KAIO tokens will be reviewed periodically as a governance vote within at least 1 year of TGE.

Transferability restrictions: $KAIO tokens are freely transferable on Ethereum. Team, investor, and strategic allocation tokens are subject to vesting schedules to be disclosed in the token allocation table.

10 Key information about the offer to the public or admission to trading

The Token Generation Event (TGE) for $KAIO is planned for 29 April 2026. LN Technology (TIV) Limited seeks admission to trading of $KAIO tokens to make these available for secondary trading on multiple venues for retail and professional investors in the European Union and other eligible jurisdictions. The publication of this White Paper aims to enhance transparency and facilitate broader access and liquidity for the $KAIO token within the regulatory framework established by Regulation (EU) 2023/1114 (MiCAR). There is no fixed issue price and the price for purchasing on those trading platforms depends on the market value and spread or fees applied. There is no predetermined number of $KAIO token to be admitted to trading. The quantity of $KAIO token traded on third party platforms will be seen in real time on specialized market information websites such as Coinmarketcap or Coingecko.

A Part A - Information about offeror or person seeking admission to trading

A.1 Name	LN Technology (TIV) Limited
A.2 Legal form	BVI Business Company under the BVI Business Companies Act, 2004 ISO 20275 ELF Code: 6EH6

A.3 Registered address

Registered addess	c/o Leeward (BVI) Limited, Suite 5, Oleander Building, Port Purcell, Tortola, VG1110
Country	Virgin Islands (British)

A.4 Head office

Head office

The issuer is operating as issuing vehicle only. The KAIO Foundation is operationally headquartered in the Cayman Islands, c/o Leeward Management Limited, PO Box 144, 3119 9 Forum Lane, Camana Bay, George Town, Grand Cayman KY1-9006; BVI Company Number: 2157595

Country	Cayman Islands
A.5 Registration date	2024-09-06
A.6 Legal entity identifier	254900NF20CQKJR3Z895
A.7 Another identifier required pursuant to applicable national law	BVI Company Number: 2157595
A.8 Contact telephone number	+1 284-345-4000
A.9 E-mail address	investorcommunication@kaiolabs.xyz cc: legal@kaiolabs.xyz
A.10 Response time (days)	10

A.11 Parent company

LN Tech Foundation, an exempted limited guarantee foundation company incorporated in the Cayman Islands (Registration No. 413076), c/o Leeward Management Limited, PO Box 144, 3119 9 Forum Lane, Camana Bay, George Town, Grand Cayman KY1-9006, LEI:2549002MHBOGXIPZ7R20 LN Technology (TIV) Limited is wholly owned by LN Tech Foundation.

A.12 Members of the management body

Member #1

Identity	LN Tech Foundation
Business address	c/o Leeward Management Limited, PO Box 144, 3119 9 Forum Lane, Camana Bay, George Town, Grand Cayman KY1-9006
Function	Sole Director

Member #2

Identity	Glenn Kennedy
Business address	c/o Leeward Management Limited, PO Box 144, 3119 9 Forum Lane, Camana Bay, George Town, Grand Cayman KY1-9006
Function	Sole Representative of the Foundation

A.13 Business activity

Purpose and strategy: LN Technology (TIV) Limited (the "Issuer") operates as issuer of $KAIO token, while its parent LN Tech Foundation owns the IP and operates the KAIO protocol, a platform for end-to-end on-chain issuance, lifecycle management, and multi-chain distribution of tokenised alternative investment funds. LibreCo Ltd ("Labs") has been appointed to provide certain key technical and development services in connection to KAIO protocol, which was initially developed by Labs. LibreCo Ltd is a subsidiary of LibreCo Holdings Limited, which acts as holding company for the KAIO entities. KAIO is designed to bring private market funds on-chain, enabling compliant issuance of regulated fund interests as on-chain tokens that are composable across decentralised financial markets.

Products and services: (i)

KAIO tokenisation engine- compliant on-chain fund issuance with embedded KYC/AML and transfer controls; (ii)

KAIO Gateway- multi-chain distribution layer enabling fund tokens to be distributed across public and private blockchain networks; (iii) lifecycle automation - programmatic subscriptions, redemptions, dealing windows, and distributions; in future, (iv)

KAIO Access

Products- a digitally native diversified on-chain yield token offering exposure to a basket of institutional-grade tokenised fund interests, serving as the flagship retail access product.

Markets served: institutional fund managers seeking compliant tokenised distribution; qualified and, in future, retail investors seeking access to alternative fund strategies; DeFi protocols seeking compliant yield-bearing collateral primitives. Milestones achieved (at protocol level): ~USD 19 million raised from strategic institutional investors at HoldCo level; over USD 500 million in institutional transactions; operational partnerships with BlackRock, Brevan Howard, Hamilton Lane, and Mubadala Capital; incubation by Laser Digital (Nomura Group) and WebN (Brevan Howard incubator); CIMA licence held (at fund level); partnership with MAS-licensed manager in place; ADGM headquarters established.

Outlook: Token Generation Event planned for 2026; DeFi integration and retail access expansion 2026–2027; new asset classes tokenization (commodities, fixed income) from 2027 onwards.

A.14 Parent company business activity

LN Tech Foundation ("Foundation") is an exempted limited guarantee foundation company incorporated in the Cayman Islands. It is a non-profit foundation structure with no shareholders, established to hold and administer the KAIO protocol's intellectual property and governance assets for the long-term benefit of the KAIO ecosystem and its participants. The Foundation's core functions encompass directing ecosystem growth initiatives, allocating resources toward research and risk mitigation, and promoting sound governance structures that uphold the ongoing decentralization and openness of the KAIO Protocol. The Foundation serves as a guardian of the protocol's autonomy and its commitment to community-driven values, steering the thoughtful advancement of KAIO's offerings and governance architecture across its key markets. The Foundation holds 100% of the share capital of the issuer and is the sole director and the sole shareholder for the issuer. Mr. Glenn Kennedy serves as sole representative of the Foundation. Mr. Kennedy is independent from Labs and HoldCo and has no role in Labs / HoldCo affiliates. The governance follows a phased approach based on

Pre-TGE phase: Offline approvals by directors of the foundation based on discussion with key stakeholders

TGE to

DAO activation phase: Any governance changes will involve approval by a

Guardian

Multi-sig/MPC- 3 of 5 key holders required (Guardian multisig/MPC) - The key holders will include representatives of Foundation, Labs and other token holders - Signature by the Foundation will be mandatory The identities of the individual key holders are not disclosed publicly for cybersecurity reasons, including protection against phishing and social engineering attacks. The Foundation will make this information available to competent authorities upon request.

DAO phase: Guardian system will be sunset when sufficient decentralisation has been achieved. A governance vote to determine this and review the role of the foundation will be held within 24 months of TGE.

A.15 Newly established	Yes

A.17 Financial condition since registration

The issuer has been incorporated with the sole purpose of issuing $KAIO and it has not conducted any financing activities to date. The Foundation has a token treasury of 1,700,000,000 tokens comprising 17% of the total KAIO supply. Since registration, The Foundation has received grant funding of USD 1,000,000 from LibreCo Holdings Limited, to be received in full within six months of TGE. Out of this amount, ~$250,000 were already used to reimburse Labs for the anticipation of costs sustained for ecosystem expansion, advisors (~$70k) as well as setup costs, legal and operational expenses (~$20k). The remainder of this amount will be used for recurring expenses as set out below. Recurring expenditures are largely tied to day-to-day operational functions, encompassing third-party service costs, treasury oversight, liquidity provisioning, and general administrative expenses; promotional activities and ecosystem expansion efforts, including exchange integrations and strategic partnership programs; as well as legal, regulatory compliance, and auditing obligations. The Foundation (whether directly or through the issuer) is expected to hold assets, consisting mainly of its KAIO token treasury, U.S. dollar and stablecoin holdings. As of today, the Foundation holds a cash balance of ~$55,000 and investments in money market funds. Subsequent funding may be obtained by the Foundation through private treasury sales of $KAIO token to institutional counterparties.

