

MiCA · European Union

White Paper

OT (Other Token)

	Issuer
	Basis Yield AG

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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.

Where relevant in accordance with Article 6(3), second subparagraph of Regulation (EU) 2023/1114, reference shall be made to 'person seeking admission to trading' or to 'operator of the trading platform' instead of 'offeror'.

This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 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.

The crypto-asset may lose its value in part or in full, may not always be transferable and may not be liquid.

The crypto-asset is not covered by the investor compensation schemes under Directive 97/9/EC of the European Parliament and of the Council.

The crypto-asset is not covered by the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council.

Summary

The summary should be read as an introduction to the crypto-asset white paper. The prospective holder should base any decision to purchase the asset-referenced token on the content of the crypto-asset white paper as a whole and not on the summary alone. The offer to the public of the 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. The 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 (36) or any other offer document pursuant to Union or national law.

Provide a brief description of the characteristics of the token

YB is the native governance token of the YieldBasis protocol, issued by Basis Yield AG. YB holders may lock tokens to create veYB, which represents a vote-escrowed version with associated voting rights and participation in protocol revenue distribution. The extent of voting power and revenue sharing is determined by the quantity of YB locked and the lock duration. For a particular token holder's veYB position voting power and share of distributed revenue corresponds to the holder's veYB share in the overall number of veYB. Any modification of the characteristics of YB characteristics is subject to on-chain governance procedures as outlined by the protocol. YB operates as an ERC-20 token on the Ethereum blockchain and the total YB supply (fully diluted) amounts to 1 billion tokens.

Provide the key information about the offer to the public or admission to trading of the token

The YB token distribution on Ethereum is structured as follows from public launch of YieldBasis and YB issuance (*i.e.* TGE):\

Investors - 12% (6 month cliff, 24 months linear vesting)

Team - 25% (6 month cliff, 24 months linear vesting)

Incentives - 30% (distributed via algorithmic emission schedule)

Protocol development - 7.5% (1 year cliff, 12 months vesting)

Ecosystem - 12.5% (2 years vesting with 5% initial unlock)

Curve Licensing - 7.5% (distributed via smart-contract using dynamic emission function)

Initial liquidity and early incentives - 3% (subject to different distribution schedules)

Public offering - 2.5% (full unlock)

\

At the conclusion of the public offering, which will coincide with the YB TGE, Kraken intends on listing the YB token, and in compliance with MiCA, make the crypto-asset available for trading to its European clients. More information about the public offer and admission to trading can be found in Part E below.

Risk Factors

Provide a detailed description of all issuer-related risks

Financial stability risk: The financial condition of the issuer, including challenges in cash flow or profitability, may influence the project's ability to meet its objectives. If financial difficulties arise, they could impact the operations or sustainability of the issuer.\

Operational and management risk: YieldBasis AG is a recently established private Swiss company with a relatively small team. The success of the YB token and its issuance The success of YB depends on the continued performance and integrity of the issuer's management and developers. If one or more founders or core team members were to leave the project or fail to adequately perform their roles, the development and adoption of the YieldBasis network could be adversely affected.\

Reputational risk: The reputation of the issuer and its co-founders are important to the success of the YB public offering and launch of the YieldBasis network. There is a risk of negative public perception of the issuer through negative publicity, which may reduce confidence in the YB token and launch of the YieldBasis protocol as well as impact the success of the YB token issuance.\

Counterparty risks: The issuer's reliance on on third-party service providers, such as code auditors, custodians, trading platforms, wallet providers, liquidity providers, and systems integrators, introduces risk related to the non-fulfillment of obligations that may negatively affect functionality of the YB token, YieldBasis protocol, or overall ecosystem stability.

Conflicts of Interest: Misalignment of interests between the Issuer and Token holders may lead to governance decisions that are not in the best interests of the community, potentially affecting the value of the Token or damaging the credibility of the project.

Legal and regulatory risks: The issuer must comply with complex legal requirements (including data privacy, encryption export controls, and financial regulations) in multiple jurisdictions. Uncertainties in legal frameworks, regulatory changes, potential lawsuits, or adverse legal rulings could pose significant risks, affecting the legality, usability, or value of YB.\

Describe the risks related to the offer to the public or its admission to trading

Concentration risk: It is possible that the distribution of tokens will not result in the intended broad dissemination of YB tokens across a diverse group of holders (for example, as a result of low levels of participation in the offering), which may impact the adoption, operations, and success of the YieldBasis network.

