MiCA White Paper

Celo

(CELO)

Version 1.1
June 2025

White Paper in accordance with Markets in Crypto Assets Regulation (MiCAR)
for the European Economic Area (EU) & European Economic Area (EEA).

Purpose: seeking admission to trading EEA.

Prepared and Filed by LCX.com

NOTE: THIS CRYPTO-ASSET WHITE PAPER HAS NOT BEEN APPROVED BY ANY COMPETENT AUTHORITY IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA. THE PERSON SEEKING ADMISSION TO TRADING IS SOLELY RESPONSIBLE FOR THE CONTENT OF THIS CRYPTO-ASSET WHITE PAPER ACCORDING TO THE EUROPEAN ECONOMIC AREA'S MARKETS IN CRYPTO-ASSET REGULATION (MICA).

LCX is voluntarily submitting a **MiCA-compliant whitepaper for the CELO,** even though CELO is categorized as an "Other Crypto-Asset" under the Markets in Crypto-Assets Regulation (MiCA). While MiCA mandates whitepaper publication only for Asset-Referenced Tokens (ARTs), Electronic Money Tokens (EMTs), and Utility Tokens, it also permits voluntary disclosures by issuers and crypto-asset service providers. LCX has chosen to publish this whitepaper to demonstrate its steadfast commitment to regulatory transparency, investor protection, and market integrity. The CELO powers a robust decentralized platform designed to foster financial inclusion by enabling mobile-first blockchain-based solutions. By aligning the CELO initiative with MiCA's regulatory framework, LCX aims to instill greater investor confidence, encourage compliance-driven innovation, and reinforce best practices across the digital asset industry. This proactive approach underscores LCX's broader mission of setting new standards in responsible blockchain development and promoting a secure, transparent financial future within the European Economic Area.

This document provides essential information about CELO's characteristics, risks, and the framework under which LCX facilitates CELO-related services in compliance with MiCA's regulatory standards.

This white paper has been prepared in accordance with the requirements set forth in Commission Implementing Regulation (EU) 2024/2984, ensuring that all relevant reporting formats, content specifications, and machine-readable structures outlined in Annex I of this regulation have been fully mapped and implemented, particularly reflected through the Recitals, to enable proper notification under the Markets in Crypto-Assets Regulation (MiCAR).

00 TABLE OF CONTENT

01 DATE OF NOTIFICATION

2025-06-04

COMPLIANCE STATEMENTS

02 This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Economic Area. 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’.

03 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.

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

05 Not Applicable

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

SUMMARY

07 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 (36) or any other offer document pursuant to Union or national law.

08 Characteristics of the crypto-asset

CELO is a native utility and governance token within the Celo blockchain ecosystem.

Primary Functions:

Governance: CELO holders can participate in protocol governance by voting on proposals that affect the network's future.

Staking: CELO tokens can be staked to support network security and consensus mechanisms.

Transaction Fees: CELO is used to pay for transaction fees within the Celo network.

Underlying Technology: The Celo platform utilizes a Proof-of-Stake (PoS) consensus mechanism and incorporates a unique address-based encryption scheme, allowing users to associate their phone numbers with wallet addresses for simplified transactions. Stability Mechanism: While CELO itself is a volatile asset, the Celo platform also supports stable-value assets (e.g., cUSD) that are stabilized using a monetary policy with elastic supply rules, backed by a variable-value reserve. Accessibility: Celo is designed to be mobile-first, enabling users with smartphones to access financial tools and services, thereby promoting financial inclusion. Environmental Considerations: Operating on a PoS consensus mechanism, the Celo network is energy-efficient, aligning with MiCA's environmental standards for distributed ledger technologies.

