MiCA White Paper
Zora
(ZORA)

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 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

ZORA is designed to provide its token holders with seamless access to a comprehensive suite of platform services. A foundational principle of the ZORA ecosystem is that the tokens themselves are both freely transferable and fully fungible. This inherent characteristic means that all usage rights and associated obligations are inextricably linked to the token. Consequently, whenever a ZORA token is transferred from one holder to another, the corresponding rights and duties automatically follow the token, ensuring a fluid and transparent transfer of all privileges and responsibilities within the platform. This design fosters a dynamic and efficient environment where token ownership directly dictates access and accountability, streamlining interactions and maintaining the integrity of the ZORA ecosystem.

09   Not applicable

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

Here are the key information about the Zora(ZORA):

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

Zora Labs, Inc

B.3 Legal Form

Corporation

B.4 Registered Address

548 Market St, PMB 66875, San Francisco CA 94104, USA

B.5 Head Office

110 Greene Street, Suite 803A, New York, NY 10012

B.6 Registration Date

2020-04-08

B.7 Legal Entity Identifier

Not Available

B.8 Another Identifier Required Pursuant to Applicable National Law

California's unique record: 4584204

B.9 Parent Company

Not Available

B.10 Members of the Management Body

Zora Labs, Inc. did not provide this information as it is not involved in offering to the public or seeking admission to trading.

B.11 Business Activity

Zora Labs, Inc. did not provide this information as it is not involved in offering to the public or seeking admission to trading.

B.12 Parent Company Business Activity

Unknown

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

Herrengasse 6, 9490 Vaduz, Liechtenstein

C.5 Registration Date

24.04.2018

C.6 Legal Entity Identifier

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 ZORA to enhance transparency, regulatory clarity, and investor confidence. While ZORA has its classification as "Other Crypto Asset," LCX is providing this document to support its role as a Crypto-Asset Service Provider (CASP) and ensure compliance with MiCA regulations in facilitating ZORA 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

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- 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

Zora

D.2 Crypto-Assets Name

ZORA

D.3 Abbreviation

ZORA

D.4 Crypto-Asset Project Description

Name / Token: ZORA (symbol: ZORA)

Total Supply: 10,000,000,000 ZORA tokens.

Token Type: Fungible ERC-20 token on the Base network.

Purpose:

For community incentives, tipping/rewarding creators.

Medium of exchange for digital assets minted on Zora.

Also used for engagement features ("fun token") rather than governance or equity rights. Holders do not get ownership or voting rights in the company.

Transferability:

Freely transferable on Base, subject to standard ERC-20 and Base network rules, gas fees etc.

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

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

Full Name	Business Address	Function
Jacob Horne	*Not Applicable*	*CEO and Co-Founder*
Ethan Daya	*Not Applicable*	*CTO and Co-Founder*
LaDarius Goens	*Not Applicable*	*COO and Co-Founder*

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

Launch / Airdrop: Token launched on 23 April 2025 on Base. 10% of supply (1 billion tokens) was airdropped to eligible community members.

Milestones:

Deployment of ZORA ERC-20 contract.

Free community airdrop of 1B tokens.

The token is intended to be used for future social-layer features (e.g. tipping, curation rewards) within Zora's creator economy.

Lock-ups & Vesting:

Team allocation: 18.9% of supply, with vesting over ~36 months starting 6 months after token generation event (TGE).

Investor / strategic contributor allocation: 26.1%, similar vesting schedule (36 months, starting six months post-TGE).

D.9 Resource Allocation

Financial resources:

Zora Labs, Inc. secured approximately USD 62 million through three venture funding rounds. These include an undisclosed seed round in 2021, a USD 50 million round in May 2022 led by Haun Ventures, and an additional USD 2.62 million in seed funding filed in May 2024.

Token resources:

Initially, the project allocated 20% to the treasury for long-term network maintenance and developer grants, 20% to community incentive programs, and 5% to liquidity provisioning.

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

There is no fundraising via public sale for ZORA (i.e. no public offering). Instead the token was airdropped, with allocations to treasury/investors/team etc.

In terms of collected funds, the whitepaper says "Planned Use of Collected Funds or Crypto-Assets" is N/A. That section is empty, because there was no traditional token sale with public funds collection.

