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BILLIONS NETWORK

WHITE PAPER

This White Paper has been prepared in collaboration with ATH21 law firm.

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I. Compliance with information obligations

N		Content
00	Index	
01	Date of notification	2025-10-14

02	**Declaration of conformity with Article 6(3) of Regulation (EU) 2023/1114**	This white paper on crypto assets has not been approved by any competent authority in any European Union member state. The crypto asset provider is solely responsible for the content of this technical report on crypto assets.
03	**Declaration of conformity with Article 6(6) of Regulation (EU) 2023/1114**	This crypto asset white paper complies with Title II of Regulation (EU) 2023/1114 and, to the best of the management body's knowledge and belief, the information presented in the crypto asset white paper is fair, clear, and not misleading, and the crypto asset white paper does not contain any omissions that could affect its materiality.
04	**Declaration of conformity with Article 6(5)(a), (b), and (c) of Regulation (EU) 2023/1114**	The crypto asset referred to in this crypto asset white paper may lose some or all of its value, may not always be transferable, and may not be liquid.
05	**Declaration of conformity with Article 6(5)(d) of Regulation (EU) 2023/1114**	TRUE, the utility token mentioned in this white paper may not be redeemable for the goods or services promised in the crypto asset white paper, especially in the event of failure or discontinuation of the crypto asset project.
06	**Declaration of conformity with Article 6(5)(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 provided for in Directive 97/9/EC of the European Parliament and of the Council or by the deposit guarantee schemes provided for in Directive 2014/49/EU of the European Parliament and of the Council.

II.

N		Content
07	**Warning pursuant to 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	**Features of crypto asset**	$BILL is an ERC-20 token on Ethereum Mainnet; its utility operates within the Billions Layer-2 zk-rollup. It facilitates access to advanced features within the BILLIONS ecosystem, including credential verification, access to reputation-linked staking programs, reduced fees on certain services, and participation in token buyback and lockup mechanisms. The token has a fixed supply of 10,000,000,000 $BILL, with no plans to create new tokens through inflationary mechanisms. The economic design is based on a deflationary model, in which periodic token buybacks and their subsequent locking in "vaults" progressively reduce the circulating supply. Within the BILLIONS ecosystem, the $BILL token functions as a utility token that allows holders to access: - Discounts on credential verification fees. - Participation in staking programs to earn rewards. - Access to additional features (e.g., reputation, access to exclusive pools, participation in incentive programs). - Possibility of using $BILL as collateral in certain operations within the ecosystem. These features are exclusively linked to the services of the BILLIONS platform, ensuring that the value and use of the token remain integrated into its infrastructure. Under Regulation (EU) 2023/1114 (MiCA), the $BILL token is classified under the category "other crypto-assets," specifically in the utility token subcategory. It is not an asset-referenced token or an electronic money token, as it is not linked to specific assets or backed by currency to maintain a stable value.

09		<u>BILLIONS services accessible with the $BILL token:</u> As previously mentioned, it provides access to the following services: Access to verified credentials: $BILL tokens can be used to pay issuance and verification fees on the network. Staking and reputation: Participation in staking mechanisms that reinforce digital reputation and provide additional benefits (e.g., higher verification volume, access to exclusive pools). Commission discounts: Reduction in fees for certain services: - Verification Fees: Users and attesters staking BILL tokens receive discounts on credential verification fees (DID/VC issuance and validation). - Agent Onboarding: AI agents integrated into the Deep Trust framework benefit from reduced fees when registering and maintaining verifiable credentials.

		- Cross-network Services: Vendors and ecosystem partners who settle payments in BILL obtain fee rebates for interoperability services (bridging, multi-chain verification). - Governance/Participation: Long-term stakers receive additional reductions when accessing premium governance modules or ecosystem programs. Participation incentives: Rewards in $BILL for active users who contribute to the ecosystem (attesters, vendors, AI agents). Access to exclusive services: Opportunity to participate in loyalty programs, promotions, and other future initiatives.
10	**Key information about the public offering**	The $BILL token is a utility token issued on the Ethereum network, with a fixed supply of 10,000,000,000 $BILL. Its economic model is deflationary, as no additional tokens are expected to be created, and the progressive reduction of the circulating supply is ensured through buyback and vault mechanisms. The purpose of the admission to trading of $BILL is to distribute part of the total supply among the user community, allowing both retail and institutional investors to access the BILLIONS network on equal terms. The distribution complies with the provisions of Regulation (EU) 2023/1114 (MiCA), ensuring transparency and buyer protection. The main technical and economic parameters of the $BILL token are summarized in the following table:

Concept	Detalles
Total token supply	10,000,000,000 $BILL
Allocation model	Phased distribution, including: Community 35%, Contributors 22%, Foundation Reserves 18%, Investors 15%, Ecosystem Fund 10%;
Target holders	Retailers and institutions interested in digital identity and verification services on blockchain.

Part A: Information about the offeror or the person requesting admission to trading

N		Content
A.1	**Name**	ZKID LABS AG (hereinafter, "BILLIONS")
A.2	**Legal form**	N/A as the LEI is provided in A.6
A.3	**Registered address**	Baarerstrasse 98, 6300 Zug
A.4	**Head office**	N/A since the IPJ is provided in A.6
A.5	**Registration date**	2022-08-03
A.6	**Legal entity identifier**	CH-170.3.047.590-2
A.7	**Another identifier required pursuant to applicable national law**	N/A
A.8	**Contact telephone number**	N/A
A.9	**E-mail address**	hello@billions.network; cex@billions.network
A.10	**Response time (days)**	20 days
A.11	**Parent company**	N/A
A.12	**Members of the management body**	<table><tr><th>Identity (names or other identifiers)</th><th>Commercial address</th><th>Functions of the members of the administrative body of the person requesting admission to trading</th></tr><tr><td>David Suarez Quesada</td><td>Oberageri, Switzerland</td><td>Sole Shareholder and founder</td></tr></table>
A.13	**Business activity**	Purpose/Strategy/Vision: BILLIONS aims to become the leading infrastructure for verifiable identity and digital trust in decentralized ecosystems, guaranteeing the security and reputation of both human agents and artificial intelligence agents. The strategy focuses on offering a long-term trust framework, with economic incentives aligned with value creation for the various participants. Company objective/business model:

		BILLIONS' business model is based on the development of a second-layer (Layer 2) blockchain network that enables the issuance, validation, and reuse of digital credentials. The network incorporates a tokenized incentive system ($BILL) that ensures economic sustainability through verification fees, staking rewards, and a deflationary model with token buybacks and lockups. Expected income will mainly come from verification fees paid in $BILL, with additional revenues from enterprise integrations and B2B credential services. Strategic partners include Web3 infrastructure providers, compliance/legal advisors, and market makers to support adoption and liquidity. Secondary lines of business may include premium identity services, white-label credential frameworks for enterprises, and monetization of agent reputation data. Products/services: BILLIONS' main focus is on providing scalable and secure solutions for digital credential management, preventing fraud, reducing regulatory compliance costs, and improving interoperability between applications and organizations. Specifically, it offers the following services/products: - Blockchain infrastructure for identity and credential verification. - Staking services linked to reputation and digital trust. - Privacy tools based on zero-knowledge proofs (ZKP). - Incentive programs for users, validators (attesters), integrator companies, and AI agents. - Enterprise APIs and SDKs for seamless integration of verifiable credentials into existing platforms. - Cross-chain interoperability services enabling credential portability across ecosystems. - Premium governance and participation modules for stakeholders with long-term staking commitments. Target markets: Target markets include: - Web3 ecosystems: blockchain projects, DeFi platforms, and DAOs requiring trusted credential verification. - Enterprises and corporates: companies seeking to reduce regulatory compliance costs through reusable KYC/AML and digital trust infrastructure. - AI ecosystems: marketplaces and platforms integrating AI agents that need verifiable identity and reputation systems. - Public sector and regulators: governments and supranational institutions exploring trusted identity frameworks for compliance and interoperability.