09 Not applicable

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

Here are the key information about the Celo (CELO):

Total offer amount	~$10 million raised during initial coin offerings (CoinList sale in 2020)
Total number of tokens to be offered to the public	~100 million CELO offered in public sale via CoinList
Subscription period	CoinList sale ran from May 12, 2020 to May 29, 2020
Minimum and maximum subscription amount	Minimum: $100; Maximum: $2,000 per participant (public sale)
Issue price	~$1.00 per CELO during CoinList sale

Subscription fees (if any)	No direct subscription fees reported; standard network fees applied
Target holders of tokens	Public investors globally, except restricted jurisdictions (e.g., U.S. persons)
Description of offer phases	Private sale, followed by public sale (CoinList), then exchange listings
CASP responsible for placing the token (if any)	CoinList acted as the main platform for public distribution
Form of placement	Direct public offering via CoinList, no intermediated brokerage placement
Admission to trading	LCX AG, Herrengasse 6, 9490 Vaduz, Liechtenstein

A. PART A - INFORMATION ABOUT THE OFFEROR OR THE PERSON SEEKING ADMISSION TO TRADING

A.1 Name

LCX

A.2 Legal Form

AG

A.3 Registered Address

Herrengasse 6, 9490 Vaduz, Liechtenstein

A.4 Head Office

Herrengasse 6, 9490 Vaduz, Liechtenstein

A.5 Registration Date

24.04.2018

A.6 Legal Entity Identifier

529900SN07Z6RTX8R418

A.7 Another Identifier Required Pursuant to Applicable National Law

FL-0002.580.678-2

A.8 Contact Telephone Number

+423 235 40 15

A.9 E-mail Address

legal@lcx.com

A.10 Response Time (Days)

020

A.11 Parent Company

Not applicable

A.12 Members of the Management Body

Full Name	Business Address	Function
Monty C. M. Metzger	Herrengasse 6, 9490 Vaduz, Liechtenstein	President of the Board
Katarina Metzger	Herrengasse 6, 9490 Vaduz, Liechtenstein	Board Member
Anurag Verma	Herrengasse 6, 9490 Vaduz, Liechtenstein	Director of Technology

A.13 Business Activity

LCX provides various crypto-asset services under Liechtenstein's Token and Trusted Technology Service Provider Act ("Token- und Vertrauenswürdige Technologie-Dienstleister-Gesetz" in short "TVTG") also known as the Blockchain Act. These include custody and administration of crypto-assets, offering secure storage for clients' assets and private keys. LCX operates a trading platform, facilitating the matching of buy and sell orders for crypto-assets. It enables both crypto-to-fiat and crypto-to-crypto exchanges, ensuring compliance with AML and KYC regulations. LCX also supports token placements, marketing crypto-assets on behalf of offerors.

Under MiCA, LCX is classified as a Crypto-Asset Service Provider (CASP). LCX is not yet formally supervised under MiCA until the license is granted by the competent authority. LCX AG has applied

for MiCA licensing on February 1, 2025, the first day of MiCA's implementation in Liechtenstein.

Under the TVTG framework, LCX provides:

- TT Depositary – Custody and safekeeping of crypto-assets.
- TT Trading Platform Operator – Operation of a regulated crypto-asset exchange.
- TT Exchange Service Provider – Crypto-to-fiat and crypto-to-crypto exchange.
- Token Issuer – Marketing and distribution of tokens.
- TT Transfer Service Provider – Crypto-asset transfers between ledger addresses.
- Token Generator & Tokenization Service Provider – Creation and issuance of tokens.
- Physical Validator – Enforcement of token-based rights on TT systems.
- TT Verification & Identity Service Provider – Legal capacity verification and identity registration.
- TT Price Service Provider – Providing aggregated crypto-asset price information.

A.14 Parent Company Business Activity

Not applicable

A.15 Newly Established

false

A.16 Financial Condition for the past three Years

LCX AG has a strong capital base, with CHF 1 million (approx. 1,126,000 USD) in share capital (Stammkapital) and a solid equity position (Eigenkapital) in 2023. The company has experienced fluctuations in financial performance over the past three years, reflecting the dynamic nature of the crypto market. While LCX AG recorded a loss in 2022, primarily due to a market downturn and a security breach, it successfully covered the impact through reserves. The company has remained financially stable, achieving revenues and profits in 2021, 2023 and 2024 while maintaining break-even operations.

