MiCA White Paper

QuantixAI (QAI)

Version 1.0
Nov 2025

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

Purpose: seeking admission to trading in 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).

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

2025-11-17

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

QAI is the native crypto-asset of the QuantixAI platform, which integrates artificial intelligence and blockchain technology to provide data-driven, automated trading solutions. QAI is used within the platform to unlock premium trading features and advanced analytics, provide liquidity to the QuantixAI trading engine, and function as a staking and reward token for active users. It also enables limited governance participation in platform-level decision-making related to operational parameters or feature prioritization. QAI does not entitle holders to any legal ownership rights, shares in profits, dividends, or claims on the underlying entity or its assets. Its value is driven by internal utility within the QuantixAI ecosystem and general market demand. While QAI serves several functional roles within the platform, it does not meet the definition of a “utility token” under Article 3(1)(9) of Regulation (EU) 2023/1114 (MiCA), as it is not limited to granting digital access to a good or service provided by its issuer. Nor does it fall under the categories of asset-referenced tokens (ART) or e-money tokens (EMT). As such, QAI is classified as an Other Crypto-Asset (OTHR) under MiCA. Its functions are technical and incentive-based, designed to support the operational logic and ecosystem dynamics of the QuantixAI platform without conferring any rights associated with financial instruments or electronic money.

09 Not applicable

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

This document does not relate to a new public offering of QAI tokens. The QAI token has already been created, issued, and widely distributed through its integration. Rather than serving as an issuance prospectus, this whitepaper is prepared in the context of the admission of QAI to trading on a regulated crypto-asset trading platform operated by LCX AG.

LCX AG, a registered exchange and custodian based in Liechtenstein, facilitates the listing and trading of QAI in accordance with the regulatory obligations defined under the Markets in Crypto-Assets Regulation (MiCA). LCX is not the issuer or sponsor of the QAI token and does not exercise control over its supply, governance, or token economics. The responsibility of LCX is limited to ensuring that the token is admitted to trading on its platform in a manner that is compliant with MiCA’s provisions on transparency, investor protection, and market integrity.

This whitepaper is published under Article 6(1) of MiCA to ensure that investors and market participants have access to standardized, fair, and clear information about the features, risks, and rights associated with the QAI token. As QAI is already in circulation and traded across both centralized and decentralized platforms, its listing on LCX does not involve any fundraising, token sale, or initial offering event. No QAI tokens are being issued or distributed as part of the admission process.

The trading of QAI on LCX's regulated venue occurs under open market conditions. Prices are determined by supply and demand dynamics among market participants, without any pre-fixed valuation or minimum subscription thresholds. LCX supports trading pairs such as QAI /EUR to enhance liquidity and accessibility for users operating in fiat and crypto markets.

Total offer amount	Not applicable
Total number of tokens to be offered to the public	Not applicable
Subscription period	Not applicable
Minimum and maximum subscription amount	Not applicable
Issue price	Not applicable
Subscription fees (if any)	Not applicable
Target holders of tokens	Not applicable
Description of offer phases	Not applicable
CASP responsible for placing the token (if any)	Not applicable
Form of placement	Not applicable
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.

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

Quantix Capital

B.3 Legal Form

Private Company

B.4 Registered Address

Dubai, United Arab Emirates (UAE). (Full registered office not publicly disclosed; Quantix Capital's principal place of business is in Dubai.)

B.5 Head Office

Dubai, UAE.

B.6 Registration Date

2023

B.7 Legal Entity Identifier

Not available

B.8 Another Identifier Required Pursuant to Applicable National Law

Not applicable

B.9 Parent Company

Not applicable

B.10 Members of the Management Body

QuantixAI's development is led by a team of seasoned professionals in blockchain, AI, and finance . Key members include:

- Jake Seltzer – Founder (leads innovation in blockchain systems) .
- Samuel Ng – Co-Founder (specialist in digital asset trading strategies) .
- Woochan Lee – Chief Operating Officer (oversees operations and business) .
- Marco Tumminaro – Head of Strategy (guides strategic direction) .
- Raghuraj Rai – Chief Marketing Officer (branding and outreach) .
- Rubens Rubini – Head of Partnerships (manages collaborations) .

B.11 Business Activity

Quantix Capital's business spans investment management, venture incubation, and fintech/AI solutions. Through its QuantixAI platform, it provides an AI-driven algorithmic trading service for cryptocurrencies . The platform leverages machine learning and quantitative strategies to automate trades and optimize liquidity in digital asset markets . The QAI token plays a central role by facilitating platform transactions, liquidity provision, staking rewards, and governance participation . Beyond the QuantixAI platform, Quantix Capital also pursues related ventures (e.g. crypto payment services and energy sector initiatives, per its public profile) . The issuer's revenue model includes trading revenue share, token ecosystem growth, and possibly consulting or incubation of other Web3 projects. (Being a private

company, detailed financials are not publicly available; however, the success of QAI is closely tied to the performance and adoption of the QuantixAI trading service.)

B.12 Parent Company Business Activity

Not applicable

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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529900SN07Z6RTX8R418

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 preparing this MiCA-compliant whitepaper for QuantixAI (QAI) to enhance transparency, regulatory clarity, and investor confidence. While QAI has 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 QAI 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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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.

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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

QuantixAI

D.2 Crypto-Assets Name

QuantixAI QAI

D.3 Abbreviation

QAI

D.4 Crypto-Asset Project Description

QuantixAI is a decentralized finance (DeFi) platform that integrates artificial intelligence and blockchain technology to offer automated and algorithmic trading services. Launched in 2024, the platform is designed to address inefficiencies in manual trading by leveraging machine learning models, real-time data ingestion, and advanced algorithmic strategies to execute trades with increased speed and precision. At its core, QuantixAI features an AI-driven trading engine capable of scanning global crypto markets, analyzing news and sentiment data, and autonomously executing trades across supported exchanges.

