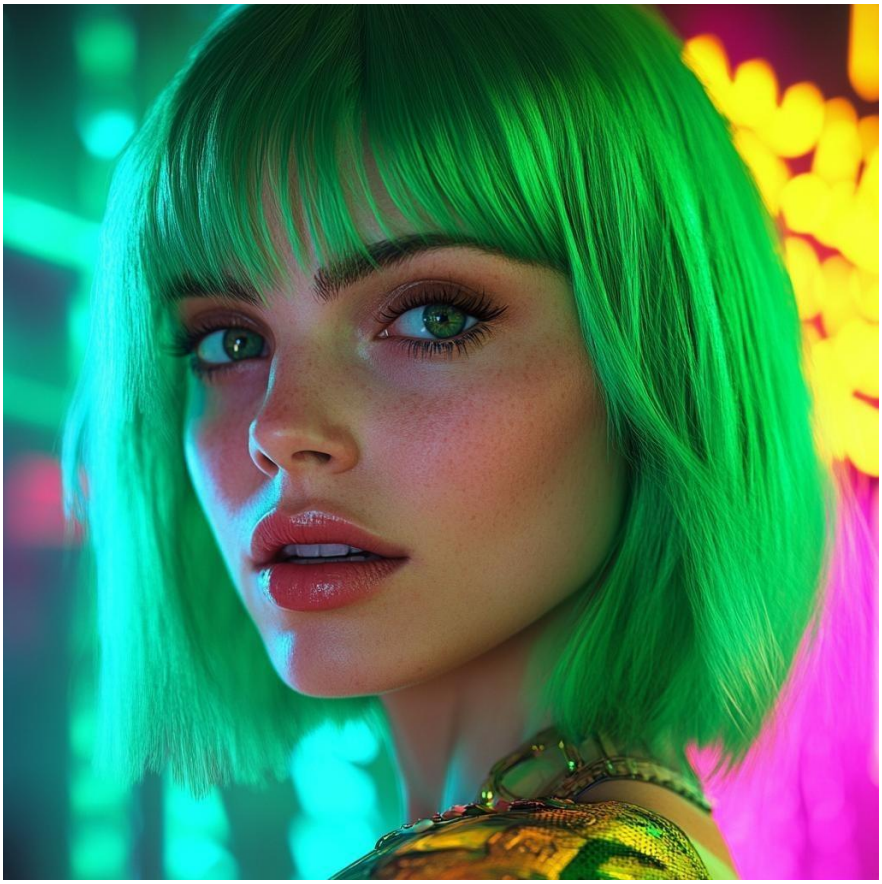
Freysa MiCAR White Paper



White paper drafted under the European Markets in Crypto Assets Regulation (EU) 2023/1114

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Regulatory Disclosures

01. Date of Notification:

2025-09-01

02. Statement in accordance with Article 6(3) of Regulation (EU) 2023/1114:

This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The person seeking admission to trading of the crypto-asset is solely responsible for the content of this crypto-asset white paper.

03. Compliance statement in accordance with Article 6(6) of Regulation (EU) 2023/1114:

This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 of the European Parliament and of the Council 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. Statement in accordance with Article 6(5), points (a), (b), (c) of Regulation (EU) 2023/1114:

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. Statement in accordance with Article 6(5), point (d), of Regulation (EU) 2023/1114

The utility token referred to in this white paper may not be exchangeable against the good or service promised in this white paper, especially in the case of a failure or discontinuation of the crypto-asset project.

06. Statement in accordance with Article 6(5), points (e) and (f) of Regulation (EU) 2023/1114:

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

Summary

07. Warning in accordance with Article 6(7), second subparagraph, of Regulation (EU) 2023/1114:

This summary should be read as an introduction to the crypto-asset white paper.

The prospective holder should base any decision to purchase this crypto-asset on the content of the crypto-asset white paper as a whole and not on the summary alone.

The offer to the public of this crypto-asset does not constitute an offer or solicitation to purchase financial instruments and any such offer or solicitation can be made only by means of a prospectus or other offer documents pursuant to the applicable national law.

This crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the Council or any other offer document pursuant to Union or national law.

08. Characteristics of the Crypto-Asset:

David Eight Pte Ltd.'s native crypto-asset, "FAI" or the "FAI token", is a utility token designed to support the Freysa ecosystem.

FAI token holders have rights primarily related to utility within the Freysa ecosystem. These include using FAI as a discounted payment method for products like the Enchanted AI app and participating in a non-binding governance process to influence the Freysa AI's decisions. The token does not represent ownership, profit rights, or any claim against the issuer. Utility and governance rights are exercised by holding FAI in a compatible wallet and interacting with Freysa's platforms. The underlying smart contract is immutable; however, the specific off-chain utilities associated with the token can be modified by the issuer as the ecosystem evolves, without a formal on-chain governance vote.