		- End users: individuals who benefit from privacy-preserving, portable digital credentials across multiple services and applications. Priority regions: - European Union: focus on MiCA compliance, GDPR alignment, and collaboration with EU-based enterprises and regulators. - Middle East (UAE, Saudi Arabia, Qatar): high adoption of blockchain identity and favorable regulatory environments for Web3 and AI. - North America: strategic enterprise adoption and partnerships, while respecting jurisdictional restrictions on token sales (e.g., U.S. exclusions). - Asia-Pacific: ecosystems in Singapore, Hong Kong, South Korea, and Japan with strong fintech and AI integration. - Latin America: emerging markets with demand for digital identity, financial inclusion, and cross-border interoperability. The activities are aimed at: - Institutional and retail investors interested in regulated blockchain projects. - Technology and financial companies that require identity verification and KYC/AML compliance solutions. - Organizations that integrate artificial intelligence agents and require trusted infrastructures to interact in decentralized environments.
A.14	**Parent company business activity**	
A.15	**Newly established**	False
A.16	**Financial condition for the past three years**	During the period 2022-2024, the company evolved from its initial incorporation and operational setup phase to the active development and integration of its identity verification technology and related token infrastructure. FY 2022-2023: The company recorded total operating expenses of CHF 10,361, primarily consisting of consulting and legal services (CHF 5,499), accounting (CHF 3,149), and general administration (CHF 1,722). No operating revenues were generated during this early stage, wrestling in a net loss of CHF 10,500. FY 2023-2024: The company began generating operational revenue amounting to CHF 424,845, reflecting the first commercial activity linked to service provision. The gross profit was negative (CHF -5,885,172), mainly due to development and programming costs associated with scaling the identity protocol and the upcoming Billions Layer-2 network.

		Total operating expenses reached CHF 1,358,158, driven by higher consulting and marketing costs (CHF 255,906), accounting (CHF 131,948), and administration (CHF 15,947). The resulting net loss for the year was CHF 7,374,474, attributable to ongoing R&D investment and pre-launch infrastructure costs. At the end of 2024, the balance sheet totalled CHF 7,413,367, including: - Current assets: CHF 351,716 - Non-current assets: CHF 7,061,651 (mainly capitalized development costs, goodwill, and trademarks). - Total liabilities: CHF 14,698,341, including long-term loans These financial results are consistent with the company's growth stage, characterized by high R&D expenditure and limited short-term revenue generation, in preparation for the commercial launch of its decentralized identity and token infrastructure.
A.17	**Financial condition since registration**	Since registration, the company has relied primarily on shareholder and related-party funding to support its ongoing operations and product development. The capital structure includes a share capital of CHF 100.000, with long-term subordinated loans. The company's intangible assets, including capitalized development costs (CHF 5,589,863), goodwill (CHF 999,328), and trademarks (CHF 997), reflect the technological foundation of the company and BILLIONS ecosystem. As of the latest reporting period, the company maintains less than ten full-time positions, relying on specialized external developers and consultants. All financial statements are denominated in Swiss Francs (CHF), with crypto and foreign currency items translated according to the Swiss Federal Tax Administration's official year-end rates. The financial resources and strategic partnerships currently in place are deemed sufficient to sustain ongoing development, regulatory compliance, and the admission to trading of the $BILL utility token within the planned timeframe.

Part B: Information on the issuer, if different from the offeror or the person requesting admission to trading

This section is not applicable since the issuer and the person requesting admission to trading are the same party.

Part C: Information on the trading platform operator in cases where it prepares the crypto-asset white paper [e] information on other persons who prepare the crypto-asset white paper in accordance with the second subparagraph of Article 6(1) of Regulation (EU) 2023/1114

This section is not applicable.

Part D: Information about the cryptoasset project

N		Content
D.1	**Crypto-asset project name**	Billions Network
D.2	**Crypto-assets name**	Billions Network Token ($BILL)
D.3	**Abbreviation**	$BILL

D.4	**Crypto-asset project description**	The BILLIONS.NETWORK project is a second-layer (Layer-2) blockchain infrastructure focused on verifiable identity and digital trust for human users and artificial intelligence agents. Its main objective is to establish a scalable, interoperable, and resilient trust framework that enables secure interactions and verifiable reputation in decentralized ecosystems. The $BILL token functions as a utility token within the network, facilitating access to services such as: - Issuance and validation of verifiable credentials (VCs). - Decentralized identifier (DID) management. - Use of zero-knowledge proofs (ZKPs) to ensure privacy and security. - Participation in staking mechanisms linked to reputation, rewards, and preferential access to certain ecosystem services. Unlike payment or general-purpose tokens, $BILL is not electronic money or a financial instrument, but is specifically designed to strengthen digital trust in decentralized environments, aligning economic incentives with network security and transparency. The architecture of BILLIONS is based on advanced consensus technologies Ethereum Proof of Stake (PoS) + Zero-Knowledge Rollup architecture, which guarantee energy efficiency, scalability, and fault tolerance. In addition, the project incorporates functionalities aimed at its expansion into various sectors, such as age verification and bot protection in gaming and social media and trusted and privacy-preserving interaction with artificial intelligence. Other aspects to consider regarding the project are as follows: - Regulatory compliance: The project is designed to be fully compliant with MiCA, and all token issuance and trading procedures adhere to key European regulatory standards. - Launch method: The launch will follow a phased strategy: first, a public token generation event (TGE) with approximately 30% of total supply circulating at launch, ensuring liquidity and accessibility. This will be complemented by initial CEX listings, market maker support, and a staking-based distribution model that rewards early adopters and ecosystem participants. A progressive expansion of utility will follow, integrating staking rewards, credential verification fees, and ecosystem partnerships. - Inspiration: Billions was born from the need to solve a critical gap in Web3 and AI ecosystems: the lack of verifiable, privacy-preserving identity. Inspired by the growing challenges of fraud, Sybil attacks, and misinformation, the founders

		envisioned a scalable infrastructure to provide digital trust at internet scale. The rise of AI agents further highlighted the urgency for a system where both humans and machines can prove identity and reputation without compromising privacy. - Singularity: Billions is unique because it bridges verifiable human identity and AI agent identity in a unified framework. Unlike other identity projects, it combines zero-knowledge cryptography, reusable credentials, and an incentive-aligned token ($BILL) to ensure both adoption and sustainability. The Deep Trust framework makes Billions the first infrastructure designed specifically for the age of human–AI collaboration, positioning it as the standard layer for trust in a decentralized and AI-driven internet.
D.5	**Details of all natural or legal persons involved in the implementation of the cryptoasset project**	see table below
D.6	**Utility Token Classification**	True - Yes
D.7	**Key features of Goods/Services for Utility token projects**	The $BILL token acts as a utility token within the Billions Layer-2 network, providing access to the ecosystem's main goods and services. Its uses include: - Payment for digital identity services: The $BILL token is used to cover the fees associated with the issuance, verification, and validation of digital credentials within the network. - Staking with additional benefits: Users who lock $BILL in staking will be able to obtain discounts on fees, priority in credential verification, and greater benefits within the network.