Risk of trading platforms: When YB token holders trade on exchanges, the issuer does not act as a contractual party to these transactions. All legal relationships regarding these trading platforms are subject to their respective terms and conditions, with no responsibility assumed by the issuer for their operations, services, or outcomes.

Delisting risk: There is no guarantee that the YB token will remain listed on any exchange or trading platform. Delisting could significantly hinder the ability to trade YB tokens, reducing liquidity and market value. \

Smart contract risks: The successful completion of the YB public offering is reliant on the correct design and operation of the token sale smart contract, which may be exposed to technical vulnerabilities or issues that could lead to participants being unable to redeem their purchased tokens.

Market volatility risk: The value of YB may experience substantial fluctuations driven by investor sentiment, macroeconomic developments, and market conditions. \

Regulatory risks: Changes in legislation, applicable laws, compliance requirements or the implementation of new regulatory frameworks could affect the availability, trading, or use of such assets.

Taxation risks: The tax treatment of the YB token varies by jurisdiction, and purchasers are solely responsible for understanding and complying with applicable tax laws. Any appreciation, conversion, or sale of YB may trigger tax obligations that differ depending on the regulatory environment.\

Security risks: The risk of exploitation, hacking or security vulnerabilities of the underlying protocol and/or smart contracts of the YB token leading to a loss. \

Reputational risks: The potential for damage to an organization's credibility or public trust, which can negatively impact stakeholder confidence and overall business viability.

Provide a detailed description of the risks associated with the technology used

DeFi risk: The advancement of strategies like the re-leverage algorithm introduces risks pertaining to algorithmic adjustments to market conditions, where any miscalculated leverage might diminish expected returns. Further risks emerge from potential discrepancies in the liquidity balancing protocols.\

Blockchain dependency risks: YB operates on a public blockchain infrastructure, which is maintained by a decentralized network of participants. The functionality and reliability of the crypto-asset are dependent on the performance and security of the Ethereum blockchain. Risks may include network congestion, high transaction fees, delayed processing times, or, in extreme cases, outages and disruptions. Additionally, vulnerabilities or failures in the consensus mechanism, attacks on the network (e.g., 51% attacks), or protocol-level bugs could impact the operation and availability of YB.\

Smart contract risks: YB uses smart contracts to facilitate automated transactions and processes. While these contracts enhance efficiency and decentralization, they also introduce specific technical risks. Vulnerabilities such as coding errors, design flaws, or security loopholes within the smart contract code may be exploited by malicious actors. Such exploits

could result in the loss of assets, unauthorized access to sensitive information, or unintended and irreversible execution of transactions.

Risk of cryptographic vulnerabilities: Technological advancements, such as quantum computing, could pose potential risks to cryptocurrencies.

Privacy: Transactions involving YB are recorded on a public blockchain, where transaction data is transparent and permanently accessible. While public addresses do not directly reveal personal identities, transaction histories can be analyzed and, in some cases, linked to individuals through data aggregation or external information sources. This transparency may pose privacy concerns for users seeking confidentiality in their financial activity. Participants should be aware that transaction data on public blockchains is not inherently private and could be subject to scrutiny by third parties, including regulators, analytics firms, or malicious actors.

Unknown or unforeseen risks: Blockchain technology and crypto-assets are relatively new and untested technologies. Unknown or unforeseen risks may therefore arise either instead of or in addition to the risks set out in this section of the white paper. Additional risks may also arise as a result of unanticipated variations or combinations of the risks discussed in this section.

Is the issuer different from the offeror or the person seeking admission to trading?

Yes

Have any measures been implemented by the issuer to mitigate technology related risks?

Yes

Explain all measures in place to mitigate the risks related to the technology used

The YieldBasis smart contract application, YB token contract, and related software components have undergone extensive auditing by reputable third-parties. All core contracts and libraries are released under a permissive license in a public repository. Open sourcing boosts transparency and community-driven security.