The treasury tokens are intended to be used for long-term network maintenance, developer grants, ecosystem growth, community support.

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 a MiCA-compliant whitepaper for ZORA to enhance transparency, regulatory clarity, and investor confidence. ZORA is classified as "Other Crypto-Assets" under MiCA, 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 ZORA 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 ZORA in a compliant manner. It further supports the broader market adoption and integration of ZORA 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

ZORA has a fixed supply of 10,000,000,000 ZORA tokens.

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

ZORA is widely traded on multiple trading platforms globally. ZORA is not restricted to a single exchange and can be accessed by retail and institutional investors worldwide.

LCX Exchange also provides access to ZORA trading with the ZORA/EUR pair. Investors can access ZORA through [LCX.com](LCX.com), the official LCX exchange, as well as other supported cryptocurrency trading platforms. To trade ZORA, 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

For admission to trading of ZORA on LCX, the applicable law is Liechtenstein law, applied in accordance with MiCA and EU regulations. For decentralized, on-chain use of ZORA outside LCX, applicable law depends on the user's jurisdiction.

E.40 Competent Court

Any disputes related to services provided by LCX fall under the jurisdiction of the Courts of Liechtenstein. For independent on-chain activities with ZORA, no centralized legal recourse exists.

F. PART F - INFORMATION ABOUT THE CRYPTO-ASSETS

F.1   Crypto-Asset Type

Other Crypto-Asset

F.2   Crypto-Asset Functionality

ZORA is a fungible ERC-20 token deployed on the Base network, a Layer 2 blockchain built using the Optimism Stack and secured by Ethereum. As an ERC-20 asset, it is fully compatible with wallets, dApps, and DeFi protocols.

ZORA holders can freely send and receive tokens via on-chain transactions. These are processed through Base's optimistic rollup, offering fast confirmations and low fees. Transactions are executed on Layer 2 and finalized on Ethereum, ensuring both scalability and security.

F.3   Planned Application of Functionalities

ZORA is fundamentally a community-focused, entertainment token, offering no governance or ownership rights. While it *may* serve as a medium of exchange, for tipping, or for rewards within the Zora application, the availability of these features is not guaranteed, and the token carries no inherent value or entitlements.

F.4   Type of white paper

OTHR

F.5   The type of submission

NEWT

F.6   Crypto-Asset Characteristics

ZORA is designed to provide its token holders with seamless access to a comprehensive suite of platform services. A foundational principle of the ZORA ecosystem is that the tokens themselves are both freely transferable and fully fungible. This inherent characteristic means that all usage rights and associated obligations are inextricably linked to the token. Consequently, whenever a ZORA token is transferred from one holder to another, the corresponding rights and duties automatically follow the token, ensuring a fluid and transparent transfer of all privileges and responsibilities within the platform. This design fosters a dynamic and efficient environment where token ownership directly dictates access and accountability, streamlining interactions and maintaining the integrity of the ZORA ecosystem.

F.7   Commercial name or trading name

ZORA

F.8   Website of the issuer

https://zora.co/

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**

RP9Z7X3F9

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

False

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 can freely transfer their ZORA tokens on-chain to other users or trade them on available markets at their discretion. There are no mandatory obligations imposed on ZORA purchasers.

Holding Token does not entitle any governance rights or equity ownership in ZORA Ecosystem.

G.2 Exercise of Rights and Obligation

MiCAR requires the exercise of rights and obligations to be transparent and enforceable:-

Mechanism for Exercise: The white paper must outline how token holders can exercise their rights.

Redemption (if applicable): If any redemption right exists, it must be honored promptly and clearly outlined in terms of how and when it can be exercised.

G.3 Conditions for Modifications of Rights and Obligations

The issuer reserves the right to modify token rights or obligations under the following conditions:

Regulatory Compliance: Changes required by law or MiCA regulations.

Platform Updates: Adjustments due to technical or functional upgrades.

User Notification: Material changes will be communicated in advance via official channels.

User Agreement: Continued use of the platform or tokens implies acceptance of updated terms.