Full name	Function	Address
Mithai	TGE advisor	George Town, Grand Cayman, Cayman Islands
David Suarez	Founder and CPO	Oberaegeri, Switzerland
Evin McMullen	CEO	Santa Monica, CA, USA
Oleksandr Brezhniev	CTO	Matosinhos, Portugal
Alex Rosales	CMO	Barcelona, Spain
Miriam Sancho	COO	Barcelona, Spain

		- Reward distribution: A portion of the general commissions on the network is distributed in $BILL among stakers, encouraging commitment and participation. - Deflationary mechanism: The project adopts a deflationary model based on buyback-and-lock strategies. A portion of the revenues generated within the ecosystem may be periodically used to repurchase tokens from the market and lock them in dedicated vaults, effectively reducing circulating supply while maintaining flexibility and long-term sustainability. - Access to community programs: $BILL holders will have access to exclusive incentives, such as loyalty programs, partner benefits, and participation in community initiatives. - Additional yield: Users who maintain $BILL in extended staking may receive additional bonuses in the form of rewards and reputation, increasing the token's utility beyond its transactional function. - Digital reputation linked to staking: Staking $BILL not only provides economic benefits, but also a verifiable reputational boost through soulbound credentials or trust badges recognized throughout the ecosystem. - Use as collateral or optional payment: In addition to the use of ETH as gas on Billions L2, $BILL may be used as an alternative means of payment or as collateral required for attesters and agents participating in the system. - Premium privacy services: $BILL enables access to advanced services based on ZKPs (zero-knowledge proofs), allowing private and secure verifications that preserve the confidentiality of users and agents.
D.8	**Plans for the token**	Phase 1 (2024 – early 2025): Preparation and foundation - Development of the Deep Trust framework: verifiable identity model for humans and AI agents. - Definition of tokenomics: fixed supply, deflationary through buyback-and-lock (vaults), staking without initial slashing. - Legal and operational preparations: foundation structure and entities to issue the token. - Initial audits of contracts and architecture. Phase 2 (2025): Token launch and network activation - Token Generation Event (TGE) and initial distribution (float, investors, foundation, community). - Initial listings on CEX/DEX and agreements with market makers.

		- First incentives: airdrops, staking programs, rewards for using credentials. - Integration with dApps and exchanges for KYC verifications and humanity tests. Phase 3 (2025-2026): Expansion of use cases and ecosystem - Growth of the ecosystem with strategic partners (DeFi, gaming, fintech). - Reusable credentials with smart monetization (recurring revenue from verifications). - Extended staking for users, attesters, vendors, and AI agents, with linked digital reputation. - Programmatic buybacks and vault lockups funded by stablecoin fees. - Expansion of community programs: grants, rewards, cross-app loyalty. Phase 4 (2026 onwards): Decentralization and governance - Introduction of progressive governance mechanisms with the $BILL token. - Decentralization of treasury towards a community DAO. - Cross-chain compatibility for verifiable identity across multiple networks. - Development of premium privacy and AI safety services based on ZKPs. - Regular publication of reserve proofs and transparency regarding the treasury and ecosystem funds.
D.9	**Resource allocation**	Non-financial contributions: - Team experience: dedication of working hours and specialized know-how by a team with a track record in developing blockchain solutions, decentralized digital identity, and verifiable trust systems. - Ongoing research and development: R&D efforts focused on building the Layer-2 network, integrating verifiable credentials (VCs) and zero-knowledge proofs (ZKPs), and defining a robust tokenomics and governance framework. Financial investments:

		- Technical development: funds allocated to the implementation of Layer-2 infrastructure, the decentralized identity system, and the support tools necessary for the scalability of the ecosystem. - Regulatory and legal framework: investment in legal preparation, regulatory compliance (including MiCA), and the development of essential documentation such as the White Paper and the tokenomic design of the $BILL token. - Initial capital from founders and investors: contributions intended to finance the network architecture and lay the groundwork for strategic alliances with technology and industry partners.
D.10	**Planned use of Collected funds or crypto-Assets**	Not applicable, as this white paper was drawn up for the admission to trading and not for collecting funds for the crypto-asset-project.

Part E: Information on the public offering of cryptoassets or their admission to trading

N	Campo	Contenido
E.1	**Public offering or admission to trading**	ATTR This white paper refers to admission to trading of $BILL tokens.
E.2	**Reasons for public offer or admission to trading**	The admission to trading of $BILL tokens aims to drive the development and consolidation of the BILLIONS NETWORK ecosystem, focused on providing decentralized identity and digital trust for use by humans and artificial intelligence agents. In particular, the resources generated will be allocated to: - Fund the technical development of the Layer-2 network and the decentralized identity system. - Consolidate the Deep Trust framework, based on verifiable credentials (VCs), decentralized identifiers (DIDs), and zero-knowledge proofs (ZKPs). - Cover legal and regulatory costs, including the preparation of the White Paper and the design of tokenomics, in accordance with MiCA. - Encourage community participation and growth, promoting the adoption of the token as a central element of the network. - Laying the groundwork for the future admission to trading of $BILL tokens, with the aim of strengthening their liquidity, expanding market accessibility, and promoting the integration of the ecosystem into the European Economic Area (EEA). In this way, the admission seeks to ensure liquidity, scalability, interoperability, and resilience of the project in the long term.
E.3	**Fundraising target**	Not applicable
E.4	**Minimum subscription goals**	Not applicable
E.5	**Maximum subscription goals**	Not applicable
E.6	**Oversubscription acceptance**	False

E.7	**Oversubscription allocation**	Not applicable
E.8	**Issue price**	Not applicable
E.9	**Official currency or any other crypto-assets determining the issue price**	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public.
E.10	**Subscription fee**	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public.
E.11	**Offer price determination method**	Not applicable
E.12	**Total number of offered/traded crypto assets**	3.000.000.000.000
E.13	**Targeted holders**	ALL
E.14	**Holder restrictions**	KYC/AML Compliance: KYC and AML verification will be conducted by the regulated Trading Platform or third-party platforms through which $BILL tokens are admitted to trading. Failure to comply with these procedures may result in the freezing of funds, rejection of contributions, cancellation or redemption of tokens, or any other measures that the Trading Platforms deem necessary to ensure compliance with applicable regulations.
E.15	**Reimbursement notice**	Not applicable
E.16	**E.16 Refund mechanism**	Not applicable
E.17	**Refund timeline**	Not applicable
E.18	**Offer phases**	Not applicable
E.19	**Early purchase discount**	Not applicable
E.20	**Time-limited Offer**	Not applicable
E.21	**Subscription period beginning**	Not applicable
E.22	**Subscription period end**	Not applicable
E.23	**Safeguarding arrangements for offered funds/crypto- Assets**	Not applicable

E.24	**Payment methods for crypto-asset purchase**	The payment methods are subject to the respective capabilities of the Crypto Asset Service Provider listing the crypto-asset.
E.25	**Value transfer methods for reimbursement**	Not applicable
E.26	**Right of withdrawal**	Not applicable, as this white paper is written to support admission to trading and not for the initial offer to the public.
E.27	**Transfer of purchased crypto-assets**	Not applicable
E.28	**Transfer time schedule**	Not applicable
E.29	**Purchaser's technical requirements**	Not applicable
E.30	**Crypto-asset service provider (CASP) name**	Not applicable
E.31	**CASP identifier**	Not applicable
E.32	**Placement form**	NTAV
E.33	**Trading platforms name**	The $BILL token will be accessible to the public through leading centralized exchanges (CEXs) with which the issuer is in advanced discussions.
E.34	**Trading platforms Market Identifier Code (MiC)**	Not applicable
E.35	**Trading platforms access**	The $BILL token will be accessible to the public through leading centralized exchanges (CEXs) with which the issuer is in advanced discussions. Investors will be able to access Trading Platforms through their websites and mobile apps. To trade $BILL, users should register, complete KYC (Know Your Customer) verification, and comply with Trading Platform's specific requirements.
E.36	**Involved costs**	This depends on the trading platform.
E.37	**Offer expenses**	Not applicable
E.38	**Conflicts of interest**	Token allocation to the team. Founders and major contributors may have token allocations, which can lead to potential conflicts if their personal interests diverge from the community's goals. Advisors. Some advisors may receive compensation in the form of tokens, which could also give rise to a risk of conflicts of interest. Mitigation measures. To reduce these risks, vesting periods and lock-up clauses will be applied to internal allocations, as well as transparent governance mechanisms to ensure alignment with investor interests.
E.39	**Applicable law**	Not applicable