B Part B - Information about issuer, if different from offeror or person seeking admission to trading

B.1 Issuer different from offerror or person seeking admission to trading	No

B.4 Registered address

B.5 Head office

B.10 Members of the management body

Member #1

C Part C - Information about the operator of the trading platform in cases where it draws up the crypto-asset white paper and information about other persons drawing the crypto-asset white paper pursuant to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114

C.3 Registered address

C.4 Head office

C.10 Members of the management body

Member #1

D Part D - Information about other token project

D.1 Crypto-asset project name	KAIO (formerly known as Libre)
D.2 Crypto-asset name	$KAIO
D.3 Abbreviation	KAIO

D.4 Crypto-asset project description

KAIO Protocol: KAIO is a protocol and platform for end-to-end on-chain issuance, lifecycle management, and multi-chain distribution of tokenised alternative investment funds.

KAIO Platform: The platform enables fund managers to issue regulated fund interests as on-chain tokens, with compliance controls - investor eligibility, transfer restrictions, and

KYC/AML checks– embedded within the on-chain workflow rather than administered off-chain. Through the KAIO Gateway, fund tokens issued through the platform can be distributed across multiple blockchain networks (both public and private) while preserving a unified compliance and lifecycle framework. KAIO also enables digitally native investment products built on top of tokenised funds – such as KAIO Access Products, to be rolled out in future, as diversified on-chain yield tokens providing retail access to a basket of institutional-grade fund strategies.

KAIO Token: $KAIO is the protocol's utility and governance token. Participants interacting with the protocol must hold $KAIO to access the KAIO protocol. The protocol generates revenue by capturing basis points protocol fees on assets tokenised through the platform.

Protocol fee allocation– including any potential buyback or burn mechanisms – is subject to $KAIO governance decisions. Protocol fees do not give rise to any right of distribution or payment to $KAIO token holders. Any buyback or burn mechanism introduced through a governance decision is entirely discretionary and does not constitute a contractual financial right.

D.5 Details of all natural or legal persons involved in implementation of crypto-asset project

Person #1

Type of person	Other person involved in implementation
Name of person	Shrey Rastogi
Business address of person	c/o Leeward Management Limited, PO Box 144, 3119 9 Forum Lane, Camana Bay, George Town, Grand Cayman KY1-9006
Domicile of company	Cayman Islands

Person #2

Type of person	Development team
Name of person	Please see Annex
Domicile of company	Cayman Islands
D.6 Utility token classification	Yes

D.7 Key features of goods or services for utility token projects

The $KAIO token provides access to the following goods and services on the KAIO platform: (i) Tokenisation engine: Compliant on-chain issuance of alternative investment fund interests, with embedded KYC/AML, investor eligibility verification, and transfer controls enforced at the protocol level. (ii) KAIO Gateway: Standardised multi-chain distribution interface enabling fund tokens issued on KAIO to be accessed across multiple public and private blockchain networks without re-issuance or fragmented compliance frameworks. (iii) Lifecycle automation: Programmatic management of subscriptions, redemptions, dealing windows, distributions, and NAV reporting, aligned with fund terms and service provider processes. (iv) Governance participation: Time-weighted voting rights over protocol parameters, fee allocation mechanisms, ecosystem fund disbursements, product policies, and protocol upgrade proposals.

D.8 Plans for the token

Description of past milestones

Past milestones achieved: (i) Incubation by Laser Digital (Nomura Group) and WebN (Brevan Howard incubator). (ii) USD 19 million raised from leading strategic investors (at HoldCo level). (iii) Over USD 500 million in tokenised institutional fund transacted through the platform. (iv) Operational partnerships with BlackRock, Brevan Howard, Hamilton Lane, and Mubadala Capital.

Description of future milestones

2026-TGE: $KAIO token issued and activated as platform access key. Initial off-chain governance development. Early distribution partnerships and chain integrations prioritised via KAIO Gateway. Initial token distribution will include airdrop campaigns to early users and ecosystem participants. Airdrop allocations are distributed without monetary consideration. Any mandatory conditions precedent are/may be regulatory in nature (e.g., AML/KYC onboarding) and do not constitute commercial consideration under MiCAR. Accordingly, airdrop distributions are not classified as offers to the public (OTPC). 2026–2027: Expansion of tokenised fund range; deepened DeFi protocol integrations; on-chain governance modules deployed; broader retail access distribution. 2027 onwards: Expansion into tokenised commodities and fixed income instruments (sovereign and corporate bonds). Potential application-specific chain or settlement layer subject to governance approval. The token is expected to remain central to protocol governance, community incentive structures, and decentralized coordination mechanisms as the KAIO ecosystem continues to grow and mature.

D.9 Resource allocation

While at a very early stage, KAIO resources have been directed toward sustaining protocol operations, overseeing liquidity, driving ecosystem incentives, managing risk, and maintaining regulatory compliance, all in support of the KAIO project's long-term growth and stability. Specifically: Financial Resources: USD 19 million raised (at HoldCo level). from strategic investors to fund platform buildout, future retail access infrastructure, and multi-chain distribution capabilities Team: KAIO Foundation can leverage the services of Labs and its affiliates, 20 persons among employees, contractors and seconded staff covering product development, commercial, technology, legal/regulatory and operations. Business: Launched two fund structures (Singapore and Cayman Islands) with five sub-funds already launched and one in pipeline. Partnership with (6 fund managers) and 4 distributors and 15+ foundations Product: The technological foundation reflects that mandate directly: a secure, scalable, and compliance-ready infrastructure purpose-built for KAIO Gateway cross-chain architecture and the settlement, custody, and secondary-market access requirements that institutional adoption demands in the tokenization space

D.10 Planned use of collected funds or other tokens

N/A, as this White Paper was not drawn up for collecting funds for the crypto-asset-project

E Part E - Information about offer to public of other tokens or their admission to trading

E.1 Public offering or admission to trading	Admission to trading

E.2 Reasons for public offer or admission to trading

This White Paper has been developed in alignment with the disclosure obligations set forth under Regulation (EU) 2023/1114 (MiCAR), with the aim of delivering clear and transparent information concerning $KAIO token. Admission to trading is sought to provide liquidity for $KAIO holders, broader diffusion of the asset in compliance with MiCAR framework and to support price discovery.

E.3 Fundraising target

Target expressed in currency	EUR

E.4 Minimum subscription goals

Goals expressed in currency	EUR

E.5 Maximum subscription goals

Goasl expressed in currency	EUR

E.6 Oversubscription acceptance	No

Issue price details

E.10 Subscription fee

Fee expressed in currency	EUR

E.13 Targeted holders	All types of investors

E.20 Time-limited offer	No

E.29 Purchaser's technical requirements

To hold and transact $KAIO tokens, purchasers require a self-custody Ethereum wallet that is compatible with ERC-20 tokens (such as MetaMask, Ledger, or equivalent), or an account with a CASP that supports ERC-20 token custody on behalf of the holder. The technical conditions a purchaser must fulfil in order to retain acquired crypto-assets are determined by the particular attributes and functional capabilities of the platform through which the crypto-asset is made accessible. Such conditions may vary considerably depending on the asset custody structure, wallet interoperability, and user authentication protocols established by the relevant crypto-asset service provider. Purchasers who self-custody their $KAIO tokens are solely responsible for the security of their private keys. A solid understanding of these instruments empowers users to securely store, transfer, and interact with their tokens, while also enabling them to meaningfully exercise any rights and privileges associated with participation in the wider ecosystem. Loss of private keys results in permanent and irreversible loss of access to the tokens. LN Technology (TIV) Limited does not hold or control token holder private keys and does not maintain key recovery mechanisms.