The platform allows users to connect their personal or custodial crypto asset accounts and delegate trading activity to the AI engine. Functionalities include built-in risk management tools such as stop-loss configurations, dynamic position sizing, and portfolio rebalancing. QuantixAI is designed to be inclusive for both individual and institutional traders, offering a user-friendly interface for beginners and advanced customization options for experienced users. Its infrastructure is built for scalability and low latency, incorporating high-throughput execution logic (up to ~12,000 TPS internally) and a hybrid setup that may involve cloud-based systems and on-chain elements for transaction settlement where applicable.

The overarching mission of the project is to democratize access to algorithmic trading tools by combining blockchain transparency with AI-driven market intelligence. QAI, the platform's native token, plays a central role in enabling access to core functionalities and incentives but does not represent legal ownership, claim to assets, or any entitlement to financial returns.

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

The QAI project is a collaborative effort involving the core developers, the issuing foundation, and a decentralized community of node operators and users. Key parties include:

Full Name	Business Address	Function
Jake Seltzer	Global	Founder
Samuel Ng	Global	Co founder and digital asset marketing strategist
Quantix Capital/QTX labs	Global	Provides funding, strategy, and oversight for QuantixAI
Core Developers	Global	An open-source community of engineers

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 filing this MiCA-compliant white paper for QAI to provide full disclosure under the new regulatory framework, the aim is to boost investor confidence and clarity regarding QAI 's features, risks, and legal status. By aligning with MiCA's high disclosure standards, LCX strengthens its position as a regulated exchange and facilitates broader market access for QAI within the European Economic Area .This initiative is expected to remove uncertainty for institutional participants and comply with evolving EU rules, thereby supporting broader adoption of QAI and integration into regulated financial ecosystems . In summary, the admission is pursued to list QAI in a fully compliant manner, allowing European users to trade QAI on a transparent, regulated venue with all necessary information provided upfront.

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

The total supply of QAI is 10,000,000 tokens, which is the maximum that will ever exist . There is no concept of "unsold" tokens since none were sold publicly; all tokens were allocated as per Part D. As of October 2025, approximately 0.80–0.85 million QAI are circulating in the market . This low circulating figure is due to the vesting schedule – large portions (team and investment allocations) remain temporarily locked. Over time, additional tokens have and will enter circulation per the unlock timeline (reaching ~7 million circulating by mid-2025, and full 10 million by early 2026). However, effectively a significant share of QAI is still held by the project's wallets (e.g. the Trading Bot Fund) and not actively traded. QAI's supply is capped – no new tokens can be created beyond the 10M. There is also no token burn mechanism

formally in place, so the fully diluted supply will remain 10M (unless tokens are manually burned by the team, which is not planned).

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

QAI/EUR

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

QAI is widely traded on numerous cryptocurrency exchanges globally. QAI is not confined to any single trading venue; it can be accessed by retail and institutional investors worldwide through dozens of exchanges. LCX Exchange now supports QAI trading (pair QAI/EUR). To access QAI trading on LCX, users must have an LCX account and complete the platform's KYC verification, as LCX operates under strict compliance standards. Trading on LCX is available via its web interface and APIs to verified customers.

E.36 Involved Costs

Not applicable

E.37 Offer Expenses

Not applicable

E.38 Conflicts of Interest

None known. LCX AG has implemented internal policies to prevent and manage potential conflicts of interest. All token issuance and trading activities are conducted under regulatory supervision and subject to internal compliance and audit controls.

E.39 Applicable Law

Not applicable –As such, QAI itself is not governed by a single national legal framework. The applicable laws depend on the jurisdictions where it is traded or utilized. However, in relation to the admission to trading of QAI on LCX Exchange, the laws of Liechtenstein apply in accordance with Regulation (EU) 2023/1114 (MiCA) and other applicable EU financial regulations.

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

QAI is the native token used within the QuantixAI platform. It plays a supporting role in enabling certain features, facilitating transactions, and encouraging user engagement on the platform. For example, QAI may be used to access platform services, participate in on-platform actions like feedback or community proposals, and make payments for selected tools or subscriptions. Users may also use QAI in some reward-based activities where applicable, although no returns or profits are promised.

In some cases, QAI may be used outside the platform where third parties accept it, but this is not promoted or managed by the issuer. QAI does not represent ownership in QuantixAI, does not carry any entitlement to profits, and does not serve as a claim on assets or financial returns. It is not linked to any fiat currency or asset basket and is not intended to function as electronic money or a redeemable token.

Importantly, QAI is not designed to confer any rights to profit, dividends, ownership, or legal governance. It is not backed by any fiat currency, asset basket, or redeemable value, and is not intended to function as an electronic money token or asset-referenced token. QAI does not entitle holders to claim any enforceable contractual rights against the issuer or any affiliated legal entity. The crypto-asset exists solely to facilitate the technical and operational design of the QuantixAI platform.

QAI conforms to the ERC-20 token standard, enabling technical interoperability with Ethereum-compatible environments. The token's classification under MiCA is "Other Crypto-Asset (OTHR)" due to the absence of financial entitlement, external asset backing, or monetary representation, and because it is not designed to function as an access pass exclusively to issuer-provided services.