In 2023 and 2024, LCX AG strengthened its operational efficiency, expanded its business activities, and upheld a stable financial position. Looking ahead to 2025, the company anticipates positive financial development, supported by market uptrends, an inflow of customer funds, and strong business performance. Increased adoption of digital assets and service expansion are expected to drive higher revenues and profitability, further reinforcing LCX AG’s financial position.

A.17 Financial Condition Since Registration

LCX AG has been financially stable since its registration, supported by CHF 1 million in share capital (Stammkapital) and continuous business growth. Since its inception, the company has expanded its operations, secured multiple regulatory registrations, and established itself as a key player in the crypto and blockchain industry.

While market conditions have fluctuated, LCX AG has maintained strong revenues and break-even operations. The company has consistently reinvested in its platform, technology, and regulatory compliance, ensuring long-term sustainability. The LCX Token has been a fundamental part of the ecosystem, with a market capitalization of approximately $200 million USD and an all-time high exceeding $500 million USD in 2022. Looking ahead, LCX AG anticipates continued financial growth, driven by market uptrends, increased adoption of digital assets, and expanding business activities.

B. PART B - INFORMATION ABOUT THE ISSUER, IF DIFFERENT FROM THE OFFEROR OR PERSON SEEKING ADMISSION TO TRADING

B.1 Issuer different from offeror or person seeking admission to trading

True

B.2 Name

Celo Foundation

B.3 Legal Form

Non-profit organization

B.4 Registered Address

1198 S Van Ness Ave Ste 40132, 94110-3205

B.5 Head Office

1198 S Van Ness Ave Ste 40132, 94110-3205

B.6 Registration Date

Not applicable

B.7 Legal Entity Identifier

Not applicable

B.8 Another Identifier Required Pursuant to Applicable National Law

Not applicable

B.9 Parent Company

The Celo Foundation operates independently and does not have a parent company.

B.10 Members of the Management Body

- Eric Nakagawa: Executive Director
- Isha Varshney: Head of Ecosystem
- Rene Reinsberg: President of the Celo Foundation
- Martin Volpe: Lead Engineer at cLabs
- Silas Boyd-Wickizer: CTO at Valora

B.11 Business Activity

The Celo Foundation supports the development and adoption of the Celo platform, a mobile-first, carbon-negative, permissionless blockchain ecosystem. It focuses on enabling accessible financial tools and services globally.

B.12 Parent Company Business Activity

Not applicable, as the Celo Foundation does not have a parent company.

C. PART C - INFORMATION ABOUT THE OPERATOR OF THE TRADING PLATFORM IN CASES WHERE IT DRAWS UP THE CRYPTO-ASSET WHITE PAPER AND INFORMATION ABOUT OTHER PERSONS DRAWING THE CRYPTO-ASSET WHITE PAPER PURSUANT TO ARTICLE 6(1), SECOND SUBPARAGRAPH, OF REGULATION (EU) 2023/1114

C.1 Name

LCX AG

C.2 Legal Form

AG

C.3 Registered Address

Herrengasse 6, 9490 Vaduz, Liechtenstein

C.4 Head Office

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C.5 Registration Date

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C.6 Legal Entity Identifier

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C.7 Another Identifier Required Pursuant to Applicable National Law

FL-0002.580.678-2

C.8 Parent Company

Not Applicable

C.9 Reason for Crypto-Asset White Paper Preparation

LCX is voluntarily preparing this MiCA-compliant whitepaper for Celo (CELO) to enhance transparency, regulatory clarity, and investor confidence. While Celo does not require a MiCA whitepaper due to its classification as “Other Crypto-Assets,” LCX is providing this document to support its role as a Crypto-Asset Service Provider (CASP) and ensure compliance with MiCA regulations in facilitating CELO trading on its platform.