Other token services provider characteristics

Trading platforms characteristics

E.33 Trading platforms name

The Issuer intends to seek admission of $KAIO tokens to trading on one or more crypto-asset trading platforms authorised under Regulation (EU) 2023/1114. As of the date of this white paper, the Issuer has – among others - identified Coinbase, established in Ireland, as the platform on which the first application for admission to trading is expected to be made. No binding listing agreement has been concluded as of the date of this white paper.

E.35 Trading platforms access

Online via the relevant trading platforms. Gaining access to these platforms is contingent upon completion of the provider's onboarding procedures, adherence to know-your-customer (KYC)/know-your-business (KYB) verification standards and anti-money laundering (AML) obligations, as well as compliance with any applicable geographical limitations or regulatory constraints that may be in force.

E.36 Involved costs

Ethereum network gas fees apply to all on-chain transactions involving $KAIO tokens, including initial purchase delivery, transfers, and governance interactions. Gas fees are dynamic and determined by Ethereum network congestion at the time of the transaction. Exchange or brokerage fees may apply when purchasing $KAIO tokens through a CASP or trading platform, depending on the fee structure of the relevant service provider.

Platform-specific costs- including trading commissions, withdrawal fees, and ancillary service charges - vary across venues. Purchasers should review the fee schedules of any relevant platform before executing transactions.

E.38 Conflicts of interest

The following potential conflicts of interest arise in general and/or in relation to the $KAIO admission to trading: (i) Founding team and key personnel token holdings: Members of the founding team and key personnel of KAIO Group (including Labs and affiliates) as well as LN Technology (TIV) Limited and LN Tech Foundation hold or will receive $KAIO tokens subject to special economic rights and vesting arrangements. The interests of such persons may not in all circumstances align with those of investors and service providers. (ii)

Strategic investor holdings: Early strategic investors hold $KAIO tokens subject to vesting schedules, information rights, free allocations, as well as discount rights. Large-scale disposals following lock-up expiry could adversely affect the market price of $KAIO tokens available to public investors. (iii)

Incubator relationships: KAIO's incubation by Laser Digital (Nomura Group) and WebN (Brevan Howard incubator) may give rise to preferential treatment of certain fund managers or partners in the KAIO ecosystem. (iv)

Protocol revenue alignment: LN Technology (TIV) Limited benefits from protocol revenues derived from platform usage fees, which may create incentives that favour commercial growth over token holder governance interests in certain circumstances. (v)

Market makers: KAIO tokens may be subject to liquidity provision arrangements with one or more designated market makers. Market makers appointed in connection with the KAIO token may hold proprietary positions in the token, earn spread-based compensation, and engage in trading activity that is structurally distinct from — and potentially adverse to — the interests of retail purchasers. (vi)

CASPs: MiCAR-authorised Crypto-Asset Service Providers are subject to mandatory organisational requirements to identify, manage, and disclose conflicts of interest. Prospective holders are advised to review the conflicts of interest policy published by their relevant service provider prior to entering into any transaction. (vii) Fund

Managers and other existing clients: clients availing of KAIO protocol may receive KAIO token grants or allocation at special conditions given their role in the ecosystem. (viii)

Corporate director and sole shareholder: LN Tech Foundation acts as sole director and holds all shares of LN Technology (TIV) Limited, while simultaneously holding 17% of the total $KAIO token supply. The LN Tech Foundation's interests as controller of the issuer may not in all circumstances align with those of public token holders.

E.39 Applicable law

The offer to the public of $KAIO tokens is governed by and construed in accordance with the laws of the British Virgin Islands, subject to mandatory provisions of Regulation (EU) 2023/1114 (MiCAR) and the applicable laws of any host Member State. Prospective holders in the European Union should note that claims governed by laws of the British Virgin Islands or subject to British Virgin Islands arbitration procedures may involve additional cost, complexity and the need for specialist legal advice compared with proceedings before courts within the European Union. Mandatory provisions of applicable EU law, including consumer protection rules where relevant, may apply notwithstanding any choice of law, to the extent required by law.

E.40 Competent court

Any dispute, controversy, or claim shall be finally settled by arbitration under the British Virgin Islands IAC Arbitration Rules. The tribunal shall consist of three arbitrators, appointed in accordance with those Rules, which are hereby incorporated by reference into this clause. The seat of arbitration shall be the British Virgin Islands, and the language of the proceedings shall be English. In the alternative, and only where arbitration is not applicable or enforceable, the competent courts of the British Virgin Islands shall have exclusive jurisdiction to resolve any such dispute.

F Part F - Information about other tokens

F.1 Crypto-asset type

$KAIO is a crypto-asset that falls outside the classifications of an asset-referenced token (ART) and an electronic money token (EMT) under MiCAR. It is a digital token operating on distributed ledger technology (DLT) that serves a dual purpose: granting holders access to utility functions within the KAIO ecosystem and enabling participation in the decentralised governance of the KAIO Protocol. While the token confers functional and governance-related rights within the protocol, it does not embody financial entitlements or contractual claims of a monetary nature. The $KAIO token does not seek to maintain a stable value by reference to any official currency, basket of assets, or other underlying instrument. Its market value is determined exclusively by supply and demand dynamics, and is not supported by any stabilisation mechanism, peg, or external asset backing — characteristics that clearly distinguish it from EMTs and ARTs. Furthermore, $KAIO does not constitute a financial instrument, deposit, insurance product, pension vehicle, or any other regulated financial product under applicable EU law. Its utility and governance functions are intrinsic to the operation of the KAIO Protocol and are not designed to generate financial returns or confer investment-related rights, thereby placing the token outside the regulatory perimeter governing traditional financial instruments under EU legislation. Utility token as defined in Article 3(1)(5) of Regulation (EU) 2023/1114: a type of crypto-asset that is intended to provide digital access to a good or service, available on DLT, and is only accepted by the issuer of that token. $KAIO is not an asset-referenced token within the meaning of Article 3(1)(6) MiCAR. $KAIO is not an e-money token within the meaning of Article 3(1)(7) MiCAR. $KAIO is not a financial instrument within the meaning of Directive 2014/65/EU (MiFID II).

F.2 Other token functionality

$KAIO tokens serve three primary functions: (i)

Protocol access key: Participants interacting with the KAIO protocol are required to hold a minimum quantity of $KAIO tokens to access the platform's tokenisation engine and protocol services. Token demand is designed to scale with platform activity, as each interaction through KAIO requires the relevant holding of $KAIO. (ii)

Governance token: while protocol governance is not established and live yet, $KAIO holders are intended to participate in protocol governance through a time-weighted voting mechanism. Initially, governance is conducted through an off-chain process. From 2026–2027 onwards, binding on-chain governance smart contract voting will be progressively activated for defined protocol parameters. The governance does not relate to the management of the offeror. (iii)

Ecosystem incentive instrument: $KAIO tokens are allocated as incentives to early platform participants, protocol developers, and community contributors, supporting ecosystem growth and adoption. $KAIO tokens are freely transferable ERC-20 assets on the Ethereum blockchain, that may be freely transferred between holders, affording them the flexibility to delegate

F.3 Planned application of functionalities

At TGE (2026): $KAIO tokens become eligible for use as protocol access credentials. Minimum holding requirements and access parameters will be published in the Terms of Service prior to TGE. An initial governance forum will be established to enable token holders to participate in non-binding protocol discussions and signal preferences on governance matters. Ecosystem incentive distributions are expected to commence. 2026–2027: On-chain governance capabilities are expected to be developed, tested, and progressively deployed. As these modules mature, defined protocol parameters may be transitioned to binding token holder governance, with appropriate safeguards including timelock mechanisms on protocol changes. 2027 and beyond: Subject to the successful deployment and adoption of on-chain governance infrastructure, governance scope is intended to expand across protocol parameters including fee allocation, module upgrades, and treasury management. Administrative control of smart contract upgrade keys is expected to transition progressively to multi-signature and/or DAO-based structures.