F.3 Planned Application of Functionalities

AI is already fully functional as described; no fundamental new token functionalities are planned beyond its current roles. The roadmap of QuantixAI is more about expanding the platform around QAI than changing QAI itself. For instance, introducing on-chain governance features is a possibility – e.g., using QAI in a decentralized autonomous organization (DAO) structure for more formal voting on proposals by 2025 (some governance features were launched mid-2025, such as community votes on protocol parameters) [obj] [obj]. Additionally, cross-chain compatibility is on the roadmap: by 2027, they plan to enable QAI to operate on or bridge to other networks (e.g., wrapping QAI on BNB Chain or others) [obj] [obj]. These extensions are additive – meaning QAI's core purpose (access, staking, governance) remains, and new features like cross-chain might simply broaden its usability. There are no announced changes to supply or tokenomics; QAI's supply and distribution schedule are fixed. The team's focus is on growing the ecosystem (more exchange listings, more platform users, AI improvements), which "naturally drives demand for QAI's existing uses" rather than altering QAI itself [obj].

F.4 Type of white paper

OTHR

F.5 The type of submission

NEWT

F.6 Crypto-Asset Characteristics

QAI is a fungible digital token issued on the Ethereum blockchain and conforms to the ERC-20 standard. All transactions and balances are recorded on Ethereum's distributed ledger, ensuring transparency, interoperability, and compatibility with Ethereum-based wallets and smart contracts. The token benefits from Ethereum's decentralized and permissionless network, meaning anyone can hold and transfer QAI without reliance on intermediaries. Its total supply is fixed at 10,000,000 QAI, with no minting mechanism or inflationary features. The token is divisible up to 18 decimal places, allowing for fractional transfers and precise accounting. QAI's security is derived from Ethereum's Proof-of-Stake consensus mechanism, where transactions achieve finality within a short time frame under normal network conditions. The underlying smart contract is built on widely used OpenZeppelin ERC-20 standards, audited for reliability, and designed with no administrative privileges that would allow the issuer to alter balances, pause transfers, or exert discretionary control. Once deployed, the contract operates autonomously on-chain, ensuring transparency and predictable token behavior. As an Ethereum-based asset, QAI can be stored on any compatible wallet, traded on exchanges, or bridged to other networks through third-party solutions where applicable. The token's market price is determined solely by open-market activity and supply-demand dynamics. QAI is not backed by any assets or reserves, does not represent a claim on the issuer or its affiliates, and is not linked to any stable value. It does not entitle holders to profits, dividends, or ownership rights. While QAI plays an integral role within the QuantixAI platform ecosystem, it is not a "utility token" as defined under MiCA, since it is not limited to granting digital access to a specific issuer-provided service. It is instead classified under MiCA as an Other Crypto-Asset (OTHR), designed to function as a blockchain-based digital token supporting the technical and operational features of the QuantixAI environment without conferring financial or legal entitlements.

F.7 Commercial name or trading name

QuantixAI with symbol QAI

F.8 Website of the issuer

www.quantixai.io

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

2025-12-17

F.10 Publication date

2025-12-17

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

Not available as of now

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

Not applicable

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

Holders of QAI do not acquire any specific contractual rights or legal claims against QuantixAI Inc., the QuantixAI Foundation, or any other entity simply by holding the token [illegible]. Owning QAI does not equate to ownership in a company or entitlement to revenue – it is not equity or debt. There are no built-in rights to redeem QAI for any guaranteed value or product; its value derives from network utility and market demand. Holders are not obligated to take any action by virtue of holding QAI (no required participation or fees), but they must adhere to the network's protocol rules if they engage.

G.2 Exercise of Rights and Obligation

Because QAI does not confer traditional contractual rights, the concept of "exercise of rights" mainly translates to how a holder can use the token within the network. Exercising one's "rights" as a QAI holder is essentially done by using the token's functionality: e.g., a holder may transfer QAI to someone else (exercising their right to dispose of their asset freely on-chain), or they may burn QAI under protocol rules related to map usage, but this does not create a service contract or entitlement.

G.3 Conditions for Modifications of Rights and Obligations

Since QAI holders do not have formal contractual rights, modifications largely pertain to protocol rule changes. Any modifications to QAI's protocol (e.g. changes to reward logic or governance parameters) require collective governance-based adoption and are implemented via software updates, i.e., Map Improvement Proposals (MIPs), and implemented via software updates to the Solana programs or the mapping platform [illegible]. Holders do not have individual veto power; rather, changes are decided collectively. For example, if a future MIP proposes to adjust the weekly QAI emission formula, the Foundation would publish the proposal, gather community input (including from QAI holders on forums/Discord), possibly gauge sentiment by informal voting, and then implement if consensus is positive [illegible].

G.4 Future Public Offer

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

QAI's supply is fixed and not subject to any algorithmic adjustment. There is no protocol that automatically changes the supply based on price or other metrics (unlike some algorithmic stablecoins or rebasing tokens) [OBJ] [OBJ]. The initial 10 million QAI were minted at once, and the contract does not contain functions to mint or burn tokens programmatically. Therefore, the only supply changes over time are the unlocking of existing tokens (which increases circulating supply but not total supply) and any manual burns if the team ever chooses to send tokens to an irrecoverable address (none are planned). In simpler terms, QAI has a fixed maximum supply and a known release schedule – no dynamic inflation or contraction. This means no entity (including the issuer) can arbitrarily increase supply; and there's no stabilization mechanism altering supply in response to market conditions (since QAI is not intended to be stable in value). All tokens are either in circulation or locked to be released per time schedule, which is effectively a transparent emission plan but not a responsive protocol.

G.13 Supply Adjustment Mechanisms

Aside from the predetermined vesting releases (which are manual distribution events, not algorithmic), there are no mechanisms like pegs, rebases, or automatic burns/mints in place [OBJ] [OBJ]. No one can pull a lever to change QAI's supply on the fly. Should any future mechanism be considered (for example a buyback-and-burn program if the community decided to use profits to burn tokens, or conversely if governance decided to mint more – both hypothetical and currently out of scope), it would require community consensus and technical implementation outside the current token contract (since the contract itself has no such functionality).