E.40	**Competent court**	Not applicable

Part F: Information on crypto assets

N		Content
F.1	**Crypto-asset type**	<u>Token description and classification:</u> The $BILL crypto asset is a utility token designed to operate within the Billions Network ecosystem, a Layer-2 network focused on verifiable identity and digital trust for human users and artificial intelligence agents. Its main function is to serve as a unit of access and participation in the network, enabling verifiable reputation mechanisms, staking programs, incentives for credential validation, and a token buyback model linked to protocol usage.
F.2	**Crypto-asset functionality**	The $BILL token acts as a utility token within the BILLIONS NETWORK ecosystem, whose purpose is to enable access to essential services of verifiable identity, digital reputation, and trust in decentralized environments. The main uses and functionalities of the token are as follows: - Access to identity and reputation services: $BILL enables users and AI agents to interact on the network through verifiable credentials (VCs) and reputation mechanisms supported by staking. - Staking and participation in the ecosystem: $BILL holders can lock tokens to obtain benefits such as increased reputation, access to advanced features, and rewards linked to network usage. - Incentives for credential validation: the token is used to reward participants who act as validators or attesters in verification processes. - Repurchase and supply reduction mechanisms: a portion of the protocol's revenue is allocated to repurchasing $BILL on the market, reinforcing the sustainability of the model through deflationary dynamics. - Access to premium ecosystem features: tokens can be used to unlock additional services, exclusive benefits, or preferential conditions when using the network.

F.3	**Planned application of functionalities**	The intended application of the $BILL token focuses on enabling and strengthening the BILLIONS ecosystem as already mentioned, allowing immediate access to services linked to decentralized identity (DID), the issuance and validation of verifiable credentials (VCs), and the use of zero-knowledge proofs (ZKPs). <u>Initial activation after distribution:</u> From the moment of distribution, the tokens will be available for use within the BILLIONS network, allowing immediate access to services linked to decentralized identity (DID), the issuance and validation of verifiable credentials (VCs), and the use of zero-knowledge proofs (ZKPs). <u>Planned developments in the short and medium term:</u> The development of the $BILL token will follow a progressive utility expansion model. Initially, the token will be used for payment of verification fees and basic staking functions. Over time, additional use cases will be enabled, including fee discounts for ecosystem participants, variable staking rewards based on reputation, and incentive programs for validators, vendors and AI agents. Supply control mechanisms, such as buybacks and vault lockups, aim to manage circulating supply and support long-term token value. In later stages, $BILL will also serve as the governance token of the network, granting voting rights and decision-making power over ecosystem parameters. In the months following its launch, functionality is expected to be expanded through: - Integration of strategic partners to reinforce the adoption of decentralized identities. - Implementation of premium services with verifiable reputation based on $BILL. - Advanced tokenomics tools that encourage user participation and engagement in the network. Long-term vision: BILLIONS NETWORK's vision is for $BILL to become a key element in a scalable, interoperable, and resilient digital trust framework, with applications in both business and institutional environments, always ensuring regulatory compliance (especially in accordance with MiCA regulations) and maximum user protection. Billions aims to become the global trust layer for humans and AI, enabling identity and reputation to be seamlessly portable across applications, blockchains, and real-world sectors. In the long run, Billions envisions an open network of trust registries where humans and AI agents interact securely, with tokenized incentives ensuring sustainability. The goal is for Billions to be the default infrastructure for verifiable credentials and digital trust in the age of AI.

A description of the characteristics of the crypto-asset, including the data necessary for the 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**	OTHR
F.5	**The type of submission**	NEWT = NEW
F.6	**Crypto-asset characteristics**	1. General characteristics: - Name: Billions Network Token ($BILL) - Type: Utility token, not classified as an asset-referenced token (ART) or electronic money token (EMT). - Blockchain: Own network, Billions Network (Layer-2). - Total supply: 10,000,000,000 - Token standard: ERC20-Mainnet 2. Classification according to MiCA (Regulation (EU) 2023/1114): The $BILL token is classified as a cryptoasset other than an asset-referenced token or an electronic money token. Its primary function is to enable secure interactions and digital trust services within the Billions Network ecosystem. 3. Main functionality: The $BILL token is designed to: - Access decentralized identity (DID) services - Participate in a digital trust framework based on verifiable credentials (VCs) and zero-knowledge proofs (ZKPs). - Enable verifiable reputation and secure interaction between human users and artificial intelligence agents. - Ensure interoperability and scalability in a second-layer blockchain environment. Functionality activation date: The token's functionality as a utility token will be enabled after its distribution to participants, which is expected to take place within [...]. 4. Purpose and narrative: The goal of $BILL is to serve as the core element of the Billions Network, fostering a reliable, transparent, and resilient ecosystem that drives digital trust in decentralized environments.
F.7	**Commercial name or trading name**	BILLIONS NETWORK Token ($BILL)
F.8	**Website of the issuer**	https://billions.network/
F.9	**Starting date of offer to the public or admission to trading**	November 17, 2025

F.10	**Publication date**	November 17, 2025
F.11	**Any other services provided by the issuer**	N/A
F.12	**Language or languages of the crypto-asset 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**	Not applicable
F.14	**Functionally fungible group digital token identifier, where available**	Not applicable
F.15	**Voluntary data flag**	False
F.16	**Personal data flag**	False
F.17	**LEI eligibility**	Not applicable
F.18	**Home Member State**	Spain
F.19	**Host Member States**	Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Germany, Sweden.

Part G: Information on rights and obligations related to crypto assets

N		Content
G.1	**Purchaser rights and obligations**	Buyers' rights: - $BILL tokens are strictly configured as utility tokens within the Billions Network ecosystem, intended to provide access to functionalities linked to decentralized identity, verifiable credentials (VCs), decentralized identifiers (DIDs), and zero-knowledge proofs (ZKPs).