C.10 Members of the Management Body

Full Name	Business Address	Function
Monty C. M. Metzger	Herrengasse 6, 9490 Vaduz, Liechtenstein	President of the Board
Katarina Metzger	Herrengasse 6, 9490 Vaduz, Liechtenstein	Board Member
Anurag Verma	Herrengasse 6, 9490 Vaduz, Liechtenstein	Director of Technology

C.11 Operator Business Activity

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crypto-to-fiat and crypto-to-crypto exchanges, ensuring compliance with AML and KYC regulations. LCX also supports token placements, marketing crypto-assets on behalf of offerors.

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- Physical Validator – Enforcement of token-based rights on TT systems.
- TT Verification & Identity Service Provider – Legal capacity verification and identity registration.
- TT Price Service Provider – Providing aggregated crypto-asset price information.

C.12 Parent Company Business Activity

Not Applicable

C.13 Other persons drawing up the white paper under Article 6 (1) second subparagraph MiCA

Not Applicable

C.14 Reason for drawing up the white paper under Article 6 (1) second subparagraph MiCA

Not Applicable

D. PART D - INFORMATION ABOUT THE CRYPTO-ASSET PROJECT

D.1 Crypto-Asset Project Name

CELO

D.2 Crypto-Assets Name

CELO

D.3 Abbreviation

CELO

D.4 Crypto-Asset Project Description

Celo is a mobile-first, EVM-compatible blockchain platform designed to make financial tools accessible to anyone with a smartphone. The CELO token is its native utility and governance asset.

Purpose and Mission:

Celo aims to foster global financial inclusion by providing accessible, user-friendly blockchain solutions, especially for underbanked populations.

Key Features:

Mobile Optimization: Lightweight clients and phone-number-linked wallets simplify access.

Governance: CELO holders vote on protocol upgrades and network parameters.

Smart Contracts: Supports decentralized applications using Ethereum-compatible tools.

Stable Assets: Hosts algorithmically stabilized assets like cUSD and cEUR, backed by a crypto reserve.

Token Utility: Governance and voting, Validator staking, Transaction fees, Reserve asset for stability.

Technology:

Operates on a Proof-of-Stake (PoS) consensus and is evolving into an Ethereum Layer 2 using zkRollup technology for enhanced scalability.

Sustainability:

Celo is carbon-negative, designed for low energy use, and supports regenerative finance (ReFi) principles.

D.5 Details of all persons involved in the implementation of the crypto-asset project

These people/entities collaborate to maintain and improve the CELO token ecosystem:

Full Name	Business Address	Function
Eric Nakagawa	*Not Applicable*	*Executive Director*
Isha Varshney	*Not Applicable*	*Head of Ecosystem*
Rene Reinsberg	*Not Applicable*	*President of the Celo Foundation*
Celo Foundation	*1198 S Van Ness Ave Ste 40132, 94110-3205*	*Development and Blockchain Ecosystem*

D.6 Utility Token Classification

False

D.7 Key Features of Goods/Services for Utility Token Projects

Not applicable

D.8 Plans for the Token

Not applicable

D.9 Resource Allocation

Not applicable

D.10 Planned Use of Collected Funds or Crypto-Assets

Not applicable

E. PART E - INFORMATION ABOUT THE OFFER TO THE PUBLIC OF CRYPTO-ASSETS OR THEIR ADMISSION TO TRADING

E.1 Public Offering or Admission to Trading

ATTR

E.2 Reasons for Public Offer or Admission to Trading

LCX is voluntarily filing a MiCA-compliant whitepaper for Celo(CELO) to enhance transparency, regulatory clarity, and investor confidence. While CELOis classified as “Other Crypto-Assets” under MiCA and does not require a whitepaper, this initiative supports compliance readiness and aligns with MiCA’s high disclosure standards. By doing so, LCX strengthens its position as a regulated exchange, ensuring a trustworthy and transparent trading environment for CELO within the EU’s evolving regulatory framework. Additionally, this filing facilitates market access and institutional adoption by removing uncertainty for institutional investors and regulated entities seeking to engage with CELO in a compliant manner. It further supports the broader market adoption and integration of CELO into the regulated financial ecosystem, reinforcing LCX’s role in shaping compliant and transparent crypto markets.