Describe the risks associated with the crypto asset

Market volatility: The crypto-asset market is subject to significant price volatility, which may affect the value of YB. Prices can fluctuate rapidly and unpredictably due to various factors, including market sentiment, economic indicators, technological developments, regulatory news, and macroeconomic trends. This high level of volatility may lead to sudden gains or losses and can impact the liquidity and tradability of the crypto-asset.

Insufficient liquidity: Liquidity refers to the ability to buy or sell a crypto-asset without causing significant price impact. YB may experience periods of low liquidity, meaning that it could be difficult to enter or exit positions at desired prices or volumes. Reduced liquidity may result from limited market participation, exchange restrictions, or broader market conditions. This can lead to increased price volatility, slippage, and difficulty in executing transactions.

Transaction costs: While blockchain fees are generally low, network congestion, high demand, or changes in blockchain fee structures may increase transaction costs, potentially reducing the economic viability of using the YB token.\

Cybersecurity risks: Risks arising from vulnerabilities in the blockchain technology used by the project or platforms. Example risks include smart contract exploits, compromise of platforms, forking scenarios, compromise of cryptographic algorithms. Malicious actors may set up fake or fraudulent websites and attempt to defraud YB token holders via scams, phishing attacks, pig butchering, use of deepfakes, counterfeit token giveaways, etc.). As more YB tokens become freely transferable over time, holders may be susceptible to scam or fraud attempts from malicious actors, leading to losses for holders of YB where YB is transferred from a holder's wallet or address.

Loss of Access: The risk related to the inadequate safekeeping and control of crypto-assets e.g. loss of private keys, custodian insolvency leading to a loss.

Community and narrative risks: The Token's success is closely tied to community interest and the broader crypto narrative. Market trends, emerging competitors, or declining community engagement may negatively impact the YB token's perceived value and adoption.

DeFi risk: The advancement of strategies like the re-leverage algorithm introduces risks pertaining to algorithmic adjustments to market conditions, where any miscalculated leverage might diminish expected returns. Further risks emerge from potential discrepancies in the liquidity balancing protocols.

Describe the risks associated with the implementation of the project

Reliance on third-party technology: YB relies on certain third-party technologies and integrations. If any critical external technology encounters problems, this could prevent users from accessing features or moving their YB, damaging the project's reputation.

Regulatory compliance: As the project progresses, it may encounter regulatory challenges that impact its design, implementation, or operation. Evolving legal and compliance requirements could necessitate changes to the DeFi project's architecture, user interface, or overall business model, potentially resulting in development delays, increased costs, or the need to rework key components.\

Execution risks: The risk associated with the project not achieving its goals leading to lower than expected adoption of YB and use within the ecosystem, the impact leading to a reduced utility and value proposition. Such risks can arise from potential discrepancies in the assumed financial models, including market volatility, affecting yield strategy returns, particularly if required rebalance levels are not reached. Such misalignments could lead to unforeseen

strategic pivots. Technical complexities or unforeseen obstacles could also impede the project’s ability to execute on its roadmap.

Offeror or Person Seeking Admission to Trading

Provide the name of the offeror or person seeking admission to trading

Basis Yield AG

Provide the legal form of the offeror or person seeking admission to trading

Public limited company under Swiss law

What is the offeror's or person seeking admission to trading's registered address?

Bahnhofstrasse 10, 6300, Zug, Switzerland

Where is the offeror's or person seeking admission to trading's head office?

Bahnhofstrasse 10, 6300, Zug, Switzerland

What is the registration date of the offeror or person seeking admission to trading?

2024-12-27

What is the Legal Entity Identifier (LEI) of the offeror or person seeking admission to trading?

Not Available

Provide the contact telephone number of the offeror or the person seeking admission to trading

Not Available

Provide the e-mail address of the offeror or the person seeking admission to trading

legal@yieldbasis.com

In what period of days within which an investor will receive an answer via that telephone number or email address?