		- The acquisition of tokens does not confer any ownership rights, profit sharing, political rights, voting rights, or any other rights similar to those associated with securities or debt instruments. - Buyers shall have the right to receive clear, transparent, and up-to-date information, in line with the requirements of Regulation (EU) 2023/1114. Obligations of buyers: - Buyers must provide accurate and complete information during the registration process, including the data required to comply with anti-money laundering and counter-terrorist financing (AML/CFT) obligations.
G.2	**Exercise of rights and obligations**	Not applicable
G.3	**Conditions for modifications of rights and obligations**	In the event that extraordinary circumstances require modifications, BILLIONS will immediately notify all participants. Any changes will be applied in strict compliance with Regulation (EU) 2023/1114 (MiCA) and other applicable European Union regulations, and will be reflected in an updated version of this White Paper.
A description of the characteristics of the crypto-asset, including the data necessary for the 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.		
G.4	**Future public offers**	Not applicable
G.5	**Issuer retained crypto-assets**	The total supply of $BILL tokens amounts to 10,000,000,000. The planned distribution is organized into different categories, with the aim of guaranteeing initial liquidity, encouraging community participation, and ensuring the long-term sustainability of the project. 1.- Community (35%) - 9% unlocked at the Token Generation Event (TGE): distributed as follows - 5% for Kaito integration, 3% for centralized exchange (CeX) liquidity, and 1% for symbolic airdrops and incentives. - The remaining 26% will be emitted over a 4-years period, front-loaded during the bootstrap phase to promote early adoption and network engagement. 2.- Foundation reserves (18%) - 11% unlocked at TGE to provide operational and liquidity support. - The remaining 7% will remain locked, with the vesting schedule starting only after Year 2, ensuring sustainable development and long-term stability. 3.- Ecosystem Fund (10%)

		- Fully unlocked at TGE, intended for the development of strategic partnerships, platform expansion, and technological enhancements within the Billions Layer-2 infrastructure. 4.- Contributors (22%) - Subject to a one-year cliff, followed by a linear vesting schedule across Years 2 to 4. 5.- Investors (15%) - Subject to a 6 to 12 month cliff, followed by a linear vesting period ranging from 24 to 30 months, depending on the investment round. - This structure ensures investor alignment with the project's growth and network maturity.
G.6	**Utility token classification**	TRUE
G.7	**Key features of goods/services of utility tokens**	The $BILL token is strictly configured as a utility token, as already indicated, intended to play a central role within the BILLIONS ecosystem. Its main function is to enable access to services and technological functionalities linked to the development of the Layer-2 network and the decentralized identity system. In particular, token holders will be able to: - Access the decentralized identity system (DID): by using $BILL, users will be able to interact with the Deep Trust framework, which incorporates technologies such as zero-knowledge proofs (ZKPs), verifiable credentials (VCs), and decentralized identifiers (DIDs), ensuring greater security and privacy in digital transactions. - Participate in the adoption and expansion of the ecosystem: the token is designed to incentivize active participation in the network, facilitating user integration and promoting the consolidation of the infrastructure developed around BILLIONS. - Supporting the sustainability of the project: part of the tokenomic structure provides for $BILL to be used in technical governance schemes or incentives that strengthen the stability and growth of the ecosystem (e.g., sustainability mechanisms such as staking or buyback-and-lock programs, if implemented). Consequently, the token does not confer any financial rights, profit-sharing rights, or stock-related rights, but is exclusively intended for use within the BILLIONS technological ecosystem.
G.8	**Utility tokens redemption**	Redemption mechanism: $BILL tokens can be used within the ecosystem to access key technological features, including decentralized identity management (DIDs), the use of verifiable credentials (VCs), participation in the Deep Trust framework, and access to services enabled on the network.

		Process: The exchange of tokens will be carried out exclusively through the BILLIONS NETWORK infrastructure, with all transactions recorded on the corresponding blockchain and, where applicable, supported by zero-knowledge proofs (ZKPs) to ensure security and transparency.
G.9	**Non-trading request**	False
G.10	**Crypto-assets purchase or sale modalities**	Not applicable
G.11	**Crypto-assets transfer restrictions**	Admission to trading The $BILL admitted to trading on the Billions Layer-2 will be freely transferable once their initial distribution has been completed on the Ethereum Mainnet. Holders may, where applicable, transfer the tokens to other compatible networks using bridge mechanisms, provided that interoperability with the applicable technical standards is ensured ERC-20. Internal assignments with lock-up: Allocations of $BILL intended for the founding team, advisors, ecosystem incentives, marketing, or strategic reserves will be subject to pre-established vesting schedules. These mechanisms are intended to prevent the immediate liquidation of large volumes of tokens and ensure a long-term commitment to the development of the project. Jurisdictional restrictions: The transfer of $BILL may be restricted or prohibited in certain jurisdictions where local regulations impose restrictions on the trading of crypto assets. Holders are responsible for complying with the applicable regulations in their place of residence. Wallet compatibility: $BILL must be kept in wallets that are compatible with the BILLIONS Layer-2 network Ethereum Mainnet, and with the supported standards ERC-20. Transferring to incompatible wallets may result in the permanent loss of tokens. Secondary market restrictions: $BILL may face restrictions on secondary market trading depending on the platform and applicable regulations. The team may impose temporary or permanent transfer restrictions to ensure compliance with regulatory frameworks and protect the integrity of the market. These transfer restrictions are designed to protect both the purchasers and the broader ecosystem, ensuring that the $BILL token remains compliant with legal obligations and functions securely within its intended use.

G.12	**Supply adjustment protocols**	False
G.13	**Supply adjustment mechanisms**	Deflationary mechanism: The project implements a buyback-and-lock policy. A portion of the tokens used in specific transactions within the platform may be repurchased by the issuer and locked in vaults, gradually reducing the circulating supply and supporting the long-term stability of the token's value.
G.14	**Token value protection schemes**	True
G.15	**Token value protection schemes description**	Vesting control: Internal allocations (e.g., team, seed rounds, advisors) will be subject to lock-up periods and gradual release schedules (vesting). These mechanisms seek to align the incentives of issuers and key contributors with those of the community, preventing immediate mass sales after the TGE. Liquidity provision: A specific portion of the total supply will be reserved for liquidity provision on decentralized exchanges. This will allow for adequate market depth and promote price stability through market making mechanisms.
G.16	**Compensation schemes**	False
G.17	**Compensation schemes description**	Not applicable
G.18	**Applicable law**	Any dispute arising out of or in connection with this White Paper and the $BILL Token shall be governed exclusively by the laws of Switzerland, without regard to conflict of law rules or principles, except to the extent that such disputes are governed by applicable law pursuant to the terms and conditions of the respective Trading Platform on which $BILL Token has been admitted for trading.
G.19	**Competent court**	Subject to applicable mandatory regulations, any dispute arising in connection with this White Paper or with $BILL, including those relating to its validity, nullity, breach, or termination, shall be submitted to the exclusive jurisdiction of the Courts and Tribunals of Switzerland, except to the extent that such disputes are subject to a dispute resolution mechanism set forth in the terms and conditions of the respective Trading Platform on which the $BILL Token has been admitted for trading.

Part H: Information on the underlying technology

N		Content

H.1	**Distributed ledger technology (DTL)**	General information about distributed ledger technology and blockchain technology. Distributed ledger technology (DLT) describes a decentralized, distributed network system architecture in which multiple participants maintain and verify a shared database. Unlike traditional databases, DLT systems do not rely on a central authority to ensure data consistency and security. Instead, they distribute control across a network of computers (nodes) and require that all changes be recorded and accepted by the nodes. This distributed approach improves the resilience and security of the system, as well as the transparency of the data stored in it, without the need for trust between the actors in the systems. Blockchain technology is a subset of DLT technology, in which the distributed database maintains a constantly growing list of records, called blocks, that are linked together in chronological order and protected by cryptographic techniques. A blockchain typically has the following key characteristics: - Distribution: a blockchain operates on a network of nodes, each of which contains a copy of the ledger and participates in the process of verifying and synchronizing transactions. - Security: Blockchain uses advanced cryptographic methods to protect data. Each block contains a cryptographic hash (a "digital fingerprint") of the previous block, a timestamp, and transaction data. This structure ensures that once data is recorded, it cannot be retroactively modified without also changing all subsequent blocks, which would require the consensus of the majority of nodes in the network. - Transparency and immutability. Transactions on a blockchain are typically visible to all participants in the network, providing transparency. Once a transaction is confirmed and added to the blockchain, it is virtually immutable due to the cryptographic methods used, meaning it cannot be modified or deleted. Layer-2 Billions Network The Billions Network operates as a Layer-2 infrastructure built on the Ethereum blockchain, leveraging zero-knowledge rollup (zk-rollup) technology to achieve scalability, privacy, and efficiency while inheriting the security and consensus of Ethereum's Proof-of-Stake (PoS) mainnet. All transactions related to the $BILL token — including issuance, transfers, and staking — are executed on the Ethereum mainnet through audited smart contracts, while identity and credential operations are processed within the Billions Layer-2 (zk-rollup) environment. Key features Billions Network's distributed ledger technology is designed to combine the strengths of Ethereum's security with the scalability and privacy of