E.3 Fundraising Target

Not applicable

E.4 Minimum Subscription Goals

Not applicable

E.5 Maximum Subscription Goal

Not applicable

E.6 Oversubscription Acceptance

Not applicable

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

E.10 Subscription Fee

Not applicable

E.11 Offer Price Determination Method

Not applicable

E.12 Total Number of Offered/Traded Crypto-Assets

Approximately 250,000,000 CELO tokens were initially allocated for public sale during early phases, such as the token sale and subsequent exchange listings. This represents roughly 25% of the total supply of 1 billion CELO tokens.

Estimated Number Admitted to Trading at Launch (EU-focused):

While the MiCA whitepaper for CELO is not publicly available, based on practices for token admission in regulated jurisdictions, an estimated 200,000,000 CELO tokens could be expected to be available for trading on authorized EU crypto-asset trading platforms at the time of launch. This assumes the remaining portion of the public allocation was reserved for liquidity and strategic purposes.

E.13 Targeted Holders

ALL

E.14 Holder Restrictions

Not applicable

E.15 Reimbursement Notice

Not applicable

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

Not applicable

E.25 Value Transfer Methods for Reimbursement

Not applicable

E.26 Right of Withdrawal

Not applicable

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

LCX AG

E.34 Trading Platforms Market Identifier Code (MIC)

LCXE

E.35 Trading Platforms Access

Celo (CELO) is widely traded on multiple regulated and unregulated trading platforms globally. CELO is not restricted to a single exchange and can be accessed by retail and institutional investors worldwide.

LCX Exchange also provides access to Celo (CELO) trading with CELO/EUR pair. Investors can access Celo (CELO) through LCX.com, the official LCX exchange, as well as other supported cryptocurrency trading platforms. To trade CELO, users must register, complete KYC (Know Your Customer) verification, and comply with platform-specific requirements.

E.36 Involved Costs

Not applicable

E.37 Offer Expenses

Not applicable

E.38 Conflicts of Interest

Not applicable

E.39 Applicable Law

The CELO Token complies with MiCA regulations in the EU and relevant AML, CTF, and investor protection laws. As a utility token, it is not classified as e-money or a financial instrument. Regulatory and tax obligations vary by jurisdiction, and users should review local laws before trading.

E.40 Competent Court

In case of disputes related to services provided by LCX, the competent court is: The Courts of Liechtenstein, with jurisdiction in accordance with Liechtenstein law and applicable EU regulations.

F. PART F - INFORMATION ABOUT THE CRYPTO-ASSETS

F.1 Crypto-Asset Type

Other Crypto-Asset

F.2 Crypto-Asset Functionality

CELO is the native token of the Celo Network. It is used for incentivizing user participation, governance, and utility within the ecosystem.

F.3 Planned Application of Functionalities

Participation rewards, network access, governance. Functionality will be activated progressively through protocol upgrades and network scaling.

F.4 Type of white paper

OTHR

F.5 The type of submission

NEWT

F.6 Crypto-Asset Characteristics

Token Type:

CELO is the native utility and governance token of the Celo blockchain, supporting core operations, governance, and network economics.

Primary Functions:

Governance: Enables voting on protocol upgrades and validator elections.

Staking: Used by validators and delegators to secure the network and earn rewards.

Transaction Fees: Used for gas payments; fees can also be paid in stable assets like cUSD and cEUR.

Interoperability:

EVM-compatible and integrated with cross-chain bridges (e.g., NEAR, Ethereum), enabling seamless smart contract deployment and asset transfers.

Fungibility:

Fully fungible—each CELO token holds equal value and functionality.

Supply Characteristics:

Fixed Supply: 1,000,000,000 CELO tokens, with no further issuance.

Burn Mechanism: Portion of fees may be burned to reduce supply and support deflation.

Utility and Use Cases:

Transaction fees

Governance participation

Validator elections

Reserve backing for stable assets (e.g., cUSD)

Accessibility:

Mobile-first design with phone number mapping for easy wallet usage, enhancing access in underserved regions.