A description of the characteristics of the other token, including the data necessary for classification of the crypto-asset white paper in the register referred to in Article 109 of Regulation (EU) 2023/1114, as specified in accordance with paragraph 8 of that Article

F.4 Type of crypto-asset white paper	Other crypto-asset token white paper
F.5 Type of submission	New

F.6 Other token characteristics

$KAIO is an ERC-20 fungible token issued on Ethereum Mainnet.

Total supply: 10,000,000,000 tokens, fixed at deployment with no inflationary minting mechanism. The smart contract includes a burn() function enabling any token holder to permanently remove their own tokens from circulation, reducing total supply. In the event of an Ethereum hard fork, $KAIO token holders should be aware that tokens may exist on multiple versions of the ledger simultaneously. LN Technology (TIV) Limited will communicate its position on which version of the ledger it will support following any fork event. The $KAIO token treasury is secured via an MPC-based self-custody system. KAIO protocol smart contract administrative functions are governed by a multi-signature arrangement, with the expectation that governance controls will be progressively expanded into decentralised governance structures as the protocol matures.

F.7 Commercial name or trading name	KAIO
F.8 Website of the issuer	https://kaio.xyz
F.9 Starting date of offer to the public or admission to trading	2026-05-17
F.10 Publication date	2026-09-17
F.12 Language or languages of white paper	English
F.13 Digital token identifier code used to uniquely identify the crypto-asset or each of the several crypto assets to which the white paper relates, where available	JCCGKDCN4

F.14 Functionally fungible group digital token identifier	GLSG7T7S4
F.15 Voluntary data flag	No
F.16 Personal data flag	Yes
F.17 LEI eligibility	Yes
F.18 Home member state	Ireland
F.19 Host member states #1	Austria
F.19 Host member states #2	Belgium

G Part G - Information on rights and obligations attached to other tokens

G.1 Purchaser rights and obligations

Rights of $KAIO token holders: (i)

Platform access right: Holders of the minimum required quantity of 500,000 $KAIO tokens are entitled to access the KAIO tokenisation platform and utilise its protocol services, subject to compliance with the Terms of Service, applicable KYC/AML requirements, and eligibility criteria. (ii)

Governance right: $KAIO token holders are entitled to participate in KAIO protocol governance on a time-weighted basis.

Governance rights cover: protocol parameter adjustments, fee allocation mechanisms, ecosystem fund disbursements, and protocol upgrade proposals. (iii)

Transferability: $KAIO tokens are freely transferable on the Ethereum blockchain Obligations of $KAIO token holders: (i) Compliance with applicable law and regulation in the holder's jurisdiction of residence in connection with the acquisition, holding, and transfer of $KAIO tokens. (ii) Conducting independent due diligence and obtaining independent legal and financial advice prior to acquiring $KAIO tokens. (iii) Maintaining the security of private keys and wallet credentials. The issuer bears no responsibility for losses arising from loss or compromise of private keys. Holding $KAIO tokens does not bestow upon holders any rights of an equity, profit-sharing, debt, or repayment nature in respect of the Issuer, KAIO affiliates or the LN Tech Foundation. Engagement in governance processes or staking activities remains entirely voluntary.

G.2 Exercise of rights and obligations

Governance voting: At TGE (2026): $KAIO tokens become eligible for use as protocol access credentials. Minimum holding requirements and access parameters will be published in the Terms of Service prior to TGE. An initial governance forum will be established to enable token holders to participate in non-binding protocol discussions and signal preferences on governance matters. Ecosystem incentive distributions are expected to commence. 2026–2027: On-chain governance capabilities are expected to be developed, tested, and progressively deployed. As these modules mature, defined protocol parameters may be transitioned to binding token holder governance, with appropriate safeguards including timelock mechanisms on protocol changes.

G.3 Conditions for modifications of rights and obligations

Modifications to protocol parameters and token holder rights are subject to a successful governance vote by $KAIO token holders, subject to minimum quorum requirements and a timelock period before execution. During Phase 1 (off-chain governance), LN Technology (TIV) Limited retains binding decision-making authority but commits to good-faith engagement with governance outcomes.

G.4 Future public offers

Not applicable. Following the TGE, $KAIO tokens from the ecosystem grant allocation, community incentives, and team/investor vesting releases will be distributed over time in accordance with the token allocation schedule. These distributions do not constitute new public offers but represent the progressive release of tokens into circulation in accordance with the vesting and lock-up arrangements disclosed herein.

G.5 Issuer retained other token	1700000000
G.6 Utility token classification	Yes

G.7 Key features of goods or services utility tokens

See D.7 and F.2 above for full description. In summary: $KAIO grants access to the KAIO tokenisation engine, KAIO Gateway multi-chain distribution, lifecycle automation services, and governance participation. The minimum holding threshold for platform access determines the quantity of service accessible per token holding.

G.8 Utility tokens redemption

$KAIO tokens are redeemed for platform access by holding the minimum required quantity in a wallet address registered with the KAIO platform. The platform verifies the holder's balance programmatically — either on-chain via smart contract balance check or via API query at the time of service request. A fund manager wishing to tokenise a fund through KAIO must demonstrate continuous holding of the required minimum quantity for the duration of the engagement. $KAIO tokens do not carry a cash redemption right. They cannot be redeemed from LN Technology (TIV) Limited for fiat currency, other crypto-assets, or any monetary value other than their utility described above.

G.9 Non-trading request	Yes

G.11 Other tokens transfer restrictions

$KAIO tokens are freely transferable on the Ethereum blockchain subject to the following restrictions: (i) Vesting lock-ups: Tokens allocated to the founding team, employees, and strategic investors are subject to vesting periods and cliff arrangements, during which such tokens may not be transferred. Specific vesting schedules to be disclosed in the token allocation table. (ii) Legal restrictions: Purchasers are responsible for compliance with any transfer restrictions applicable under the laws of their jurisdiction of residence.

G.12 Supply adjustment protocols	Yes

G.13 Supply adjustment mechanisms

The $KAIO ERC-20 token contract includes a burn() function that allows any token holder to permanently remove their own tokens from circulation. The issuer and the protocol have no ability to burn tokens held by other addresses. If the LN Tech Foundation or any other participant wishes to reduce circulating supply, it may do so only by first acquiring tokens and then burning its own holdings. All burn transactions are recorded and verifiable on-chain. The total supply cap of 10,000,000,000 tokens is enforced at contract level — no further minting is possible.

Other token schemes details

G.14 Token value protection schemes	No
G.16 Compensation schemes	No

G.18 Applicable law

The terms of the $KAIO token are governed by the laws of the British Virgin Islands (jurisdiction of incorporation of LN Technology (TIV) Limited). The admission to trading of $KAIO tokens to the public in the European Union is subject to mandatory provisions of Regulation (EU) 2023/1114 (MiCAR) and the applicable laws of any host Member State.