G.4 Future Public Offers

Not applicable

G.5 Issuer Retained Crypto-Assets

Not applicable

G.6 Utility Token Classification

False

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

False

G.13 Supply Adjustment Mechanisms

Not Applicable

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

For admission to trading of ZORA on LCX, the applicable law is Liechtenstein law, applied in accordance with MiCA and EU regulations. For decentralized, on-chain use of ZORA outside LCX, applicable law depends on the user's jurisdiction.

G.19   Competent Court

Any disputes related to services provided by LCX fall under the jurisdiction of the Courts of Liechtenstein. For independent on-chain activities with ZORA, no centralized legal recourse exists.

H. PART H – INFORMATION ON THE UNDERLYING TECHNOLOGY

H.1 Distributed ledger technology

The ZORA token is built on Base, a public Layer 2 blockchain that utilizes Optimistic Rollup technology within the Optimism Stack. Its security is derived from Ethereum (Layer 1), as transaction data is anchored there for finality.

H.2 Protocols and Technical Standards

ZORA is implemented on Base, which is a public, EVM-compatible Layer-2 blockchain built using the OP Stack (Optimism's stack).

The ZORA token is a standard ERC-20 fungible token on Base.

Protocols for "Coins" in the Zora ecosystem (Creator Coins, Content/Post Coins) are designed with fixed/fungible supply, reward / incentive hooks, liquidity pools etc. They integrate with Uniswap V4 pool hooks, liquidity management, vesting etc.

Smart contract architecture includes contracts like ZoraFactoryImpl, BaseCoinV4, CreatorCoin, ContentCoin, and hooks (CreatorCoinHook, ContentCoinHook) which handle fee distribution, liquidity, reward logic, multi-hop swaps etc.

H.3 Technology Used

EVM Compatibility: Since Base is EVM-compatible, the ZORA token and other coins use Solidity contracts. Standard tools, wallets, and infrastructure that work with Ethereum also work with Base for ZORA.

OP Stack / Optimistic Rollups: Base uses optimistic rollup technology (via the OP Stack) to scale Ethereum. Transactions are processed off-chain / Layer-2 then periodically batched & committed to Ethereum Layer-1.

Liquidity / AMM Integration: Coins (post/content coins, creator coins) are tradeable via Uniswap V4 pools, with custom hooks (fee hooks, reward hooks etc.) to automatically distribute rewards to creators, referrers, protocol, liquidity providers etc.

Vesting / Tokenomics Mechanisms: The creator coins have a supply of 1 billion per coin, with portions vesting over a period (e.g. 5 years for creator's allocation) and tradeable portions made immediately available. Content coins have initial allocations to creators etc.

H.4 Consensus Mechanism

Since ZORA is on Base, the consensus / security is inherited via Base's mechanism. Base is an L2 built with the OP Stack, which uses optimistic rollups.

Optimistic rollups do not have their own full consensus mechanism in the sense of independent validators staking or mining (on L2). Instead, transactions are executed off-chain / L2, then a sequencer batches up L2 transaction data and periodically posts compressed or aggregated proofs / data to Ethereum L1. Fraud proofs / "challenge periods" exist so that invalid state transitions can be challenged.

The underlying L1, Ethereum, uses Proof-of-Stake (PoS) consensus. Thus, the security of Base / ZORA depends ultimately on Ethereum's PoS when the batches / state roots are anchored there.

Transaction finality: On L2 (Base), transactions are fast (≈ 2 seconds for confirmation) but finality in the strongest sense comes after the L1 anchoring / challenge period (could be 20-30 minutes or more depending on the design).

H.5 Incentive Mechanisms and Applicable Fees

Base is a Layer-2 (L2) scaling solution built on Ethereum, leveraging optimistic rollups through the OP Stack. Transactions on Base are aggregated by a sequencer and subsequently submitted to Ethereum as Layer-1 (L1) transactions. This process combines multiple L2 transactions into a single

L1 submission, significantly reducing the average transaction cost per user. The shared cost model creates strong economic incentives to transact on Base rather than directly on Ethereum L1.

To facilitate the movement of crypto-assets between Ethereum and Base, a dedicated smart contract on Ethereum is used. Since Base does not employ its own consensus mechanism, additional safeguards ensure that withdrawals are secure and verifiable. When a user initiates a withdrawal, the request must first be submitted on Ethereum L1. If the request remains unchallenged for a defined period, the funds can then be withdrawn. During this challenge window, any participant can submit a fault proof to dispute invalid withdrawals. This dispute resolution process is underpinned by economic incentives, ensuring honest behavior and network integrity.