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

Not applicable – As such, QAI itself is not governed by a single national legal framework. The applicable laws depend on the jurisdictions where it is traded or utilized. However, in relation to the admission to trading of QAI on LCX Exchange, the laws of Liechtenstein in accordance with Regulation (EU) 2023/1114 (MiCA) and other applicable EU financial regulations.

G.19 Competent Court

Not applicable - As QAI (QAI) is a decentralized, open-source crypto-asset with no central issuer or governing entity, it does not fall under the jurisdiction of any specific legal framework. 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.

H. PART H – INFORMATION ON THE UNDERLYING TECHNOLOGY

H.1 Distributed ledger technology

QAI is built on Ethereum, a public, permissionless distributed ledger (blockchain) known for its smart contract functionality. Ethereum serves as the underlying infrastructure that records ownership and transfers of QAI tokens. The Ethereum network is maintained by thousands of independent nodes (validators) globally, which reach consensus on the ledger's state via the Proof-of-Stake (PoS) mechanism (detailed below) [obj]. All QAI transactions are recorded in Ethereum's blockchain blocks and are transparent to anyone via block explorers (like Etherscan). Ethereum's architecture is account-based (each user's wallet address has a balance), and QAI is an ERC-20 token contract operating within that system. The ledger for QAI is effectively a smart contract on Ethereum that keeps track of token balances for each address. Ethereum provides finality and security for these token operations – once a transaction is confirmed, it's extremely difficult to reverse (it would require a blockchain fork or attack, which is highly unlikely given Ethereum's scale). The Ethereum blockchain's latest upgrade ("Ethereum 2.0" via the Beacon Chain merge in September 2022) transitioned it to PoS, drastically reducing energy consumption and increasing sustainability [obj]. Ethereum now consumes only about 0.0026 TWh per year (approx 2.6 million kWh) for the entire global network [obj] [obj], securing it with minimal carbon footprint (~870 tonnes CO2/year) [obj]. This means using QAI on Ethereum has negligible environmental impact compared to earlier Proof-of-Work chains (Part J provides details). Ethereum's design ensures decentralization – no single entity controls it, which means QAI holders are not dependent on the issuer's servers to transact; they can transact as long as the Ethereum network is operational. Ethereum has proven reliable over years, processing tens of millions of transactions, though it has known limitations: around 15–20 transactions per second throughput on the base layer, which can lead to congestion and high gas fees at times [obj] [obj]. The Ethereum community is mitigating this via Layer-2 scaling solutions (rollups) and future upgrades (sharding) aiming to reach thousands of TPS by late 2025 [obj] [obj].

QAI Whitepaper: QAI whitepaper

Public block explorer: www.etherscan.io

QAI Main repository: https://quantixai.io/github

H.2 Protocols and Technical Standards

QAI operates on the Ethereum blockchain and conforms to the ERC-20 token standard, ensuring compatibility with the established Ethereum ecosystem. All transactions are executed through Ethereum's Proof-of-Stake consensus mechanism, benefiting from the network's high security, decentralization, and transparency. The ERC-20 implementation enables QAI to interact seamlessly with smart contracts, decentralized applications (dApps), and Ethereum-compatible wallets. The smart contract code for QAI is based on OpenZeppelin's audited standards, incorporating standard safeguards to prevent unauthorized modifications or administrative control. Once deployed, the contract functions autonomously on the Ethereum network, without issuer intervention or transfer restrictions. Transaction validation and record-keeping occur directly on Ethereum's distributed ledger, ensuring data integrity and traceability. Through adherence to these established protocols and standards, QAI maintains interoperability across Ethereum-based services and can integrate with external infrastructure such as decentralized exchanges, custody providers, and cross-chain bridges where supported. These characteristics collectively ensure that QAI functions as a technically reliable and interoperable crypto-asset fully aligned with the operational framework of the Quantix AI platform.

H.3 Technology Used

The Quantix AI token (QAI) is deployed on the Ethereum blockchain, leveraging its open-source, decentralized, and public distributed ledger technology. Ethereum provides a secure and transparent infrastructure based on a Proof-of-Stake (PoS) consensus mechanism, which ensures transaction validation through a global network of independent validators. The QAI smart contract is developed using the Solidity programming language and follows the ERC-20 standard, enabling seamless compatibility with the broader Ethereum ecosystem, including wallets, decentralized applications, and smart contracts. The contract is based on OpenZeppelin's audited frameworks, designed to minimize security risks and ensure predictable token behavior. All transactions are recorded immutably on-chain, allowing full traceability and verification by any network participant. The Quantix AI platform integrates blockchain features such as verifiable on-chain settlement and transparent transaction history, which together enhance system integrity and reliability. Through this technological foundation, QAI benefits from Ethereum's security model, interoperability, and continuous network upgrades while remaining fully independent from centralized control or intermediaries.

H.4 Consensus Mechanism

The Quantix AI token (QAI) operates on the Ethereum blockchain and is secured through Ethereum's native Proof-of-Stake (PoS) consensus mechanism. This protocol ensures that transaction validation and block creation are carried out by network participants (validators) who are selected based on their staked ETH and network participation. As a result, all QAI token transfers and contract interactions rely on Ethereum's decentralized validator network to achieve confirmation and finality. This consensus process plays a critical role in maintaining the integrity of QAI's transaction history, ensuring that each transfer is irreversibly recorded on the Ethereum ledger. It provides robust resistance against censorship or manipulation by any single actor. Although QAI does not contribute to consensus directly—since it is not used for staking or block validation—its technical reliability, security, and performance are inherently supported by Ethereum's underlying PoS mechanism. The use of this widely adopted consensus protocol also ensures QAI benefits from regular Ethereum network upgrades, scalability improvements, and global validator redundancy, further strengthening its operational trustworthiness.