Within 1 business day from when the email is received

Provide the identities, business addresses and functions of the members of the management body of the offeror or person seeking admission to trading

Michael Egorov, Founder \
Artur Balikhin - Co-founder \
Carylyne Chan - Growth \
Jerry Liu - Operations and marketing lead \
Alan Li - APAC

Explain the primary business of the offeror or person seeking admission to trading

Yield Basis A.G. is the visionary and developer of the YieldBasis on-chain liquidity protocol, issuer of the YB token, and responsible for the promotion and adoption of the YieldBasis ecosystem.

Has the offeror or person seeking admission to trading been established for the past three years?

No

Describe the financial condition of the offeror or person seeking admission to trading since the date of its registration

Since the registration of Yield Basis AG the company has raised \$6,000,000 from notable investors such as SevenX, Delphi Ventures, AntAlpha, Amber Group, Aquarius, Bitscale, Mirana, Chorus One, Karatage, NoLimitsHoldings, and more than 20 angels from Bitfury, Brevan Howard, Ethereum, and Quantstamp. All money raised is used for company operations, technology development costs, and legal fees. The company has no material outstanding liabilities, debts, or financial commitments and does not face any financial risks or uncertainties impacting its long-term sustainability.

Issuer Information

Operator of Trading Platform

Information about the crypto-asset project

Provide the name of the crypto-asset project

YieldBasis

Provide the name of the crypto-assets

YieldBasis Token

What is the abbreviation or ticker handler of the crypto asset?

YB

Provide a brief description of the crypto-asset project

Yield Basis, an onchain liquidity protocol, developed by visionary behind the DeFi platform Curve Finance, aims to eliminate impermanent loss for tokenized Bitcoin and Ether liquidity providers (LPs), while also creating a market-based approach to token inflation and emissions. The project uses 2× leverage on liquidity, meaning liquidity providers borrow to make liquidity provision more sustainable and profitable.

Provide details of all natural or legal persons involved in the implementation of the crypto-asset project

Name	Role	Business Address
Michael Egorov	Founder	Zug, Switzerland
Arthur Balikhin	Co-founder	Zug, Switzerland

Describe the plans for the token, including past and future milestones

Tokens are set to function primarily in optimizing yield-related operations with distinct milestones towards minimizing liquidity hold risks and enhanced platform management through data-driven strategies over 6-year simulations.

Past milestones:\

Sep 2024 Project inception; initial economic modelling, cross-chain architecture design, legal structuring, and regulatory analysis in key jurisdictions.\

Q4 2024 Development of core protocol architecture (ybBTC minting, veYB governance, emission logic) and commencement of legal filings.\

Q1 2025 Internal security audit of token and governance contracts; engagement with compliance counsel for MiCA-aligned disclosures.\

Q2 2025 Closed testnet deployment with Curve AMM integration; refinement of liquidity risk models; preparation for multi-asset support.\

Aug 2025 Public mainnet launch with BTC-native yield strategies, activation of DAO voting, and initial ecosystem growth programs.\

Future milestones:

Q4 2025 Protocol integrations with leading DeFi platforms (e.g., Pendle, Aave, Ether.fi) to expand utility and liquidity options; introduction of alternative LRT pools in collaboration with ecosystem partners (e.g., Lombard).\

Q1 2026 Expansion of supported assets beyond BTC, enabling yield strategies for Solana, BNB, Ethereum, and other networks.\

Q2 2026 Initiation of multi-chain deployments via strategic white-label partnerships with dedicated development teams on selected networks.\

Q3–Q4 2026 Scaling of cross-chain ecosystem outreach, including community engagement campaigns, developer relations initiatives, and strategic collaborations with infrastructure providers to support multiple asset classes.\

2027–2029 Continuous enhancement of yield optimization strategies, governance tooling, and cross-chain integrations to establish the protocol as a multi-asset, multi-network yield infrastructure.

What resources have already been allocated to the crypto-asset project?

Resources have been deployed for protocol development, engineering design and implementation of a fully custom smart contract suite in Vyper, security audits, backend/frontend systems, and development tooling.\

Yield Basis AG has also spend resources on legal, Swiss corporate structuring, ongoing jurisdictional regulatory compliance, MiCA-aligned documentation, licensing agreements, and regulatory audits.\

Operational infrastructure core contributor compensation, research, security, hosting, and network infrastructure.\

Ecosystem growth and integrations technical onboarding with DeFi partners, developer relations, and strategic collaborations across multiple networks.\

Marketing, events, and media presence at major crypto conferences, organization of proprietary events, and publication of thought leadership content across industry media.\

Liquidity provisioning and treasury reserves initial seeding of protocol liquidity and ensuring stability during early market phases.