Network Architecture:

Runs on a Proof-of-Stake (PoS) model, offering energy efficiency and support for lightweight mobile clients.

F.7 Commercial name or trading name

CELO

F.8 Website of the issuer

https://celo.org/

F.9 Starting date of offer to the public or admission to trading

2025-07-08

F.10 Publication date

2025-07-08

F.11 Any other services provided by the issuer

Not applicable

F.12 Language or languages of the 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

PTN9Z5Q7D

F.14 Functionally Fungible Group Digital Token Identifier, where available

VWWMVDM0J

F.15 Voluntary data flag

true

F.16 Personal data flag

false

F.17 LEI eligibility

false

F.18 Home Member State

Liechtenstein

F.19 Host Member States

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

G. PART G - INFORMATION ON THE RIGHTS AND OBLIGATIONS ATTACHED TO THE CRYPTO-ASSETS

G.1 Purchaser Rights and Obligations

Rights:

Governance Participation: CELO token holders have the right to participate in protocol governance, including submitting and voting on proposals.

Staking Rewards: Holders may delegate or stake their tokens to earn rewards and support network consensus.

Transaction Utility: CELO can be used to pay for transaction fees on the Celo network and interact with decentralized applications (dApps).

Obligations:

Network Participation: To participate in governance or staking, holders must follow Celo's on-chain procedures.

Security: Token holders are responsible for securing their own private keys and wallets; loss of keys may result in loss of access to CELO.

Compliance: Users must adhere to applicable legal and regulatory requirements, especially when participating in offerings or regulated trading platforms.

G.2 Exercise of Rights and Obligation

Governance Rights: Exercised directly on-chain via the Celo governance platform. Votes are weighted based on the amount of CELO held or staked.

Staking: Tokens can be staked through validators using compatible wallets or interfaces like Celo's native staking tools.

Utility Use: Rights to use CELO for transaction fees or reserve functions are exercised automatically within the network's technical protocols.

G.3 Conditions for Modifications of Rights and Obligations

On-Chain Governance: Any changes to rights or obligations must be proposed and approved through Celo's decentralized governance process.

Proposal Process: Proposals can be submitted by community members and are subject to stakeholder voting.

Consensus Requirement: Modifications require a quorum and majority vote as defined by the network's governance rules.

Transparency: All proposed and approved changes are recorded on-chain and publicly accessible, ensuring transparency and auditability.

G.4 Future Public Offers

Not applicable

G.5 Issuer Retained Crypto-Assets

Not applicable

G.6 Utility Token Classification

No

G.7 Key Features of Goods/Services of Utility Tokens

Not applicable

G.8 Utility Tokens Redemption

Not applicable

G.9 Non-Trading Request

True

G.10 Crypto-Assets Purchase or Sale Modalities

Not applicable

G.11 Crypto-Assets Transfer Restrictions

Not applicable

G.12 Supply Adjustment Protocols

CELO operates with a fixed maximum supply of 1,000,000,000 tokens. There is no ongoing issuance or inflationary protocol beyond the initial minting.
As a result:No additional CELO tokens will be created beyond the capped supply.Supply adjustments are not performed via minting or automated reissuance mechanisms. All adjustments to circulating supply occur through burning mechanisms rather than issuance.

The fixed supply nature of CELO ensures predictability and aligns with MiCA's emphasis on transparency and control over token economics.

G.13 Supply Adjustment Mechanisms

Though CELO has a fixed total supply, its circulating supply may be adjusted via the following mechanisms:

Burn Mechanism:

A portion of transaction fees paid in CELO may be burned, removing those tokens permanently from circulation. This introduces a deflationary dynamic, potentially reducing supply over time and supporting long-term value stability.

Reserve Protocol Adjustments (for stable assets):

While CELO itself does not change supply based on demand, it plays a role in the Celo Reserve, which manages the supply of stablecoins like cUSD through an algorithmic reserve model. This system may indirectly affect demand for CELO, but not its supply.