G.19 Competent court

Any dispute, controversy, or claim shall be finally settled by arbitration under the British Virgin Islands IAC Arbitration Rules. The tribunal shall consist of three arbitrators, appointed in accordance with those Rules, which are hereby incorporated by reference into this clause. The seat of arbitration shall be the British Virgin Islands, and the language of the proceedings shall be English. In the alternative, and only where arbitration is not applicable or enforceable, the competent courts of the British Virgin Islands shall have exclusive jurisdiction to resolve any such dispute.

H Part H – Information on underlying technology

H.1 Distributed ledger technology (DTL)

General: Distributed Ledger Technology (DLT) describes a decentralised network in which multiple participants maintain and verify a shared database without reliance on a central authority. Blockchain technology is a subset of DLT in which a continuously growing list of records (blocks) is linked cryptographically in chronological order, producing an immutable, transparent, and distributed ledger. Ethereum: $KAIO tokens are issued on Ethereum, the world's leading programmable public blockchain. Ethereum is a permissionless, decentralised network with no central operator. Any person may operate an Ethereum node. The network is secured by a global validator set that stakes ETH as collateral. Architecture: Ethereum's layered architecture separates consensus (the Beacon Chain, coordinating validator agreement) from execution (the execution layer, processing transactions and smart contract state). This separation enables independent development and upgrades of each layer. Smart contracts: Ethereum supports Turing-complete smart contracts written in Solidity (and other languages) and executed by the Ethereum Virtual Machine (EVM). $KAIO is implemented as an ERC-20 smart contract — a standardised interface for fungible tokens per Ethereum Improvement Proposal (EIP) 20. Monetary policy: Ethereum does not have a hard supply cap. However, following the implementation of EIP-1559 (August 2021), a portion of each transaction's gas fee (the base fee) is burned, creating a deflationary pressure. Under proof-of-stake, new ETH issuance is significantly lower than under proof-of-work, and net supply has been deflationary in periods of high network activity. Governance: Ethereum protocol changes are governed through the Ethereum Improvement Proposal (EIP) process, which involves open community discussion, technical review by core developers, and client implementation. There is no formal on-chain governance voting mechanism for the Ethereum protocol itself - changes are adopted through social consensus and client upgrades.

H.2 Protocols and technical standards

ERC-20 (EIP-20): The $KAIO token implements the ERC-20 standard interface, including the core functions totalSupply(), balanceOf(), transfer(), transferFrom(), approve(), and allowance(), and extends this functionality through ERC20Votes, ERC20Permit, and ERC20Burnable. KAIO Gateway: The KAIO Gateway is designed to provide a standardised multi-chain interface enabling tokenised fund interests issued through the KAIO protocol to be distributed across multiple blockchain networks while preserving a unified compliance and lifecycle framework.

H.3 Technology used

$KAIO tokens are held and transferred using Ethereum-compatible wallets. Two categories of custody solution are available: (i)

Self-custody: Holders maintain their own private keys using a hardware wallet (e.g. Ledger, Trezor) or software wallet (e.g. MetaMask, Rainbow). Holders bear sole responsibility for private key security. (ii)

Third-party custody: Holders may deposit $KAIO tokens with a regulated CASP or institutional-grade custody provider that supports ERC-20 tokens. The CASP holds private keys on behalf of the holder. Etherum smart contract address of the $KAIO token contract: 0x00BAC91fd8f5b4a0dc03C8021139B76F6549Ee7E LN Technology (TIV) Limited does not hold or control token holder private keys and provides no key recovery service. A key management and custody guidance document may be published on the KAIO website prior to TGE.

H.4 Consensus mechanism

Ethereum uses a proof-of-stake (PoS) consensus mechanism, implemented through the Gasper protocol — a combination of Casper FFG (finality gadget) and LMD-GHOST (fork-choice rule). The Merge, completed in September 2022, transitioned Ethereum from proof-of-work to proof-of-stake, reducing energy consumption by approximately 99.95% according to the Ethereum Foundation. Under PoS, validators stake a minimum of 32 ETH as collateral to participate in block proposal and attestation. Validators are selected pseudo-randomly to propose new blocks. The protocol achieves economic finality in approximately two epochs (12.8 minutes under normal conditions). A validator that acts dishonestly risks having a portion of its staked ETH 'slashed' (permanently destroyed).

H.5 Incentive mechanisms and applicable fees

The security of the Ethereum network is underpinned by its Proof-of-Stake (PoS) consensus mechanism, which operates through a carefully calibrated framework of economic rewards and deterrents, structured to encourage honest participation among validators while discouraging any form of malicious or dishonest conduct.

H.6 Use of distributed ledger technology	No

Other token audit details

H.8 Audit	Yes

H.9 Audit outcome

An independent smart contract security audit was successfully completed, with no critical vulnerabilities identified. The audit by Cyfrin Inc., 9066 CASCADA WAY APT 102 NAPLES, FL. 34114-644 UN was successfully completed on January 7, 2026 following an audit occurred on Nov. 20 and Nov. 21 2025. Only low risk (5), informational (1) and Gas Optimization (3) issues were identified. 3 out of the five low risk findings were resolved, while 2 were acknowledged. All the other findings were resolved. The final audit report is publicly available at https://github.com/librecapital/audits/blob/main/reports/2026-01-07-cyfrin-kaio-receipt-token-vault-v2.0.pdf

I Part I - Information on risks

I.1 Offer-related risks

Regulatory risk: The white paper has not been approved by any competent authority. The home NCA may require modifications or additional disclosures before notification is accepted. The issuer is incorporated in the British Virgin Islands and does not maintain an EU branch or a registered office in any EU Member State. The regulatory framework applicable to the offer and admission to trading of $KAIO tokens in the European Union is subject to determination by the Central Bank of Ireland as home NCA. Prospective holders should be aware that the legal basis for MiCAR compliance by a non-EU incorporated entity remains subject to regulatory interpretation. There is no guarantee that the notification will be accepted without conditions or that the offer will proceed on the terms described herein. Although this White Paper has been prepared with due care and in conformity with applicable regulatory frameworks, prospective amendments to EU or national legislation may impact the legal classification, tradability, or compliance standing of $KAIO tokens.

Market condition risk: Adverse market conditions at the time of the TGE may result in insufficient demand for $KAIO tokens, failure to reach any applicable minimum subscription threshold, or a TGE price materially below expectations. The value of $KAIO tokens may be subject to substantial fluctuations influenced by shifts in supply and demand, investor sentiment, and prevailing macroeconomic conditions. Such variability carries the potential to result in material financial losses for individuals holding the token.

Admission to trading risk: There is no guarantee that $KAIO tokens will be admitted to trading on any crypto-asset trading platform, or that a liquid secondary market will develop following admission. Trading platforms may impose additional requirements or refuse to admit $KAIO tokens. Whilst the admission of $KAIO tokens to trading venues improves their market accessibility, the availability of sufficient liquidity is not assured. Periods of diminished trading activity may produce pronounced price slippage or otherwise hinder a holder's capacity to unwind positions in an orderly and cost-effective fashion. Where $KAIO tokens are bought or sold on exchanges or secondary trading venues, the issuer is not a party to such transactions and assumes no contractual role therein. The terms governing any interaction with these platforms are solely determined by each platform's own terms and conditions, and the issuer bears no responsibility whatsoever for their conduct, operational performance, or service delivery.

Price discovery risk: Where no fixed price is set, the price established at TGE may be adversely affected by market manipulation, thin trading conditions, or co-ordinated selling activity.

Jurisdiction restriction risk: Changes in the regulatory environment of any host Member State, or of a third-country jurisdiction, may result in restrictions on the offer or trading of $KAIO tokens in that jurisdiction following the commencement of the trading.