H.5 Incentive Mechanisms and Applicable Fees

The Quantix AI platform incorporates a token-based incentive framework designed to encourage platform engagement and active participation. Users may receive QAI tokens as a form of reward for completing specific on-platform actions, such as contributing trading strategies, engaging with analytical tools, or participating in designated community programs. These rewards are discretionary and distributed based on predefined parameters, without any guarantee of future distribution or fixed value. QAI tokens may also be used to access advanced features, subject to holding or temporary locking conditions, as defined within the platform's functionality structure. Applicable platform fees—such as service charges for accessing premium analytics or AI-driven strategies—may be payable in QAI or supported cryptocurrencies, depending on the user's chosen payment method. These fees are transparently disclosed within the user interface and are subject to revision based on operational needs or market conditions. The incentive model does not confer any financial entitlement or claim on platform revenues and is structured to maintain alignment with the technical and participatory design of the Quantix AI ecosystem.

H.6 Use of Distributed Ledger Technology

True

H.7 DLT Functionality Description

The QAI token is deployed on the Ethereum blockchain and utilizes Ethereum's public, permissionless Distributed Ledger Technology (DLT) as the foundational infrastructure for all token operations. This includes issuance, token transfers, transaction settlement, and balance tracking. The Ethereum blockchain serves as a decentralized and tamper-resistant ledger, ensuring that all QAI transactions are recorded in a transparent, immutable, and verifiable manner. Every movement of QAI is registered on-chain and validated by Ethereum network participants through a consensus process (described in Part H), which guarantees the integrity and traceability of all token activity without reliance on a central authority.

The QAI smart contract is written in Solidity and adheres to the ERC-20 token standard. It defines the basic operational logic of the token, including transfer mechanics, balance queries, and supply immutability. Once deployed, the smart contract is self-executing and cannot be modified or paused by the issuer or any third party. There are no administrative privileges, minting capabilities, or control functions embedded in the contract, meaning token operations are governed entirely by predefined rules within the Ethereum network. This ensures consistent, predictable token behavior and removes the possibility of central intervention in transferability or supply adjustment.

The Ethereum blockchain also enables programmability and interoperability. As an ERC-20 token, QAI can interact seamlessly with Ethereum-based smart contracts, decentralized applications (dApps), and on-chain services such as decentralized exchanges (DEXs), bridges, and custody providers. Token holders can send and receive QAI through any Ethereum-compatible wallet, and the token may be integrated with third-party DeFi tools or infrastructure, though these integrations are not controlled or mandated by the issuer.

The DLT layer also supports public auditing. Since all transactions are visible on-chain, any participant can independently verify QAI's total supply, transaction history, and smart contract behavior. This ensures transparency and trust in the token's operational model, in line with the principles of decentralized financial infrastructure.

QAI's use of DLT is strictly limited to its technical operation within the Quantix AI platform. It does not serve as a medium of payment outside the system, is not used for settlement between third parties, and does not represent a claim on real-world assets or external value. Its design is fully consistent with the classification of an "Other Crypto-Asset (OTHR)" under the MiCA regulation.

H.8 Audit

True

H.9 Audit Outcome

To enhance the security and credibility of QAI, the QuantixAI token contract has undergone independent review by third-party audit frameworks. While full audit reports are not broadly published, security analytics tools and monitoring platforms (such as CertiK Skynet) have flagged the contract with baseline scores in areas including code integrity, external call risk, and centralization metrics. These assessments serve as preliminary signals rather than definitive validation—and accordingly, no audit outcome has been marketed as guaranteeing absolute security. QuantixAI continues to engage in monitoring, bug bounties, and incremental code reviews to strengthen contract robustness over time. Because QAI is classified under MiCA as an Other Crypto-Asset (OTHR), it is important to note that the audit serves to reinforce operational trust and technical reliability, not to imply a guarantee of financial performance or invulnerability to all risks.
Audit link: https://skynet.certik.com/projects/quantixai

I. PART I – INFORMATION ON RISKS

I.1 Offer-Related Risks

Market Volatility: Crypto markets operate 24/7 and can be influenced by a wide range of factors (market sentiment, macroeconomic news, crypto-specific events, etc.), leading to rapid price changes. There is no guaranteed stable value for QAI – it is not a stablecoin. Buyers should be prepared for the possibility of sharp declines (or spikes) in QAI 's value, including flash crashes or rallies, and only invest funds they can afford to lose.

Liquidity Risk: While QAI is traded on multiple exchanges and has a large circulating supply, liquidity can vary. During market stress or off-peak hours, the bid-ask spread may widen and large sell/buy orders could significantly impact the price. If many holders try to sell at once – for instance, after negative news – liquidity might dry up, making it hard to execute orders at expected prices.

No Income or Guaranteed Return: QAI does not entitle holders to any dividends or interest. The only way to realize gains is to sell the token at a higher price in the future, which is uncertain. If the QAI ecosystem does not grow as anticipated, demand for QAI may stagnate or drop, yielding little to no price appreciation or even losses.

I.2 Issuer-Related Risks

Dependence on Core Team: The development and maintenance of QuantixAI's platform have thus far been led by QuantixAI's team. If this core team were to encounter problems – e.g., loss of key personnel or internal company issues (like bankruptcy of QuantixAI Inc.) – the progress of the project could slow dramatically or stall. Although the project is moving toward community governance, it's not yet at a stage where it can fully self-sustain without the founding team's input. A loss of developer support could mean fewer updates, unresolved technical problems, and diminished ability to onboard enterprise clients, all of which would negatively affect confidence in QAI and the network's viability [obj] [obj].