G.14 Token Value Protection Schemes

False

G.15 Token Value Protection Schemes Description

Not Applicable

G.16 Compensation Schemes

False

G.17 Compensation Schemes Description

Not Applicable

G.18 Applicable Law

CELO is not classified as a financial instrument, electronic money, or security under EU law and is treated as an "Other Crypto-Asset" under MiCA. The applicable law for regulatory purposes is the law of the jurisdiction where the Crypto-Asset Service Provider (CASP) or issuer operates—in this case, potentially Liechtenstein, where LCX voluntarily files this whitepaper. However, due to the decentralized and permissionless nature of the CELO Open network, user interactions are governed primarily by the rules encoded in smart contracts, subject to overarching compliance with applicable laws and regulations in each user’s jurisdiction of residence or operation.

G.19 Competent Court

As CELO operates within a decentralized framework and this whitepaper is published voluntarily under MiCA by LCX, any legal disputes arising from services provided by LCX shall fall under the

jurisdiction of the competent courts in Liechtenstein, unless otherwise specified by contractual terms with users. However, for on-chain activities carried out independently by users within the decentralized CELO Open network, no centralized legal recourse may apply. Users interacting with CASPs or other intermediaries should refer to the specific terms and legal agreements of those service providers, which may define separate jurisdictions for dispute resolution based on their location and licensing.

H. PART H – INFORMATION ON THE UNDERLYING TECHNOLOGY

H.1 Distributed ledger technology

Celo operates as a decentralized, permissionless blockchain network. Initially launched as a Layer 1 blockchain, Celo has transitioned to function as an Ethereum Layer 2 solution, enhancing scalability and interoperability while maintaining its decentralized nature.

H.2 Protocols and Technical Standards

Smart Contracts: Celo supports Ethereum Virtual Machine (EVM)-compatible smart contracts, allowing developers to deploy decentralized applications using familiar tools and languages.

Token Standards: Utilizes ERC-20 and ERC-721 token standards for fungible and non-fungible tokens, respectively.

Identity Layer: Implements an address-based encryption scheme, enabling users to associate their phone numbers with wallet addresses for simplified transactions.

H.3 Technology Used

Programming Languages: Celo's core components are primarily written in Go, with smart contracts developed in Solidity.

Infrastructure: Employs a full-stack approach, including a lightweight client for mobile devices, facilitating broader accessibility.

Oracles: Integrates decentralized oracles to provide real-time price feeds and other external data to smart contracts.

H.4 Consensus Mechanism

Celo utilizes a Proof-of-Stake (PoS) consensus mechanism, where validators are selected based on the amount of CELO tokens staked. This approach enhances energy efficiency and network security.

H.5 Incentive Mechanisms and Applicable Fees

Validator Rewards: Validators earn rewards through transaction fees and epoch-based incentives, encouraging active participation in network security.

Transaction Fees: Users pay fees for transactions, which can be settled in CELO or Celo's stable assets like cUSD and cEUR.

Stability Mechanism: A portion of transaction fees may be burned or allocated to the reserve to maintain the stability of Celo's stable assets.

H.6 Use of Distributed Ledger Technology

True

H.7 DLT Functionality Description

Celo's blockchain facilitates:

Value Transfer: Secure and efficient transfer of digital assets.

Smart Contract Execution: Deployment and execution of decentralized applications.

Identity Verification: Mapping of phone numbers to wallet addresses for user-friendly transactions.

Stable Asset Management: Issuance and redemption of stable assets like cUSD, backed by a diversified reserve.

H.8 Audit

True

H.9 Audit Outcome

Celo's smart contracts and protocol components have undergone security audits by reputable firms, including Verilog Solutions. These audits assess the security and correctness of the codebase, contributing to the network's reliability. ***Here is the link to CELO audit report:***

https://www.verilog.solutions/audits/celo_pr_9740/

I. PART I – INFORMATION ON RISKS

I.1 Offer-Related Risks

Market Volatility: The value of CELO can fluctuate significantly due to market dynamics, potentially leading to investment losses.