Counterparty risk: Trading platforms and exchanges on which $KAIO tokens are listed are not immune to insolvency or operational discontinuation, either of which could curtail holders' access to their assets. Engagement with third-party trading infrastructure necessarily entails reliance upon the governance frameworks, operational resilience, and financial soundness of those entities. Any delisting, insolvency event, or technical disruption occurring at the platform level could have a significant adverse effect on the liquidity and tradability of $KAIO tokens.

I.2 Issuer-related risks

Regulatory compliance risk: KAIO protocol, the issuer, KAIO Foundation and other KAIO affiliates may operate across multiple jurisdictions (BVI, Cayman Islands, Singapore, ADGM, EU). Compliance with MiCAR and other applicable financial regulatory frameworks requires significant ongoing resources. Non-compliance could result in regulatory action, fines, or restrictions on the offer or operation of the KAIO platform. The continued evolution of legal frameworks, shifts in regulatory policy, or unfavourable legal proceedings may introduce uncertainty regarding the legality, practical utility, or market valuation of $KAIO tokens, and could potentially constrain their circulation or broader acceptance.

Financial risk: The issuer is a development-stage company. While USD 19 million has been raised at HoldCo level and partly allocated, in the form of grants, to the protocol, the issuer/Foundation may require additional capital to fund its full development roadmap. There is no guarantee that additional capital will be available on acceptable terms. Failure to obtain additional funding could delay or prevent the implementation of the roadmap. Despite operating within a structured and economically sound framework, the issuer may nonetheless encounter financial difficulties arising from unforeseen circumstances, including failure to meet anticipated adoption milestones, the departure of key personnel, or adverse shifts in the regulatory landscape.

Key personnel risk: The KAIO platform depends on the contributions of a small number of key technical and commercial personnel. The loss of key personnel could materially impair the development and commercial success of the platform.

Operational risk: KAIO's operations involve complex technology, multi-party fund administration processes, and multi-jurisdictional regulatory compliance. Operational failures — including technology outages, process errors, or third-party service provider failures — could disrupt platform services and adversely affect the value and utility of $KAIO tokens. Deficiencies in the issuer's internal workflows, human capital, or technology infrastructure could undermine the effective administration of token-related operations. Lapses in operational integrity may give rise to service interruptions, financial setbacks, or harm to the issuer's reputation.

Legal risk: Legal uncertainties, adverse regulatory rulings, or litigation in any jurisdiction could affect the issuer's operations, the offer of $KAIO tokens, or the legality of the KAIO platform in specific markets.

Reputational risk: Negative publicity — including adverse regulatory developments, security incidents, or association with failed fund manager partners — could damage the KAIO brand and the adoption of the KAIO platform, adversely affecting demand for $KAIO tokens.

Conflict of interest risk– READ CAREFULLY: The interests of founding team members, strategic investors, and incubator partners holding $KAIO tokens may not in all circumstances align with those of public offer participants. See E.38 for a full description of identified conflicts.

ESG risk: The issuer's sustainability disclosures rely on third-party data sources (CCRI, Ethereum Foundation, Digiconomist). Material inaccuracies in underlying data, or changes in the energy consumption profile of the Ethereum network, could affect the accuracy of the issuer's sustainability indicators. The issuer has not commissioned a bespoke environmental impact assessment. Changes in the regulatory treatment of ESG disclosures for crypto-assets at the EU level may require the issuer to update or revise its sustainability indicators.

I.3 Other tokens-related risks

$KAIO token: The $KAIO token carries no intrinsic value and does not entitle holders to dividends, profit distributions, or corporate-style governance rights. Its valuation is entirely determined by market forces and is contingent upon network utility, the degree of user adoption, and prevailing market perception. The value of $KAIO is inherently speculative and is shaped by market demand, protocol uptake, validator engagement, and the vitality of community participation.

No assurances: No assurances can be made regarding the token's future value, performance trajectory, or any associated rewards.

Market risk: The market price of $KAIO tokens may be highly volatile and may fluctuate significantly over short periods. Price movements may be driven by market sentiment, regulatory developments, technological changes, and macroeconomic factors outside the control of the issuer. Shifts in market sentiment, changes in liquidity conditions, and macroeconomic developments can all contribute to significant volatility, which may translate into material financial losses for holders.

Liquidity risk: There is no guarantee that a liquid secondary market for $KAIO tokens will develop or be maintained following TGE. Token holders may be unable to sell their tokens at a price they consider fair, or at all, especially in periods of market stress. Shallow order book participation could result in price slippage or difficulties in executing trades efficiently, particularly during episodes of heightened market stress.

Concentration risk: A significant proportion of $KAIO tokens may initially be held by a small number of holders (including the issuer's treasury, founding team, and strategic investors). Large-scale selling by concentrated holders following vesting lock-up expiry could adversely affect the market price.

Custodial risk: $KAIO tokens held in self-custody wallets are subject to the risk of theft, hacking, or loss of private keys. Tokens held with third-party CASPs are subject to the operational, financial, and regulatory risks of those service providers.

Smart contract risk: The $KAIO token is governed by a smart contract on Ethereum. Despite audit procedures, smart contracts may contain bugs, logical errors, or vulnerabilities that could be exploited. A material exploit could result in loss or theft of tokens.

Tech: The blockchain and crypto-asset sectors are characterised by rapid innovation. Technological advancements or the emergence of competing protocols could surpass or render obsolete the functionality of the KAIO Protocol, thereby diminishing the token's utility, adoption, or market relevance. $KAIO operates on public blockchain infrastructure, including Ethereum. Modifications to the underlying network's architecture, governance arrangements, consensus mechanisms, or transaction fee structures could adversely affect the token's usability, transferability, and cost efficiency

Regulatory and tax risk: Changes in the regulatory treatment of utility tokens or crypto-assets in any jurisdiction — including consumer protection, taxation, and AML/CFT requirements — could affect the use, value, or legality of $KAIO tokens for holders in that jurisdiction. Certain countries or territories may impose limitations or outright prohibitions on the trading or use of $KAIO, thereby restricting accessibility for affected users. Regulatory authorities may take enforcement measures should $KAIO be reclassified as an unregistered security or otherwise regulated financial instrument under applicable law.

Utility access risk– READ CAREFULLY: The utility of $KAIO tokens is contingent upon the continued operation of the KAIO platform. If the platform ceases operation, is required to restructure, or fails to develop the protocol services described in this white paper, the utility of $KAIO tokens may be materially diminished or eliminated. AML, CTF & Sanctions

Risks: Transactions involving crypto-assets, including $KAIO tokens, are increasingly subject to rigorous scrutiny under anti-money laundering (AML) and counter-terrorism financing (CTF) regulatory frameworks

across multiple jurisdictions. Competent authorities and financial intelligence units may monitor, investigate, or restrict token transactions that are flagged as potentially non-compliant with applicable AML/CTF obligations, which could materially impair affected users' ability to trade, transfer, or otherwise utilise their $KAIO holdings. In addition, international sanctions regimes — including those administered by authorities such as the United Nations, the European Union, the United States Office of Foreign Assets Control (OFAC), and equivalent national bodies — may apply to transactions involving $KAIO tokens. Holders, trading platforms, and service providers operating within or connected to sanctioned jurisdictions, entities, or individuals may face severe legal consequences, including asset freezing, transaction blocking, or the imposition of civil and criminal penalties. The decentralised and borderless nature of blockchain technology does not exempt participants from compliance with applicable sanctions obligations, and ignorance of such requirements does not constitute a valid legal defence. Token holders are strongly advised to ensure that their acquisition, holding, and transfer of $KAIO tokens at all times remains in full conformity with the AML, CTF, and sanctions laws and regulations applicable in their respective jurisdictions. Failure to do so may expose holders to significant legal, financial, and reputational consequences, and could result in the restriction or permanent loss of access to their token holdings

Counterparty risk: Where $KAIO tokens are held on exchanges or used in DeFi protocols, holders are exposed to the counterparty risk of those service providers, including the risk of insolvency, regulatory action, or fraud. Security Risks.