What is the planned use of any funds or other crypto-assets collected from the project?

Funds will be directed towards the continued development of the YieldBasis protocol, with a

focus on advancing yield optimization mechanisms, expanding supported asset classes, and refining liquidity management strategies.\

Planned initiatives include the creation of new market-fit tools within the YB ecosystem, the integration of additional yield-bearing assets, and the enhancement of governance features to improve decision-making efficiency.\

These efforts are aimed at strengthening the protocol's financial resilience, enabling sustainable cross-chain growth, and ensuring that YB remains a robust infrastructure layer for diverse crypto-asset yield strategies.

Public Offer or Admission to Trading

Does the crypto-asset white paper concern an offer to the public, its admission to trading or both?

Both

What are the reasons for the offer to the public and/or for seeking admission to trading?

Distribution of YB via the public offering described in this white paper is intended to result in the broad dissemination of the YB token among participants engaged in the Web3 space. Such broad dissemination is intended to facilitate decentralization of the YieldBasis network, via a broad and diverse community having the means to access, use, operate, and contribute to YieldBasis, and no single person or group being able to exert overwhelming influence over the network. Upon the conclusion of the public offering and mainnet launch of the YieldBasis protocol, the project also seeks to make secondary trading of YB available to customers of the Kraken trading platform.

What is the fundraising target for the offer to the public?

5000000 USDOLLARUSD

Are oversubscriptions accepted?

No

Describe how oversubscriptions are allocated

Not Applicable

What is the issue price of the crypto-asset?

0.20 USDOLLARUSD

What official currency or other crypto-asset determines the issue price?

US Dollar (USD)

Are there any subscription fees?

No

Explain the method in accordance with which the offer price will be determined

Token Price = \$5m (target raise)/25m (tokens to be sold) = \$0.20

\
Total Supply = \$200m FDV/\$0.20 = 1b YB tokens (total supply)

What is the total number of units of the crypto asset to be offered to the public or admitted to trading?

25,000,000

Who are the targeted holders of the crypto-asset?

Both

Purchasers participating in the offer to the public of crypto-assets will be able to be reimbursed if the minimum target subscription goal is not reached at the end of the offer to the public, if they exercise the right to withdrawal foreseen in Article 13 of Regulation (EU) 2023/1114 or if the offer is cancelled

Provide a detailed description of the refund mechanism when the minimum subscription goal is not reached

Refunds can be requested by emailing contact@yieldbasis.com during the offering until the point that the YB token has been admitted to trading on Kraken.

Provide an expected timeline of when such refunds will be completed

N/A

Provide information about the various phases of the offer to the public of the crypto-asset

The first phase of the offering will be a merit-based pre-sale in which verified KYC'd prospective purchasers can submit applications to the issuer explaining why they should be able to buy YB and be part of the YieldBasis ecosystem. The issuer has allocated 20% of the YB tokens to be offered in the (pre) sale to the merit-based applicants/purchasers. Once the 5,000,000 YB tokens have been allocated to the merit-based purchasers, the public offering to KYC'd purchasers shall open on a first come, first serve basis for the remaining 20,000,000 YB tokens. The project's valuation and token price shall be the same for both the merit-based pre-sale phase and the following first come, first serve offering. \

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Are there any early purchase discounts or pre-public sales?

No

Is the offer time-limited?

Yes

Provide the date for the beginning of the subscription period for the offer to the public

2025-09-11

Provide the date for the end of the subscription period for the offer to the public

2025-09-12

What arrangements are in place to safeguard the funds or other crypto-assets raised during the time-limited offer to the public or withdrawal period?