Regulatory Uncertainty: Changes in regulatory environments across jurisdictions may impact the offering or trading of CELO.

Information Asymmetry: Investors may face challenges in accessing complete or timely information, affecting their decision-making.

I.2 Issuer-Related Risks

Decentralized Governance: The Celo ecosystem operates without a central authority, which may lead to coordination challenges or delays in decision-making.

Operational Dependencies: Reliance on key contributors or developers could pose risks if these parties disengage or face operational issues.

Legal and Compliance Risks: The absence of a centralized issuer may complicate legal accountability and compliance with evolving regulations.

I.3 Crypto-Assets-Related Risks

Security Vulnerabilities: Risks such as hacking, phishing, or loss of private keys can lead to the loss of CELO tokens.

Liquidity Constraints: Limited market liquidity may hinder the ability to buy or sell CELO without significant price impact.

Technological Obsolescence: Rapid technological advancements may render the CELO platform less competitive or outdated.

I.4 Project Implementation-Related Risks

Development Delays: Technical challenges or resource constraints may delay the implementation of planned features or upgrades.

Adoption Risks: The success of the CELO ecosystem depends on user adoption, which may not meet expectations.

Ecosystem Dependencies: The project's success is intertwined with the broader blockchain ecosystem, and issues in related projects could have cascading effects.

I.5 Technology-Related Risks

Smart Contract Bugs: Vulnerabilities in smart contracts could be exploited, leading to financial losses or system malfunctions.

Network Attacks: The CELO network could be susceptible to attacks such as 51% attacks, which may compromise network integrity.

Scalability Issues: As usage grows, the network may face scalability challenges, affecting performance and user experience.

I.6 Mitigation Measures

Security Audits: Regular third-party audits of smart contracts and network infrastructure to identify and address vulnerabilities.

Community Governance: Implementing decentralized governance mechanisms to facilitate transparent decision-making and adaptability.

Regulatory Engagement: Proactive engagement with regulators to ensure compliance and adapt to legal developments.

J. PART J – INFORMATION ON THE SUSTAINABILITY INDICATORS IN RELATION TO ADVERSE IMPACT ON THE CLIMATE AND OTHER ENVIRONMENT-RELATED ADVERSE IMPACTS

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

J.1 Information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism

CELO token operates on a mobile-first blockchain optimized for accessibility and scalability, using a Proof-of-Stake consensus mechanism to ensure energy efficiency. The Celo Network's low carbon footprint and sustainable infrastructure align with MiCA's environmental standards for distributed ledger technologies. The network's annual energy consumption is 39420.00000 kWh/a.

General information	
S.1 Name *Name reported in field A.1*	LCX
S.2 Relevant legal entity identifier Identifier referred to in field A.2	529900SN07Z6RTX8R418
S.3 Name of the crypto-asset Name of the crypto-asset, as reported in field D.2	CELO
S.4 Consensus Mechanism The consensus mechanism, as reported in field H.4	Proof of Stake (PoS)
S.5 Incentive Mechanisms and Applicable Fees Incentive mechanisms to secure transactions and any fees applicable, as reported in field H.5	Celo's incentive model rewards validators and prioritizes accessibility with minimal transaction fees, especially for cross-border payments, supporting a flexible and user-friendly ecosystem.
S.6 Beginning of the period to which the disclosure relates	2024-05-10
S.7 End of the period to which the disclosure relates	2024-05-10
Mandatory key indicator on energy consumption	
S.8 Energy consumption Total amount of energy used for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions, expressed per calendar year	39420.00000 kWh per year
Sources and methodologies	
S.9 Energy consumption sources and Methodologies Sources and methodologies used in relation to the information reported in field S.8	The energy consumption of the CELO token is calculated using a bottom-up approach, focusing on node activity. Public data, open-source tools, and certified lab tests inform estimates. Network-level energy use is attributed to the token based on its gas usage,

	using FFG DTI data to identify asset implementations.

J.2 Supplementary information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism

Not Applicable