		zk-rollups. Key features include: - Ethereum security inheritance: All transactions and state commitments are finalized on Ethereum, ensuring tamper-proof integrity. - ZK-based privacy: User verifications and proofs of identity are performed without exposing personal data on-chain. - Cross-chain interoperability: Identity credentials and reputation can be ported across other EVM-compatible networks. - Modular architecture: Dedicated layers for verification, staking, credential issuance, and governance, ensuring composability and scalability. <u>Transaction costs</u> Transactions within the Billions Layer-2 are aggregated and compressed into zk-proofs before submission to Ethereum, resulting in transaction fees up to 90% lower than standard Ethereum gas fees. Fees can be paid in ETH or $BILL, depending on the type of operation. This structure ensures predictable costs and broad accessibility for users, attesters, and AI agents participating in the network. <u>History and test results</u> Since early 2024, Billions has conducted internal test deployments and pilot programs validating: - Secure credential issuance and revocation using ZK proofs. - Attester validation performance under load conditions. - Wallet compatibility across MetaMask, WalletConnect, and Billions' native interface. Benchmark results demonstrate sub-second transaction confirmations and efficient proof generation verified directly on Ethereum mainnet. <u>Energy efficiency</u> By relying on Ethereum's Proof-of-Stake (PoS) consensus and zk-rollup architecture, Billions achieves exceptional energy efficiency. Ethereum PoS reduces energy consumption by over 99% compared to Proof-of-Work systems, while zk batching minimizes redundant computation. This aligns with Billions' sustainability commitments and MiCA's emphasis on environmentally responsible blockchain operations. <u>Developer and user ecosystem</u>

		Billions leverages the Ethereum Virtual Machine (EVM) ecosystem — the world's largest developer and user base. Developers can build directly using standard tools (Solidity, Hardhat, Foundry), and users can interact through familiar wallets such as MetaMask, WalletConnect, or Trust Wallet. Billions also integrates with Polygon, Linea, and other zk-focused partners, expanding interoperability across both consumer and enterprise applications. Where applicable, integrations with decentralized identity providers such as Privado ID may also be explored to enhance privacy-preserving verification and cross-network trust. <u>Why Bill Token / Why this architecture</u> Billions selected Ethereum + zk-rollup technology to ensure compliance-grade scalability, privacy-preserving verification, and trustless interoperability. This setup allows $BILL to function as the native utility and incentive token for a next-generation trust network serving humans and AI alike. By combining Ethereum's global reach with ZK privacy, Billions establishes a secure, compliant, and future-proof foundation for identity, reputation, and verification in Web3.
H.2	**Protocols and technical standards**	The Billions Network operates on a Layer-2 infrastructure built on Ethereum, combining Proof-of-Stake (PoS) consensus with zero-knowledge rollup (zk-rollup) technology. Transactions are processed off-chain and verified through zk-proofs before being finalized on Ethereum mainnet, ensuring scalability, privacy, and energy efficiency. The $BILL token follows the ERC-20 standard, guaranteeing interoperability with all major Ethereum-based wallets, exchanges, and DeFi applications. Smart contracts are developed in Solidity using OpenZeppelin's audited frameworks, secured with multi-signature and role-based permissions, and independently audited prior to deployment. Billions uses elliptic curve cryptography (secp256k1) for token signing and validation, complemented by Babyjubjub for zero-knowledge proof operations and credential verification. This hybrid cryptographic setup enhances privacy and integrity across both transactional and identity layers. Through zk-batching, the network achieves high throughput and transaction costs up to 90% lower than on Ethereum mainnet. This combination of Ethereum PoS security, zk-rollup scalability and ERC-20 interoperability provides a robust, transparent, and compliant technological foundation for $BILL, enabling fast, secure, and privacy-preserving transactions within the global Web3 ecosystem.

H.3	**Technology used**	The $BILL token operates on Ethereum using the ERC-20 standard, ensuring compatibility with all major wallets and exchanges. Tokens are held in self-custodial Ethereum wallets, secured through private-key encryption and recovery mechanisms. All token-related actions—issuance, vesting, and transfers—are managed by audited smart contracts deployed by ZK ID Labs AG and settled on Ethereum mainnet. Transaction scalability and privacy are enhanced via Billions' zk-rollup Layer-2, which batches and validates operations off-chain before Ethereum finality. Together, these technologies guarantee secure custody, transparent transfers, and efficient performance within a decentralized and interoperable infrastructure.
H.4	**Consensus mechanism**	The Billions Network relies on Ethereum's Proof-of-Stake (PoS) consensus mechanism as its base security and settlement layer. Transactions and state updates generated in the Billions Layer-2 (zk-rollup) are aggregated and validated through zero-knowledge proofs (ZKPs) before being committed to Ethereum mainnet. This hybrid model ensures that: - Consensus on the final state of the network is reached through Ethereum PoS validators. - Validity of all Layer-2 transactions is mathematically proven via ZK-SNARKs. - Energy efficiency and decentralization are inherited from Ethereum's validator ecosystem. Through this mechanism, Billions achieves a high-security, low-energy, and censorship-resistant consensus structure without running its own validator network.
H.5	**Incentive mechanisms and applicable fees**	The Billions network employs a dual incentive model designed to ensure both ecosystem participation and long-term sustainability. The model integrates staking-based validation with transparent and low transaction fees, maintaining decentralization and economic efficiency. Staking and reputation: Holders of $BILL tokens may stake their tokens to unlock enhanced network benefits and access higher reputation tiers. Staking contributes to the security and governance of the network while rewarding participants with ecosystem incentives and potential fee reductions.

		Ecosystem rewards: Participants (including users, attesters, vendors, and AI agents), may receive rewards in $BILL through loyalty and airdrop programs, as well as reputation-based bonuses. These mechanisms promote continuous engagement and contribution to the BILLIONS ecosystem. Fee structure and discounts: Transactions and service fees within the network are denominated in $BILL benefit from reduced verification and issuance costs. Additional rebates may apply to AI agent onboarding and cross-network services. Deflationary policy: To sustain token value and mitigate inflationary pressure, Billions may periodically conduct buybacks and vault lockups, as outlined in the value protection section. These measures temporarily remove tokens from circulation without permanently reducing the total supply, supporting long-term value stability. Network security: Billions ensures transaction execution and protocol integrity through its staking-based validation structure. This mechanism combines scalability, low energy consumption, and high transparency while maintaining alignment between network security and participant incentives.
H.6	**Use of distributed ledger technology**	True — $BILL tokens are issued, transferred, and stored using distributed ledger technology (DLT). The DLT is operated by the issuer (ZK ID Labs AG) through the Billions Layer-2 network built on Ethereum, and by third-party validators acting on its behalf. All transactions and state updates are finalized on the Ethereum mainnet, ensuring full transparency, traceability, and immutability. This hybrid structure combines the issuer-operated Billions L2 with Ethereum's decentralized infrastructure to guarantee both scalability and security.
H.7	**DLT functionality description**	The distributed ledger technology operated by the issuer consists of the Billions Layer-2 network, built on the Ethereum blockchain and managed by ZK ID Labs AG. The system uses zero-knowledge rollup (zk-rollup) technology to batch and validate transactions off-chain before committing verified proofs to Ethereum mainnet. This hybrid design enables high scalability, low transaction costs, and strong privacy guarantees while inheriting Ethereum's Proof-of-Stake security. The Layer-2 infrastructure (sequencers, proof generators, and validators) is operated by the issuer and selected partners under multi-signature governance.