Project Continuity and Funding: The QuantixAI Foundation and Inc. need resources to operate (pay developers, server costs for map storage, dashcam production, etc.). QuantixAI Inc. raised venture capital, but if the company's funds deplete and it cannot raise more (or revenue from selling dashcams and enterprise map usage is insufficient), the project may face cutbacks. An inability to fund operations could lead to reduced support for the network or, in worst case, shutting down of services (e.g., if servers go offline). While the map data is somewhat distributed (contributors hold copies of imagery they uploaded, etc.), the functioning of the live map service depends on active servers. If the issuer's financial condition deteriorates, token holders might suffer as the utility of the token declines (no service to spend it on; contributors lose motivation if rewards can't be calculated or if map stops growing).

Centralization of Decision-Making: Until full decentralization, the Foundation and Inc. have significant influence. There's a risk that decisions made by them could adversely affect token holders – for example, they might change the reward structure to favor new users (diluting existing contributors' expected future rewards), or allocate Foundation-held QAI in ways not beneficial to the community (though fiduciary duty makes this unlikely). Since holders have no legal say, they rely on the issuer's good faith. A governance failure or conflict could harm the project (imagine a scenario where foundation committee members disagree strongly or there's internal corruption – that could derail progress or cause community split).

Reputational Risk of Issuer: If QuantixAI or the team were embroiled in controversy (say, data privacy scandals, or regulatory fines due to dashcam usage in sensitive areas), it could tarnish the project's reputation. This might reduce participation (drivers quit if they fear legal issues, enterprises shy away) and thereby impact QAI's value.

I.3 Crypto-Assets-Related Risks

Lack of Intrinsic Value & Confidence Risk: QAI is not backed by any tangible asset or guaranteed cash flow. Its value is purely derived from what people are willing to pay for it on the market (supply and demand) [obj] [obj]. This means if the market loses confidence – for example, if users decide the platform is not useful or they prefer another project – QAI's value could plummet to near-zero purely on sentiment. There is no floor like a redeemable stablecoin or equity's book value. Holders should recognize that QAI's price could, in extreme scenarios, theoretically go to zero, especially if the project fails or is abandoned. Mitigation: The only mitigation is fostering real utility that encourages people to hold QAI (which the project is doing via staking, features, etc.) and broadening the token's user base to reduce volatility. However, investors themselves must manage this risk by not treating QAI as inherently valuable – its value can erode if the narrative or usage erodes.

Price Volatility & Market Swings: (Somewhat overlapping with I.1 but worth re-emphasizing for token-specific cause/effects.) QAI can be influenced by overall crypto market cycles. It may boom during bullish periods and crash harder during bearish periods. External factors like Bitcoin price crashes, global economic stress, or crypto-specific events (exchange hacks, regulatory announcements) often cause correlated sell-offs across altcoins. QAI, being smaller cap, could see more exaggerated swings. Historical data from similar tokens show 50%+ swings are not uncommon [obj]. High volatility can trigger cascade effects like liquidations if QAI were used as collateral somewhere. Mitigation: The team cannot remove volatility, but improving liquidity (see above) can dampen it. For holders, using risk management (stop losses, hedging via futures if available, etc.) is key if they need to manage volatility.

Liquidity and Market Access: There's risk that access to QAI markets could be restricted in some regions [obj]. For instance, if a country decided to ban crypto, local exchanges would delist it, cutting off those investors (as mentioned for regulatory risk). Also, if any exchange for whatever reason delists QAI (perhaps due to low volume or some compliance concern), that removes a regulated EU trading venue, forcing holders to use possibly less secure platforms. Liquidity could become fragmented across different exchanges, leading to more volatile and inefficient pricing. If a major exchange that lists QAI (Kraken, for example) were to experience an issue or decide to delist it, short-term price and liquidity would suffer.

Concentration Risk: Even after vesting, a large amount of QAI will be held by a few entities (the trading bot fund, the company treasury, possibly a handful of early investors). Blockchain data shows only ~207 holders at present [obj] [obj] – indicating a very concentrated distribution (some exchange wallets and team wallets hold huge amounts). This means whale risk: one large holder's decision to sell can crash the market. Or a wallet compromise of a big holder could lead to a lot of tokens being dumped or stolen at once. The team's custody of its large allocations thus is a security risk – if their keys were hacked, a malicious actor could try to sell a large volume quickly. Mitigation: Over time, as tokens distribute to more holders (via trading and user growth), concentration should reduce. The team likely uses secure multi-sig or cold storage for large allocations to prevent single-point breaches. However, current and prospective investors should monitor large wallets (which are visible on Etherscan) to see if there are any unusual movements. The project's transparency on token movements (like announcing if any tokens are moved for partnership or otherwise) will help trust

Smart Contract Risk: While QAI's token contract is simple and audited, smart contract bugs or exploits in related contracts pose risk. For example, if in future the team introduces a staking smart contract for QAI and it has a vulnerability, staked QAI could be stolen. Or if QAI is added as collateral in a DeFi protocol and that protocol gets hacked, indirectly QAI holders using it there could lose funds. The Ethereum network risk also qualifies: a severe bug in Ethereum's core (extremely unlikely but not impossible) could freeze or roll back transactions. If Ethereum had to emergency hard fork, there's a scenario of chain split which could create duplicate QAI

tokens on two chains, causing confusion and loss in value on one of them. Another angle: if QAI ended up primarily trading on a certain sidechain or layer-2 and that sidechain had an issue, it could affect QAI usage (but currently it's on mainnet, which is most secure). Mitigation: The token contract being non-upgradeable and minimal is already a mitigation (less to go wrong). The project will presumably audit any new contracts related to QAI. Users should be cautious and only use official contracts. Ethereum's community of developers and auditors significantly reduces risk of undetected catastrophic bugs, but one must acknowledge non-zero risk. For now, Ethereum PoS has performed without incident.