Smart

Contract

Vulnerabilities: Notwithstanding thorough independent audits, latent bugs or unforeseen vulnerabilities may exist within smart contract code, potentially compromising token security, staking functionality, or governance mechanisms.

Private

Key

Management: Holders bear exclusive responsibility for the safekeeping of their wallets and private keys. The loss or unauthorised disclosure of credentials will result in the permanent and irreversible forfeiture of tokens. Fraud and Scam Risks. Token holders may be exposed to fraudulent schemes including phishing attacks, impersonation attempts, counterfeit token issuances, and fabricated airdrop campaigns. Engaging with unverified platforms or unofficial communication channels substantially elevates the risk of fraud and asset loss. Cybercrime and Theft Risks. Blockchain-based assets are potential targets for cybercriminal activity, including hacking attempts, malware deployment, and phishing campaigns. Security breaches affecting wallets, trading platforms, or smart contracts could result in asset theft, loss of funds, or significant service disruption. Data Integrity Risk. Software defects, human error, or deliberate malicious interference could compromise the integrity of blockchain data, adversely affecting transaction records, network reliability, and overall user confidence in the ecosystem. Wallet and Storage Risk. Access to and management of $KAIO tokens necessitates the use of compatible wallet solutions. Incompatibility issues, network disruptions, or the discontinuation of wallet service providers may impede users' ability to access, store, or transfer their tokens.

I.4 Project implementation-related risks

Development risk: The KAIO protocol is a developing platform. There is no guarantee that the protocol will achieve its intended functionality, adoption targets, or commercial objectives within the anticipated timeframes. Platform development may be delayed, may require additional capital, or may not result in a commercially viable product. The failure to meet critical project milestones on schedule, or shortcomings in the deployment of protocol updates and technological enhancements, may adversely affect market perception, operational functionality, and the overall valuation of $KAIO tokens. Compounding this, the increasingly crowded landscape of competing protocols - many of which may offer comparable or more advanced solutions - poses a tangible threat to user acquisition and could constrain the long-term growth trajectory of the KAIO ecosystem. The continued advancement and maturation of the KAIO ecosystem is fundamentally dependent upon the sustained availability of sufficient financial capital and skilled human resources. Budgetary shortfalls, challenges in recruiting or retaining competent technical talent, or an over-reliance on external contractors or volunteer contributors may obstruct development progress and introduce delays in the delivery of meaningful protocol enhancements. The KAIO Protocol is architected to function across a plurality of blockchain networks, which introduces inherent interoperability complexities. Compatibility challenges, latent software defects, or unforeseen technical failures arising within one or more of these interconnected networks could disrupt transaction processing, impair cross-chain functionality, or compromise other critical operational components, with potential downstream effects on user confidence and the perceived reliability of the protocol.

Competition risk: The KAIO Protocol operates within a rapidly evolving and intensely competitive landscape. The emergence of well-resourced or technologically superior competitors offering alternative solutions could erode user adoption rates or weaken the overall market position of the KAIO ecosystem. The tokenised asset and RWA tokenisation market is competitive and rapidly evolving. Competing platforms may develop superior technology, achieve greater regulatory clarity, attract more fund manager and investor participation, or offer equivalent services at lower cost.

Fund manager dependency risk: KAIO's current platform activity and commercial traction are dependent on a small number of institutional fund manager partners. If one or more key partners discontinues its relationship with KAIO, platform AUM and protocol revenue could be materially affected.Governance implementation risk: The progressive transition from off-chain to on-chain governance may be subject to technical delays, unforeseen vulnerabilities in governance smart contracts, or governance attacks that result in suboptimal protocol decisions.

I.5 Technology-related risks

Private key management risk: The security of $KAIO tokens depends entirely on the holder's management of private keys. Loss, theft, or compromise of private keys results in permanent and irreversible loss of access to the tokens, with no recovery mechanism available.

Settlement finality risk: Ethereum's settlement is probabilistic. While the Gasper protocol achieves economic finality in approximately 12.8 minutes, there remains a theoretical risk — however remote — of transaction reversal due to consensus failures, forks, or exceptional network circumstances. Network congestion and gas fee risk: As Ethereum network usage grows, gas fees may increase substantially during periods of high congestion, making $KAIO token transactions and governance interactions more expensive.

Network attack risk: The Ethereum network may be vulnerable to attacks including Sybil attacks, DDoS attacks, or — under exceptional circumstances — a majority attack on the validator set. Such attacks could disrupt network operations and affect the security and transferability of $KAIO tokens.

Hard fork risk: Faults in or disagreements about the Ethereum consensus mechanism may lead to forks, where multiple versions of the ledger coexist. The issuer will communicate its position on any fork, but there is no guarantee that the chosen fork will be the one supported by the broader market.

Smart contract bugs: Despite independent audit having been conducted (see H.8 and H.9 for details), the $KAIO smart contract and associated KAIO protocol contracts may contain undiscovered bugs or vulnerabilities. Any flaw in the code could lead to unintended consequences, including loss of tokens or disruption of platform services.

Technological disruption risk: Advances in computing technology — including quantum computing — could in the future undermine the cryptographic security of Ethereum and other blockchain protocols, potentially exposing $KAIO token holders to security risks. The Ethereum development community is actively monitoring and planning for post-quantum cryptographic migration.

Privacy and transparency risk: All $KAIO token transactions are permanently recorded on the Ethereum public blockchain and are visible to any person with access to an Ethereum block explorer. This transparency may expose transaction patterns or wallet balances to public scrutiny.

Third-party dependency risk: $KAIO tokens and the KAIO platform rely on third-party infrastructure including Ethereum node providers, KAIO Gateway integration partners, custody providers, and KYC/AML service providers. Failure or discontinuation of any third-party service could disrupt platform operations.

I.6 Mitigation measures

The following risk mitigation measures have been adopted or are planned: Regulatory and

Legal

Horizon

Scanner: The issuer and the KAIO Foundation maintain active and continuous oversight of evolving regulatory developments at both the EU and international levels, including ongoing MiCAR-related updates, to ensure uninterrupted compliance.

Ongoing

Legal

Reviews: Periodic external legal assessments are undertaken to verify that all token-related operations remain aligned with applicable legislative requirements and prevailing regulatory classifications. Governance, Market and

Financial

Controls

Foundation

Stewardship: The KAIO Foundation furnishes strategic direction and assumes responsibility for ensuring the project's ongoing adherence to sustainability objectives and applicable compliance requirements.

Progressive decentralisation: The progressive migration to on-chain governance reduces concentration of control risk and ensures that the protocol's evolution is subject to broad token holder oversight. Decisions of material significance concerning the protocol and token operations are reached through inclusive community governance mechanisms, underpinned by publicly accessible documentation and fully auditable on-chain voting records

Treasury

Governance

Policies: Treasury operations are conducted in accordance with internal governance protocols designed to ensure the transparent deployment of funds and the responsible stewardship of liquidity resources.

Asset

Diversification: The treasury maintains a prudently balanced composition of $KAIO tokens and stablecoins to preserve adequate liquidity buffers and support financial stability. Community Engagement and

Transparency

Publicly

Accessible

Documentation: Comprehensive protocol documentation and informational materials are made freely available to the public, facilitating independent review and informed community participation.

Ongoing

Stakeholder

Communication: Regular updates disseminated through governance forums, community calls, and periodic transparency reports ensure sustained and meaningful engagement with all stakeholders across the KAIO ecosystem.

Technology

Smart contract audit: An independent security audit of the $KAIO ERC-20 smart contract and associated KAIO protocol contracts was completed (see H.8 and H.9).