The following arrangements have been made to safeguard funds or other crypto- assets as referred to in Article 10 of Regulation (EU) 2023/1114 during the time-limited offer to the public or during the withdrawal period. Fiat funds received from purchasers will be held in segregated client accounts and will not be commingled with the issuer's own operational funds. Any crypto-assets received in exchange for YB tokens will be held in dedicated multi-sig wallets, which are segregated from the issuer's operational or treasury wallets. All safeguarded assets shall remain under the control of the issuer (or its appointed custodian) solely for the purposes of the offering, and shall remain available to enable refunds in the event of a failed offering or exercise of withdrawal rights by a purchaser pursuant to Article 12 of MiCAR.

What methods of payment can be used to purchase the crypto-asset?

USDC can be used to purchase YB as part of the public offering. Fiat currencies, BTC, ETH, and other ARTs and EMTs compliantly issued under MiCA can be used to purchase YB on the Kraken trading platform.

What methods are in place to transfer the value of the crypto-assets to the purchasers when they are entitled to reimbursement?

N/A

Provide information regarding the right of withdrawal of purchasers

N/A

Explain the method for transferring the purchased crypto-assets to the holders

KYC'd purchasers send USDC to the YB token sale (escrow) smart contract via their wallet (previously screened for sanctions). At the conclusion of the offering, the sale data is published to the smart contract. The issuer then supplies YB tokens to the sale smart contract and each purchaser is able to claim their purchased YB with their pre-screened wallet.

Explain the time schedule for transferring the purchased crypto-assets to the holders

Immediately upon the conclusion of the public offering (*i.e.* once the entire 25,000,000 tokens have been sold and \$5,000,000 has been raised by Yield Basis AG)

Provide information about the technical requirements that the purchaser must fulfill to hold the crypto asset

ERC-20 wallet

Provide the name of the Crypto-Asset Service Provider (CASP) in charge of placing the crypto-assets

Payward Global Solutions LTD (d.b.a. Kraken)

Provide the Legal Entity Identifier (LEI) of the CASP in charge of placing the crypto-assets

9845003D98SCC2851458

Provide the name of the trading platforms for crypto-assets where admission to trading is sought

Payward Global Solutions LTD (d.b.a. Kraken)

Provide the segment MIC for the trading platform where admission to trading of the crypto-assets is sought

DRSP

Explain how investors can access such trading platforms and any costs involved

Investors can access the trading platform through its website or mobile application, subject to possible KYC-AML/CTF screenings. The use of services offered by Kraken and other trading platforms may involve costs, including transaction and withdrawal fees, as well as other charges. These costs are determined and set by the respective trading platforms and are not controlled, influenced or governed by the issuer. Any changes to fee structures of the trading platform operators or the introduction of new costs are solely at the discretion of these trading platform operators.

Explain any other costs involved

N/A

Explain any potential conflicts of interest of the persons involved in the offer to the public or admission to trading

No conflicts of interest have been identified as of today in relation to the offering of YB tokens nor the admission to trading of YB tokens. All listings decisions made by Payward Global Solution Ltd are made independently by staff of the entity in line with internal policies. PGSL publishes a conflicts of interest disclosure on its website advising of potential conflicts that may arise.

What is the applicable law to the offer to the public of the crypto-asset?

Any dispute relating to this white paper and the offer of YB tokens to the public shall be governed by and construed and enforced in accordance with the laws of Ireland without regard to conflict of law rules or principles (whether of Ireland or any other jurisdiction) that

would cause the application of the laws of any other jurisdiction, irrespective of whether YB tokens qualify as right or property under the applicable law.

What is the competent court for the offer to the public of the crypto-asset?

Any disputes or claims arising out of this white paper and the offer of YB tokens to the public will be subject to the exclusive jurisdiction of the Irish courts.

Information about the crypto-assets

Provide information on the type of crypto-asset that will be offered to the public or for which admission to trading is sought

YB is classified as a crypto-asset other than an asset referenced token or e-money token under MiCA, (EU) 2023/1114.

Describe the functionality of the crypto asset being offered or admitted to trading

The YB token serves as the governance and incentive token within the YieldBasis ecosystem, operating through a sophisticated dual-incentive mechanism. Users can earn YB tokens by staking their ybBTC receipt tokens, forgoing direct BTC-denominated trading fees in exchange for YB emissions that scale based on participation levels.