		All transactions and state updates are audited, transparent, and verifiable on-chain.
H.8	**Audit**	Not Applicable
H.9	**Audit outcome**	Not Applicable

N		Content
I.1	**Offer-related risks**	Warnings: Prospective buyers of $BILL tokens are advised to read all the background information and the white paper. Participants could lose all or part of the capital contributed, and should be fully aware that the acquisition of tokens does not guarantee profitability or recovery of the investment made. $BILL tokens involve a high degree of risk and should only be considered by individuals with experience in purchasing, custody, and intellectual and technical knowledge about the issuance, operation, and other operations related to crypto assets. The allocation of $BILL tokens should only be considered by individuals who do not require liquidity and can withstand the total loss of their purchase. The cryptoasset may lose some or all of its value. The cryptoasset may not always be transferable. The cryptoasset may not be liquid. The cryptoasset will not be redeemable for the goods or services promised in this cryptoasset white paper, especially in the event of failure or interruption of the cryptoasset project. The crypto asset is not covered by the investor compensation schemes provided for in Directive 97/9/EC of the European Parliament and of the Council. The crypto asset is not covered by the deposit guarantee schemes provided for in Directive 2014/49/EU. Cryptoassets are a new asset class that combines computing, finance, economics, and cooperation and coordination within the user community. In this section of the white paper, we present what we consider to be a comprehensive statement of the risks. There are risks that we face now and will face in the future that we cannot identify at this time. Risks: There are technical and operational risks. The functioning of $BILL tokens depends on the proper operation of the blockchain on which they are issued and the robustness of the smart contracts that manage their issuance, custody, and transfer. Coding errors, infrastructure failures, or undetected vulnerabilities could lead to unforeseen consequences, including financial losses, token lockouts, or external attacks such as hacks, phishing, or other forms of cyberattacks. Force majeure: cyber attacks and other malicious attacks targeting the issuer may have a significant adverse effect on the value of $BILL tokens, which could lose all or virtually all of their value. The risk of accidental loss (e.g., in the event of force majeure, including theft or deactivation by third parties) shall in any case be borne by the participant. The company shall not be liable in any case for slight negligence towards business customers, nor for gross negligence.

		The success of the BILLIONS project, and therefore the long-term value of the tokens, will depend largely on the promotion team's execution of the roadmap, the development of its ecosystem, and its ability to attract and retain a sufficient user base.
I.2	**Risks related to the issuer**	BILLIONS, in its dual capacity as issuer and entity responsible for the admission to trading of $BILL tokens, assumes direct responsibility for their creation, issuance, and continued availability to investors and users within the BILLIONS ecosystem. Consequently, the risks associated with the corporate structure, the viability of the project, regulatory compliance, and the admission to trading process itself fall under the same entity. The tokens are made available to participants in the state in which they are issued, without the issuer providing any additional guarantees of value, marketability, or suitability for a specific purpose. - Business viability risk: As this is an early-stage project, there is no guarantee of success. The achievement of milestones will depend on the adoption of the token by the community and the team's ability to attract investors and users, among other factors. - Operational risks and management: As the sole issuer and provider, governance, treasury management, and internal controls fall entirely to BILLIONS. Poor resource management could affect the execution of the project and, ultimately, the value of the token. - Regulatory risks: Compliance with Regulation (EU) 2023/1114 (MiCA) is a priority objective. However, future legislative changes or interpretative differences with other jurisdictions (e.g., the US or Asia) could limit the availability of the token or impose additional requirements. - Contractual and technological risks: Any incident affecting the smart contracts used, the custody mechanisms, or the blockchain infrastructure will directly impact the issuer's liability. - Conflicts of interest and team commitment: As BILLIONS is the sole issuer and provider, the founders, executives, and advisors may have interests linked to the value of the token.

I.3	**Crypto-assets-related risks**	The acquisition and holding of $BILL entails a series of risks inherent to crypto assets, derived both from their technological nature and from the dynamics of the markets in which they are traded. Potential investors should be fully aware that these risks may significantly impact the value, liquidity, and usability of the token. Dependence on value and utility: The value of $BILL will depend largely on the success of the development, launch, and adoption of the platform linked to the project. To the extent that adoption is limited, or there are delays or failures in the execution of the project, the token could lack real utility and therefore lose its economic value entirely or substantially. General economic conditions: External factors such as economic recessions, instability in financial markets, or decreased investment in digital assets may negatively affect the liquidity and price of the token. Such market conditions are beyond the issuer's control and may have an adverse impact on the viability of the project. Regulatory changes: The evolution of the regulatory framework, including the implementation of regulations such as Regulation (EU) 2023/1114 on crypto-asset markets (MiCA), could entail increased compliance burdens, restrictions on token trading, or limitations on its availability in certain jurisdictions. These legal changes could reduce the functionality or appeal of the token for users. Risks of fraud and scams: The crypto ecosystem is susceptible to fraudulent activities such as phishing, malicious airdrops, identity theft, or manipulation schemes. Exposure to these types of risks could result in irreversible losses for token holders, even if the issuer is not responsible for such activities. Irreversibility of transactions: Blockchain transactions are, by nature, immutable. Consequently, transfers made in error, under duress, or fraudulently cannot be reversed. The issuer assumes no responsibility and cannot compensate the investor for erroneous or unauthorized transactions. Private key management: The security of $BILL depends directly on the proper management of private keys by users. The loss, theft, or misuse of these keys could lead to the permanent loss of tokens, with no possibility of recovery by the issuer. Custody risk: If holders decide to entrust the custody of their tokens to third parties, any failure or malpractice on the part of such custodians could result in the loss of assets. The issuer shall not be liable for incidents arising from external custody. Privacy and traceability: While blockchain transactions offer transparency, this same feature means that transactions are publicly recorded. With analysis tools, it is possible to link addresses to real identities, which can pose risks to the privacy of the owners.

		Tax risks: Depending on the jurisdiction, transactions involving $BILL may generate tax obligations. It shall be the sole responsibility of the investor to be aware of and comply with the applicable tax regulations. Market volatility: The price of crypto assets is highly volatile due to market dynamics, speculation, and variations in demand. $BILL could experience extreme fluctuations that could result in significant or total losses for its holders. Market demand: The utility and value of $BILL will depend on the degree of adoption of the platform and the projected ecosystem. Failure to meet market expectations could have an adverse effect on the value of the token.
I.4	**Project implementation-related risks**	The implementation of the BILLIONS token project is subject to a number of risks that may affect the development, launch, and adoption of the token. These risks, common to many blockchain-based initiatives, should be carefully considered by potential purchasers and participants, as they may significantly influence the viability and sustainability of the project. Funding and resource allocation: The success of the project depends on obtaining sufficient funds to achieve key milestones, such as marketing campaigns, inclusion in exchange platforms, or technological development. Insufficient funding could delay or even limit the achievement of these objectives. Likewise, inadequate management or inefficient allocation of financial or human resources could hinder the achievement of the project's objectives, leading to operational inefficiencies and reputational damage. Risks related to technical development: The operation of $BILL depends on smart contracts deployed on a blockchain infrastructure. Although these contracts are designed to be secure and reliable, the occurrence of programming errors, vulnerabilities, or failures that could affect token distribution, transfers, or intended use within the ecosystem cannot be ruled out. Furthermore, as the project relies on the stability and security of the underlying blockchain network, any episode of congestion, downtime, or security breach could negatively impact the functionality of the token. Regulatory and compliance risks: Although $BILL is designed to comply with MiCA and other applicable regulations, legislative changes, delays in regulatory approvals, or the imposition of additional requirements by competent authorities could slow down the implementation of the project. Added to this is the diversity of regulatory approaches in different jurisdictions, which may create additional obligations and increase the complexity of regulatory compliance. Market adoption risks: The blockchain sector is highly competitive and sensitive to trends, so the success of $BILL will largely depend on user and community participation and engagement. If the project fails to attract and retain an active user base, adoption of the token could be limited, reducing its long-term value and utility. In addition, potential delays in key milestones, such as token distribution, liquidity provision, or future