H.6   Use of Distributed Ledger Technology

True

H.7   DLT Functionality Description

The ZORA token operates on Base, a public Layer 2 blockchain built on the Optimism Stack, using Optimistic Rollup technology. It inherits security from Ethereum (Layer 1), where transaction data is anchored for finality.

Key functionalities include:

Token issuance and transfers via ERC-20 smart contracts.

Smart contract execution for creator rewards, vesting, and trading.

Low-cost, fast transactions on Base (~2s confirmation).

Data availability and transparency via public blockchain explorers.

Fraud-proof mechanisms ensure security and integrity.

Final settlement occurs on Ethereum Layer 1.

The system supports scalable, programmable, and decentralized token operations with high availability and auditability.

H.8   Audit

True

H.9   Audit Outcome

The Zellic website shows a repository of audits: "Reports" section.

As per ZORA Foundation, the contracts have been audited by Zellic. Here is the link for the audit report:
https://github.com/ourzora/zora-token/blob/main/audit/Zora%20Token%20-%20Zellic%20Audit%20Report.pdf

I. PART I – INFORMATION ON RISKS

I.1 Offer-Related Risks

Market Volatility: The value of ZORA may fluctuate significantly after launch.

Insufficient Demand: The offering may not attract the expected user base or funding.

Limited Liquidity: There is no guarantee of active secondary markets for trading ZORA.

I.2 Issuer-Related Risks

Operational Risk: The issuing entity may face financial, legal, or management issues.

Regulatory Risk: Future regulatory changes could impact the issuer's ability to operate.

Dependence on Key Personnel: Loss of core team members may affect the project's progress.

I.3 Crypto-Assets-Related Risks

Price Volatility: Crypto-assets in general are subject to high price fluctuations.

Cybersecurity Threats: Wallets, exchanges, or smart contracts may be vulnerable to attacks.

Lack of Legal Recourse: Users may have limited remedies in the event of token loss or theft.

I.4 Project Implementation-Related Risks

Delays: Project features or milestones may be postponed or fail to launch.

Resource Constraints: Funding shortfalls or technical challenges may affect delivery.

Integration Failure: Planned partnerships or features may not materialize as expected.

I.5 Technology-Related Risks

Smart Contract Bugs: Undiscovered flaws in deployed contracts could cause failures.

Blockchain Dependencies: Reliance on the underlying blockchain (e.g., Solana or other) may introduce external risks like congestion or forks.

System Downtime: Platform outages or infrastructure failure could disrupt service.

I.6 Mitigation Measures

Audits: Smart contracts are subject to independent security audits.

Vesting and Reserves: Controlled token releases reduce the risk of market shocks.

Regulatory Alignment: The project is designed to comply with MiCA and EU laws.

Transparency: Regular updates and on-chain data provide user visibility and trust.

Contingency Planning: A reserve fund and legal structure are in place to handle operational risks.

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 ZORA token operates on a user-friendly, scalable blockchain infrastructure, optimized for accessibility and low-cost transactions. The platform's low environmental impact and commitment to sustainable operations align with MiCA's standards for distributed ledger technologies. The network's annual energy consumption is 76.06905 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	Zora
S.4 Consensus Mechanism The consensus mechanism, as reported in field H.4	ZORA uses Optimistic Rollup consensus (via the OP Stack) as its mechanism: it inherits security from Ethereum (a Proof-of-Stake chain) and processes transactions off-chain in batches which are periodically committed to Ethereum mainnet.
S.5 Incentive Mechanisms and Applicable Fees Incentive mechanisms to secure transactions and any fees applicable, as reported in field H.5	Base is an Ethereum Layer-2 solution using optimistic rollups via the OP Stack. A sequencer batches L2 transactions into single L1 submissions, lowering costs. Asset transfers use Ethereum smart contracts with a challenge period for withdrawals, secured by fault proofs and economic incentives to ensure integrity and prevent invalid transactions.
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	2024-05-18
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	76.06905 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 ZORA 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