 YB tokens can be vote-locked to create veYB positions, granting holders voting power over protocol decisions and a share of protocol revenue through a dynamic admin fee. This admin fee automatically adjusts from a minimum of 10% when no one stakes, up to 100% when all ybBTC is staked, creating a natural equilibrium between fee-seeking and governance participation.

Provide information about when the functionalities of the crypto-asset(s) being offered or admitted to trading are planned to apply

All major functionalities shall be active upon public launch of YB, which shall coincide with the YB public offering. No additional functionalities have been publicly announced.

OTHR

What type of submission does this white paper concern?

NEWT = New

Describe the characteristics of the crypto asset

YB characteristics include construction for enhancing yield strategies and eliminating impermanent loss concerns through targeted liquidity management leveraged by strategic financial algorithms.

Provide the website of the issuer

<https://yieldbasis.com/>

When is the starting date or intended starting date of the offer to the public or admission to trading of the crypto-asset?

2025-09-09

When is the effective or intended publication date of this white paper?

2025-09-08

Describe any other services the issuer provides which are not covered by Regulation (EU) 2023/1114 (MiCA)?

None

Provide the segment Market Identifier Code (MIC) of the trading platform operated by the CASP, where available, or its operating MIC

PGSL

What language or languages is this white paper being drafted in?

English

Provide the Digital Token Identifier (DTI) Code used to uniquely identify the crypto-asset or crypto-assets to which the white paper relates

Not Available

Provide the Functionally Fungible Group Digital Token Identifier (FFG DTI) if available

N/A

Is this white paper voluntary in nature?

No

Does the white paper contain personal data?

Yes

Is the issuer eligible for a Legal Entity Identifier (LEI)?

Yes

What is the issuer's home member State in the EU as defined in Article 3 paragraph 33 of Regulation (EU) 2023/1114?

Ireland

What is the issuer's Host Member State in the EU as defined in Article 3 paragraph 34 of Regulation (EU) 2023/1114?

Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Lithuania, Liechtenstein, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden

Rights and Obligations

Describe the rights and obligations of the purchaser of the crypto-asset

Governance Rights: YB tokens can be locked into veYB (vote-escrow YB) to gain governance rights and influence future emissions, following a model similar to Curve Finance's tokenomics. This grants holders voting power over protocol decisions and strategic direction.

Revenue Sharing Rights: veYB holders receive a proportional share of protocol revenue through the dynamic admin fee system. veYB holders capture the admin fee portion (ranging from 10% to 100% depending on staking participation) of all trading fees generated by the underlying BTC/crvUSD pool.

Emission Direction Rights: YB can be locked into veYB to direct emissions and capture yield originating from trading fees, charged from BTC transactions, thus allowing holders to influence where future YB token emissions are allocated within the YieldBasis ecosystem.

Explain the procedure and conditions for the exercise of those rights and obligations

Vote-Locking Process: To exercise governance rights, YB token holders must lock their tokens into the veYB (vote-escrow YB) mechanism. This involves committing tokens for a specified time period in exchange for voting power and revenue sharing benefits.

Voting Power Mechanics: The longer you lock your YB tokens, the greater your voting power becomes. This follows the typical vote-escrow model where time-locked commitments provide proportionally higher governance influence.

Participation Requirements: Unlike holding liquid YB tokens, exercising governance rights requires active participation in the veYB system - trading liquidity for enhanced protocol benefits and decision-making authority.

Provide a description of the conditions under which the rights and obligations may be modified

Rights and obligations attached to YB tokens may be modified through governance votes in which veYB holders are eligible to participate. The influence of each participant in the governance process is based on the amount and duration of YB tokens locked as veYB.

Provide information on any future offers to the public of crypto-assets by the issuer

No future public offers of YB are planned

Provide information on the number of crypto-assets retained by the issuer

250m YB tokens shall be retained by the issuer, subject to a 2 year linear vesting schedule starting from TGE.

Is admission to trading of the crypto-asset sought?

Yes

Explain any restrictions on the transferability of the crypto-assets

YB token holders can lock their YB into veYB for governance access and fee-sharing. Once locked, these tokens are temporarily immobile—but this is a user-initiated mechanism, not enforced by the issuer. Trading platforms may restrict a token holder to transfer YB due to legal or regulatory reasons.