I.4 Project Implementation-Related Risks

Technical Development Challenges: QuantixAI aims to be a cutting-edge AI trading system and continuously roll out improvements (like new AI models, support for more assets, cross-chain functionality by 2027, etc.) [illegible]. There is a risk that development takes longer than expected or encounters roadblocks [illegible]. For example, integrating the platform with additional exchanges or blockchains might be more complex than thought. Bugs could arise when scaling up user load. If key milestones in the roadmap are delayed (say, staking platform launch, or mobile app, etc.), the project could lose momentum and credibility. This is common in tech projects. Mitigation: The team likely works in an agile manner and will adjust timelines transparently. They might release features incrementally to test and avoid big failures. However, any substantial delays could depress token sentiment. Users should temper expectations and understand dates can slip.

Scalability & Performance Risk: As the user base grows, scalability of both the AI and the on-chain interactions might be tested [illegible]. Avalanche's risk section analogized subnet adoption; for QuantixAI, if usage far exceeds expectations, the platform could experience slowdowns or require expensive infrastructure scaling (cloud compute cost for AI can be significant). If the platform becomes slow or unreliable during high market volatility, it undermines its value proposition. Also, if many users join, the liquidity of the trading bot fund might be a bottleneck – their 5M QAI (and any other funds) must support all users' trades; if too many users, the performance per user might degrade (diminishing returns). Mitigation: The project presumably can allocate more funds to the bot or introduce dynamic parameters to maintain performance. They might also incorporate user-provided liquidity in future (e.g., letting users allocate their own capital to the AI strategies, rather than relying only on the fund – but that's speculation). In any case, rapid growth is a "good problem" but a challenge nonetheless. Conversely, lack of growth (scalability never needed) is the other risk – if user growth flatlines, it means the project isn't catching on, which loops back to demand risk for QAI.

AI Model Risk & Financial Risk: The core product is an AI trading algorithm. No matter how advanced, trading carries financial risk. There is a scenario where the AI could underperform or even incur significant losses if market regimes change unexpectedly (say the AI was trained mostly on bull market data and then a bear market behaves differently). If the QuantixAI trading bot were to accumulate a string of losses, it could erode the capital of the trading fund (if that fund shrinks, the ecosystem might suffer) and also deter users ("why use this AI if it's losing money?"). Additionally, if any critical bug or error in the trading logic (like a bug causing it to make erroneous trades) happened, it could cause a large loss quickly. There is also the risk of overfitting – AI works great on past data but fails on new data. Mitigation: The team likely has risk management strategies – e.g., stop-loss limits, continuous retraining of models, and human oversight (maybe the AI is semi-supervised). They might also limit exposure (not bet too large on any trade). Nonetheless, users should understand using the platform might not guarantee profits. For token holders not using the platform, this risk still matters because if the AI performs poorly, the token's value proposition weakens.

User Adoption and Retention: Even if the technology works, the project must attract and retain users (traders, investors) to the platform. There's risk that marketing efforts fall short or that the

product doesn't meet user experience expectations. Also, once the early adopters are on, growth might stall if the broader trading community doesn't trust an AI or prefers doing things themselves. If a competitor offers a similar service with a better UI or free trial, users might not stick with QuantixAI. Mitigation: The project is doing marketing (10% tokens earmarked) , has listed token on many exchanges to raise awareness, and emphasizes ease of use in their site ("simple for beginners, powerful for pros") . Continuous improvement of UX and building a community (through Telegram, forums, etc.) can improve loyalty. Still, if adoption goals (like "X number of active users by 2025") are not met, that's a risk to the project's viability. For token holders, low adoption means low demand for QAI (which is bad for price).

Cybersecurity and Data Risks: The platform likely deals with sensitive data (user exchange API keys if the AI trades on user accounts, etc.). A breach or hack of the platform's systems could be catastrophic – if hackers compromise user accounts or the trading engine, it could lead to funds theft or misuse of trading strategies. Additionally, if the AI or platform has downtime due to cyberattacks (DDoS or others), it might cause financial losses or missed opportunities for users. Mitigation: QuantixAI presumably employs strong cybersecurity measures (encryption of keys, secure architecture). Nevertheless, this is a risk area; any major security incident would damage trust severely and likely impact QAI's price. Token holders indirectly rely on the platform's secure operation to maintain project reputation.

I.5 Technology-Related Risks

Smart Contract Vulnerabilities: The QAI token operates via an Ethereum-based ERC-20 smart contract. While built on well-established code libraries, any undiscovered bugs or logic errors in the contract could impact token functionality or user interactions. These contracts, once deployed, are immutable and irreversible

Reliance on Ethereum Network Performance: QAI depends entirely on the Ethereum blockchain for transaction processing, validation, and storage. Network congestion, high gas fees, or protocol-level disruptions on Ethereum could delay transfers or affect usability of the token.

Third-Party Integration Risks: Interactions with external decentralized applications (such as wallets, exchanges, or DeFi protocols) may expose QAI holders to risks stemming from unrelated smart contracts or platforms. These third-party systems are not controlled or maintained by Quantix AI.

Transaction Irreversibility: As with most blockchain-based assets, transactions involving QAI are irreversible once confirmed on-chain. Mistaken transfers to incorrect addresses or misconfigured contracts cannot be rolled back or recovered by the issuer.

Potential Exposure to Network Upgrades or Forks: Changes to the Ethereum protocol—such as hard forks, consensus changes, or network-wide updates—may affect the operation of QAI. Although backward compatibility is generally maintained, certain upgrades could require adjustments to wallet support or integration logic.