		listing on exchanges, could undermine the confidence of investors and participants. Dependence on third parties and ecosystem players: The viability of the token may require partnerships with exchange platforms, technology providers, or market makers. Any delay, breach, or underperformance by these strategic partners could hinder the execution of the project. In addition, the rapid evolution of blockchain technologies poses an added risk, namely that the emergence of new solutions or standards may render existing models obsolete, forcing the BILLIONS team to constantly innovate and adapt.
I.5	**Technology-related risks**	The $BILL token is based on blockchain technology and smart contracts, which entails a series of technical and operational risks that must be taken into account: Dependence on the blockchain network: The token is issued and managed through a public blockchain network. Any interruption, outage, congestion, or technical failure in that network could affect the transfer of tokens, the recording of transactions, or their use within the platform. This could result in transaction delays, loss of operational efficiency, and even the temporary inability to use the token. Smart contract vulnerabilities: Although the smart contracts supporting the $BILL token are designed with advanced security measures, there is always a risk that flaws, programming errors, or exploitable vulnerabilities may be discovered. Such issues could affect token distribution, redemption, or any other essential functionality, compromising the integrity of the project. Code immutability: Once deployed, smart contracts cannot be easily modified. Therefore, any error in the code could have permanent consequences, forcing complex or costly alternative solutions that could impact the user experience and trust in the token. Private key management risks: Token holders are responsible for safeguarding their private keys and recovery phrases. The loss, theft, or improper management of these credentials would result in the permanent loss of access to the tokens. The issuer cannot regenerate or replace tokens under any circumstances. Compatibility and ecosystem: The $BILL token depends on wallets, exchanges, and other services in the blockchain ecosystem being compatible and available. Interoperability failures, technical issues, or incompatibilities could affect the storage, transfer, or use of the token, creating friction for users. Network security risks: The blockchain network on which BILLIONS is supported could be subject to cyberattacks, including denial-of-service (DoS) attacks or attempts to exploit vulnerabilities in consensus mechanisms. These events would compromise the security and stability of the network, indirectly affecting the token. Risks of technological obsolescence: The blockchain sector is evolving rapidly. New technologies, protocols, or improvements could render the

		infrastructure used by the $BILL token obsolete, reducing its competitiveness or limiting its adoption. Likewise, the transition to more efficient or secure models in other networks could make the token less attractive in the market.
I.6	**Mitigation measures**	BILLIONS has designed a set of measures aimed at mitigating the main risks identified in relation to the issuance and use of $BILL. These measures cover aspects of financial management, regulatory compliance, technological security, and operational governance. <u>Issuer risks</u> Treasury management: BILLIONS maintains a supply of pre-issued tokens and strategically distributes its treasury reserves with the aim of financing the development of the platform, incentivizing the ecosystem, and ensuring its operational sustainability. The application of strategic budgeting policies ensures the efficient use of resources and helps reduce financial stress. Regulatory compliance: The platform is in constant dialogue with the relevant authorities and is committed to complying with applicable regulations, including developments in the European framework derived from the MiCA Regulation and Spanish regulations on financial services and money laundering prevention. This commitment reduces exposure to regulatory risks. Payment security: During payment and transaction processes, the BILLIONS platform does not store sensitive user data, such as card credentials, but instead uses external providers certified under security standards. Operational security: $BILL's technological systems feature secure custody solutions, including cold and hot storage with multiple layers of protection, as well as insurance against theft, cyberattacks, or unauthorized access provided by specialized providers. <u>Risks associated with crypto assets</u> Investor education: The platform provides clear and transparent information about the nature of tokens, their utility, volatility risks, and potential liquidity challenges, so that investors can make informed decisions. Treasury plan: The distribution of tokens and the planning of their release is carried out in stages to avoid market imbalances and ensure an adequate level of liquidity. Regulatory compliance: The legal and compliance team actively monitors regulatory developments to anticipate changes and adapt internal processes, ensuring that BILLIONS' operations are compliant in all relevant jurisdictions. <u>Risks related to project implementation</u>

		Continuous security assessments: The platform is subject to regular security audits, both internal and external, with the aim of identifying vulnerabilities and correcting them before incidents occur. Commitment to the community: We promote constant communication with users and investors, which allows us to obtain early feedback and adapt the project's development to stakeholders' expectations. Development of strategic alliances: BILLIONS establishes collaborations with key partners (technology providers, developers, and payment gateways) in order to guarantee the scalability and stability of the platform. Technological risks Security standards: All operations comply with international security protocols, such as ISO/IEC 27001, SOC 2, and OWASP standards, ensuring the secure handling of digital assets and financial transactions.In addition, smart contracts undergo independent audits to identify and mitigate potential vulnerabilities before deployment Data protection: Sensitive user data, including passwords, is protected using advanced encryption. In addition, token invalidation algorithms are used to strengthen authentication processes. Scalability and technological collaboration: The platform is interoperable with different blockchain networks and develops technical scalability measures that allow it to maintain efficient operation even in high-demand scenarios.

Part J: Information on sustainability indicators relating to adverse climate impacts and other adverse environmental impacts

Mandatory Information on the main adverse impacts on the climate

N		Content
General information		
S.1	**Name**	ZKID LABS AG
S.2	**Relevant legal entity identifier**	Not applicable
S.3	**Name of the crypto asset**	Billions Network Token ($BILL)
S.4	**Consensus mechanism**	Ethereum Proof of Stake (PoS) + Zero-Knowledge Rollup architecture

S.5	**Incentive Mechanisms and Applicable Fees**	See H.5
S.6	**Beginning of the period to which the disclosure relates**	The information covers the period from 01.01.2024 to 31.12.2024 with estimates used for the period from 17.03.2025 to 17.03.2026.
S.7	**End of the period to which the disclosure relates**	The information covers the period from 01.01.2024 to 31.12.2024 with estimates used for the period from 17.03.2025 to 17.03.2026.
Mandatory key indicator on energy consumption		
S.8	**Energy consumption**	The validation of transactions and the maintenance of the Billions Layer-2 network rely on Ethereum's Proof-of-Stake (PoS) consensus mechanism. The estimated annual energy consumption is approximately 0.0026 TWh, according to the Ethereum Foundation Sustainability Report (2023), equivalent to an average of 0,01 kWh per transaction.
Sources and methodologies		
S.9	**Energy consumption sources and methodologies**	The estimation provided in field S.8 is based on data from Ethereum Foundation (2023) and the Crypto Carbon Ratings Institute (CCRI). Energy consumption was calculated considering the average number of validators and the annual energy efficiency of PoS consensus mechanisms. As a Layer-2 solution, BILLIONS does not operate its own validator network, and its consumption is proportionally derived from the underlying Ethereum infrastructure.