Does the token have protocols for the increase or decrease in supply in response to changes in demand?

No

Does the crypto-asset have a protection scheme in place to protect its value?

No

Does the crypto-asset have compensation schemes in place?

No

What is the applicable law to the crypto-assets?

Republic of Ireland

Which is the competent court to address matters related to the crypto-asset?

Irish courts

Underlying Technology

Provide the basic information of the Distributed Ledger Technology on which the token resides

The YB token will be launched on the Ethereum blockchain.

Describe the protocols and technical standards used for allowing the holding, storing and transfer of the token

YB tokens operate within the Curve CryptoSwap platform protocol, which utilizes automated market maker functionality for managing liquidity pools. Holding, storing, and transferring YB tokens are facilitated according to the ERC-20 standard on Ethereum, supporting full compatibility with standard Ethereum wallets and infrastructure. Pool management practices are designed to mitigate common liquidity management risks associated with decentralized finance protocols.

Provide any other information on the protocols and technical standards used, allowing for the holding, storing and transfer of token

N/A

Describe the consensus mechanism used by the DLT

Ethereum uses a Proof of Stake (PoS) consensus mechanism.

Explain the incentive mechanisms to secure transactions and any applicable fees

Ethereum uses a Proof of Stake (PoS) consensus mechanism where validators must stake at least 32 ETH to participate in block validation, with the network randomly selecting validators to propose and attest to new blocks. Validators are incentivized to secure transactions through block rewards, attestation rewards, and priority fees from users, while facing penalties (slashing) for malicious behavior or extended downtime that can result in partial or total loss of their staked ETH. Users pay gas fees for transaction execution, with a base fee that gets burned (reducing ETH supply) and optional priority fees (tips) that go directly to validators, creating a deflationary mechanism while ensuring validators are compensated for securing the network.

Is the DLT where the token resides operated by the issuer or another third-party operating on the issuer's behalf?

No

Has an audit of the technology been conducted?

Yes

If an audit on the technology used has been conducted, provide information on the audit's outcomes

A total of 6 independent security audits have been commissioned with leading blockchain and smart contract security firms, including ChainSecurity, StateMind, Quantstamp, Pashov, Electisec, and MixBytes.

Five audits have been fully completed, covering the core protocol (AMM architecture, governance logic, and yield mechanics), the YB token contract, and associated helper modules.

The 6th audit, conducted by MixBytes and focused primarily on the DAO governance module and the YB token contract, has been completed at the code review stage. The final deployment review will take place prior to the official mainnet launch to verify contract addresses, initialization parameters, and network-specific configurations.

All audit findings to date including informational and minor issues have been addressed and verified through re-audits.

Current audit reports, summaries and the final MixBytes deployment verification report to be published on the docs.yieldbasis.com website immediately before the mainnet launch of YieldBasis.

Sustainability Indicators

Provide the token's ticker (e.g. BTC for Bitcoin)

YB

 Ethereum (Network) Proof of Work (PoW) Data based on readings taken from 02/09/2022 to 15/09/2022			
Energy	Energy consumption 22290068024.72486 kWh	Renewable energy consumption 40.9575 %	Energy intensity 2.12998 kWh
GHG Emissions	Scope 1 - Controlled 0 tCO ₂ e	Scope 2 - Purchased 11964014.29191 tCO ₂ e	GHG intensity 1.14325 kgCO ₂ e

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Provide information on the sustainability indicators in relation to adverse impact on the climate and other environment-related adverse impacts

In terms of sustainability and environmental impact, the YieldBasis protocol's operations are largely dependent on the underlying Ethereum blockchain, specifically since its transition to Proof-of-Stake (PoS) consensus mechanism. This transition drastically reduced Ethereum's energy consumption by approximately 99.95%, making it vastly more energy-efficient than its PoW predecessor or PoW chains like Bitcoin. As a result, Yield Basis, built on Ethereum, benefits from this significantly lower energy footprint. PoS validators require less energy than PoW miners, making it more feasible to power nodes with renewable energy sources like solar or wind power. This potential for "greener" operations further enhances the sustainability profile of the YieldBasis protocol.