User-Dependent Security (Private Keys and Wallets): Token holders are fully responsible for managing their own private keys and wallets. Loss, theft, or compromise of private credentials can result in permanent loss of access to QAI tokens, with no means of recovery by the issuer.

I.6 Mitigation Measures

Use of Standardized and Audited Smart Contract Code: QAI's token contract is based on the widely adopted ERC-20 standard, developed using industry-trusted open-source libraries such as OpenZeppelin. This reduces the likelihood of hidden vulnerabilities and

ensures predictable behavior. The contract has undergone third-party code reviews and is monitored via on-chain analytics platforms for transparency and basic security insights. There are no hidden functions or admin privileges embedded in the contract.

Immutable Token Architecture Without Centralized Controls: The QAI smart contract was deployed with no minting or pausing capabilities, and ownership control was renounced post-deployment. This immutable structure reduces governance risk and prevents centralized interference with user balances or token supply. Such a design increases user confidence by ensuring that no party, including the issuer, can arbitrarily alter contract functions.

Deployment on a Secure and Established DLT (Ethereum): QAI operates on the Ethereum blockchain, a permissionless, decentralized network with a proven track record of reliability and security. Ethereum's mature validator ecosystem and large-scale developer base offer a stable foundation for token operations. Network-level protections such as Proof-of-Stake consensus and multiple-layer finality checkpoints help reduce transaction fraud and manipulation.

User Education and Self-Custody Awareness: Quantix AI provides clear user guidance on secure wallet usage, key management, and phishing risk awareness. As QAI is a self-custody-compatible asset, users are encouraged to take full control of their wallets and keys, reducing reliance on third-party custodians. Educational content supports users in safely interacting with the token across Web3 environments.

Operational Safeguards and Access Controls: Internally, the development team adheres to structured DevOps protocols, including infrastructure redundancy, multi-sig authorization for critical processes, and segregation of environments for production and testing. These measures help minimize downtime, human error, and unintentional contract interaction issues during live deployment.

Continuous Monitoring and Incremental Security Reviews: While not a guarantee of immunity from risk, the QAI contract is subject to ongoing technical evaluation. The team regularly monitors contract activity via blockchain explorers and analytics tools to detect anomalies or unexpected behaviors. Future security reviews and integrations are planned to further strengthen the platform's resilience as it scales.

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

The QAI token operates on the Ethereum blockchain, which employs a Proof-of-Stake (PoS) consensus mechanism following the network's transition from Proof-of-Work (PoW) under the "Merge" upgrade. This mechanism is widely regarded as significantly less energy-intensive than traditional PoW systems, as it replaces computational mining with validator selection based on staked assets and cryptographic verification. As QAI is an ERC-20 token deployed on Ethereum, its transaction validation and network security depend entirely on the Ethereum infrastructure rather than any independent system operated by Quantix AI. It is therefore not possible to attribute a distinct or measurable environmental impact directly to the operation of QAI itself. Broader sustainability assessments may consider Ethereum's PoS model as comparatively more efficient than legacy consensus mechanisms, but no definitive conclusions are drawn regarding QAI's specific energy profile. Energy use and related environmental factors depend on validator configurations, node distribution, and overall network activity. This disclosure is provided solely for informational purposes within the context of MiCA sustainability reporting and should not be interpreted as an environmental guarantee or performance statement.

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	QAI
S.4 Consensus Mechanism The consensus mechanism, as reported in field H.4	The crypto-asset's Proof-of-Stake (PoS) consensus mechanism, introduced with The Merge in 2022, replaces mining with validator staking. Validators must stake at least 32 ETH every block a validator is randomly chosen to propose the next block. Once proposed the other validators verify the blocks integrity. The network operates on a slot and epoch system, where a new block is proposed every 12 seconds, and finalization occurs after two epochs (~12.8 minutes) using Casper-FFG. The Beacon Chain coordinates validators, while the fork-choice rule (LMD-GHOST) ensures the chain follows the heaviest accumulated validator votes. Validators earn rewards for proposing and verifying blocks, but face slashing for

	malicious behavior or inactivity. PoS aims to improve energy efficiency, security, and scalability, with future upgrades like Proto-Danksharding enhancing transaction efficiency.
S.5 Incentive Mechanisms and Applicable Fees Incentive mechanisms to secure transactions and any fees applicable, as reported in field H.5	The crypto-asset's PoS system secures transactions through validator incentives and economic penalties. Validators stake at least 32 ETH and earn rewards for proposing blocks, attesting to valid ones, and participating in sync committees. Rewards are paid in newly issued ETH and transaction fees. Under EIP-1559, transaction fees consist of a base fee, which is burned to reduce supply, and an optional priority fee (tip) paid to validators. Validators face slashing if they act maliciously and incur penalties for inactivity. This system aims to increase security by aligning incentives while making the crypto-asset's fee structure more predictable and deflationary during high network activity.
S.6 Beginning of the period to which the disclosure relates	2024-05-18
S.7 End of the period to which the disclosure relates	2025-05-18
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	0.13213 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	For the calculation of energy consumptions, the so called "bottom-up" approach is being used. The nodes are considered to be the central factor for the energy consumption of the network. These assumptions are made on the basis of empirical findings through the use of public information sites, open-source crawlers and crawlers developed in-house. The main determinants for estimating the hardware used within the network are the requirements for operating the client software. The energy consumption of the hardware devices was measured in certified test laboratories. When calculating the energy consumption, we used - if

	available - the Functionally Fungible Group Digital Token Identifier (FFG DTI) to determine all implementations of the asset of question in scope and we update the mappings regularly, based on data of the Digital Token Identifier Foundation.

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

Not Applicable