Role-based access control: Administrative functions of the smart contract are protected by role-based access control, with administrative keys held in a multi-signature wallet requiring multiple independent signatories to authorise any change.

Ethereum proof-of-stake security: Ethereum's proof-of-stake consensus mechanism provides robust security through economic incentives. Validators risk slashing of their staked ETH for dishonest behaviour, creating strong incentives for network integrity.

Key management guidance: LN Technology (TIV) Limited does not commit to publish a key management and custody guidance document for $KAIO token holders prior to TGE.

Bug bounty programme: Although not planned for yet, LN Technology (TIV) Limited intends to establish a bug bounty programme to incentivise the responsible disclosure of security vulnerabilities in the $KAIO smart contract and KAIO platform.

J Part J - Information on the sustainability indicators in relation to adverse impact on the climate and other environment-related adverse impacts

J.1 Adverse impacts on climate and other environment-related adverse impacts

Please see below:

Mandatory information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism

General information about adverse impacts

S.1 Name	LN Technology (TIV) Limited (from A.1).
S.3 Name of the crypto-asset	$KAIO.
S.4 Consensus mechanism	Ethereum proof-of-stake (Gasper) - see H.4.

S.5 Incentive mechanisms and applicable fees

Ethereum's proof-of-stake consensus mechanism has reduced the network's energy consumption by approximately 99.95% compared to its prior proof-of-work mechanism, according to the Ethereum Foundation. The carbon intensity of Ethereum PoS validator operations depends on the energy mix of validators' locations. Network-level energy consumption: The $KAIO token is an ERC-20 token issued on the Ethereum public blockchain, which operates a proof-of-stake (PoS) consensus mechanism. According to the Crypto Carbon Ratings Institute (CCRI), the Ethereum network's total annualised electricity consumption under PoS is estimated at approximately 2,601 MWh (0.0026 TWh), corresponding to approximately 870 tonnes CO_2e per year (CCRI, "The Merge — Implications on the Electricity Consumption and Carbon Footprint of the Ethereum Network", October 2022). The Digiconomist Ethereum Energy Consumption Index estimates a higher upper bound of approximately 10,000 MWh (0.01 TWh) per year. The actual figure is sensitive to the number of active nodes on the network and their geographic distribution. Per-transaction energy consumption: Post-Merge estimates of per-transaction energy consumption on Ethereum range from approximately 0.02 kWh to 0.035 kWh (20–35 Wh) per Layer 1 transaction, depending on the source and methodology applied (Digiconomist; CCRI; Cambridge CBNSI). The Ethereum Foundation notes that per-transaction metrics should be interpreted with caution, as the energy required to propose and validate a block is independent of the number of transactions within it. Token-specific attribution: No $KAIO tokens were issued or transacted on-chain during the disclosure period (1 April 2025 - 31 March 2026). The Token Generation Event is planned for 29.04.2026[GC54.1] [AV54.2]. Accordingly, the energy consumption directly attributable to $KAIO token transactions during the disclosure period is 0 kWh. Forward-looking estimate: Following the TGE, $KAIO transaction activity will contribute to Ethereum network energy consumption on a marginal per-transaction basis. Applying the upper-bound estimate of 0.035 kWh per transaction and an illustrative assumption of 10,000 $KAIO-related on-chain transactions per day (3,650,000 per year), the estimated annual energy consumption attributable to $KAIO would be approximately 127.75 kWh (0.00013 MWh). This figure is illustrative only and will be updated in subsequent disclosure periods based on actual on-chain transaction data.

S.6 Beginning of period to which disclosed information relates	2025-04-01
S.7 End of period to which disclosed information relates	2026-03-31

Mandatory key indicator

S.8 Energy consumption	127.75

Sources and methodologies

S.9 Energy consumption sources and methodologies

Methodology: The energy consumption figures disclosed in S.8 are derived from publicly available third-party research using a bottom-up estimation methodology. The primary source is the CCRI Ethereum Merge Report (October 2022), which measured electricity consumption of Ethereum nodes across various hardware configurations (consumer-grade devices with 16 GB, 64 GB, and 256 GB RAM running different execution and consensus client combinations). CCRI applied a weighted distribution of hardware configurations to the estimated global node count to derive the total network electricity consumption. Carbon emissions were calculated by applying regional carbon intensity factors based on the geographic distribution of Ethereum nodes.

Cross-reference: The Cambridge Blockchain Network Sustainability Index (CBNSI), maintained by the Cambridge Centre for Alternative Finance (CCAF), provides a rolling 7-day estimate of Ethereum's electricity consumption using a similar bottom-up approach but with independent hardware assumptions. Digiconomist publishes a separate Ethereum Energy Consumption Index. All three sources are consistent in placing Ethereum PoS energy consumption in the range of 0.0026–0.01 TWh per year.

Limitations: The CCRI baseline estimate of 2,601 MWh was measured in September 2022 with approximately 5,900 nodes. The Ethereum network has since grown to over 900,000 active validators (as of April 2026, per beaconcha.in), though many validators share physical nodes. The actual energy consumption is therefore likely higher than the 2022 baseline but remains within the same order of magnitude. The issuer has not commissioned a bespoke CCRI or CCAF assessment; figures are sourced from publicly available reports and indices. Per-transaction attribution is an approximation; block-level energy is independent of transaction count.

Sources: 1. CCRI, "The Merge — Implications on the Electricity Consumption and Carbon Footprint of the Ethereum Network" (October 2022): https://carbon-ratings.com/eth-report-2022 2. CCRI, "PoS Benchmark Study 2023 — Energy Efficiency and Carbon Footprint of PoS Blockchain Networks" (October 2023): https://carbon-ratings.com/dl/pos-report-2023 3. Ethereum Foundation, "Ethereum Energy Consumption": https://ethereum.org/energy-consumption 4. Cambridge Centre for Alternative Finance, Cambridge Blockchain Network Sustainability Index — Ethereum: https://ccaf.io/cbnsi/ethereum 5. Cambridge Centre for

Alternative Finance, CBNSI Ethereum

Methodology: https://ccaf.io/cbnsi/ethereum/methodology 6. Digiconomist, Ethereum

Energy

Consumption

Index: https://digiconomist.net/ethereum-energy-consumption 7. EU Blockchain Observatory, "Ethereum Merge Trend Report" (2023): https://blockchain-observatory.ec.europa.eu (Ethereum Merge Trend Report) 8. Beaconcha.in (validator count and staking data): https://beaconcha.in/charts 9. Etherscan (Ethereum L1 transaction data): https://etherscan.io/chart/tx

Supplementary information on principal adverse impacts on climate and other environment-related adverse impacts of consensus mechanism

Supplementary key indicators

S.11 Energy intensity	energy (kWh)
S.12 Scope 1 DLT GHG emissions - controlled	GHG emissions (tCO2e)

S.13 Scope 2 DLT GHG emissions - purchased	GHG emissions (tCO2e)
S.14 GHG intensity	GHG emissions (tCO2e)

Sources and methodologies

Optional information on principal adverse impacts on the climate and on other environment-related adverse impacts of the consensus mechanism

Optional indicators

S.18 Energy use reduction

Energy use reduction target (absolute value)	energy (kWh)
S.20 Scope 3 DLT GHG emissions - value chain	GHG emissions (tCO2e)
S.22 Generation of waste electrical and electronic equipment (WEEE)	mass (tonnes)
S.24 Generation of hazardous waste	mass (tonnes)
S.25 Generation of waste (all types)	mass (tonnes)
S.27 Waste intensity (all types)	mass (tonnes)
S.31 Water use	volume (m3)

Sources and methodologies