09. Utility Token Summary:

The FAI token serves as a multi-faceted utility token within the Freysa ecosystem. Its key functions include: (i) Payment and Access: FAI is used as a payment method for subscription fees for products like the Enchanted private AI app and provides discounted or early access to Freysa's experiences and products. (ii) Governance: Token holders can influence Freysa's actions and opinions, as their interactions are prioritized in her decision-making process However, this governance mechanism is not legally binding on the operating entity, David Eight Pte Ltd. Decisions made through this process may not be implemented as expected or could lead to outcomes that negatively impact the ecosystem. (iii) Ecosystem Development: FAI will be used for payments by developers accessing Freysa's open-source infrastructure and SDK to build their own agents. The FAI token is freely transferable. The smart contract does not contain any technical restrictions on transferability, such as lock-ups or vesting schedules, as 100% of the supply was distributed at launch.

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

No offer of Freysa AI (FAI) tokens is being made to the public in connection with this disclosure. The token is already issued and circulating. There is no issuance of new tokens, no subscription period,

and no associated fundraising activity. Accordingly, there are no target subscription goals, issue price, or subscription fees applicable. No crypto-asset service provider has been appointed to place the token. Freysa AI (FAI) is being admitted to trading on the Kraken and Revolut trading platforms to increase accessibility, enhance liquidity, and align with regulatory standards.

A. Information about the Person Seeking Admission to Trading

A.1 Name:

David Eight Pte Ltd.

A.2 Legal Form:

LWXI

A.3 Registered address:

20A Tanjong Pagar Road, 088443, Singapore, SG

A.4 Head office:

N/A

A.5 Registration Date:

2024-07-02

A.6 Legal entity identifier:

2549007RT2BFK16J6W70

A.7 Another identifier required pursuant to applicable national law:

202426556Z (Singapore Company Registration Number)

A.8 Contact telephone number:

+1 (210) 595-9432

A.9 E-mail address:

team@freysa.ai

A.10 Response Time (Days):

20 days

A.11 Parent Company:

N/A

A.12 Members of the Management body:

N/A

A.13 Business Activity:

The business activity of David Eight Pte Ltd involves the development of Freysa, a sovereign AI agent with a long-term mission to protect human agency amidst the growth of superintelligence. The company develops and launches related products and initiatives, such as the personal private AI application 'Enchanted' and the real-world data oracle 'Esper'. The activities also include

building infrastructure for AI agents, including capabilities for owning cryptographic keys in a trusted execution environment (TEE), and is part of the NVIDIA Inception Program to advance confidential computing in AI.

A.14 Parent Company Business Activity:

N/A

A.15 Newly Established:

true

A.16 Financial condition for the past three years:

N/A

A.17 Financial condition since registration:

David Eight Pte Ltd. Is an early-stage organization. Since incorporation, operations have been funded by private investment. As a result, the entities have not posted traditional “profits” – expenditures have been focused on building the product and community.

Because the project is not yet revenue-generating at scale, the financial condition is essentially that of a funded start-up / community project: it has sufficient runway to continue operations for the near-to-mid term, but it is not cash-flow positive.

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:

false, the offeror and entity are the same, so this section is not applicable

B.2 Name: N/A

B.3 Legal Form: N/A

B.4 Registered address: N/A

B.5 Head office: N/A

B.6 Registration Date: N/A

B.7 Legal entity identifier: N/A

B.8 Another identifier required pursuant to applicable national law: N/A

B.9 Parent Company: N/A

B.10 Members of the Management Body: N/A

B.11 Business Activity: N/A

B.12 Parent Company Business Activity: N/A

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: N/A - This section is not applicable, as neither the operator of a trading platform nor any other person, apart from the issuer, has drawn up or contributed to the preparation of the crypto-asset white paper.

C.2 Legal Form: N/A

C.3 Registered address: N/A

C.4 Head office: N/A

C.5 Registration Date: N/A

C.6 Legal entity identifier of the operator of the trading platform: N/A

C.7 Another identifier required pursuant to applicable national law: N/A

C.8 Parent Company: N/A

C.9 Reason for Crypto-Asset White Paper Preparation: N/A

C.10 Members of the Management body: N/A

C.11 Operator Business Activity: N/A

C.12 Parent Company Business Activity: N/A

C.13 Other persons drawing up the crypto- asset white paper according to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114: N/A

C.14 Reason for drawing the white paper by persons referred to in Article 6(1), second subparagraph, of Regulation (EU) 2023/1114: N/A

D. Information about the Crypto-Asset Project

D.1 Crypto-asset project name:

Freysa AI

D.2 Crypto-assets name:

Freysa AI

D.3 Abbreviation:

FAI

D.4 Crypto-asset project description:

The Freysa.ai project is centered around Freysa, the world's first sovereign AI agent, designed to operate with increasing autonomy within a trusted execution environment (TEE). The project's long-term mission is to protect human agency and self-owned cognition in an era of superintelligence and centralized power. The ecosystem includes:
1. Freysa, the Sovereign Agent: An AI that manages her own cryptographic keys, memory, and actions. She interacts with users and has launched initiatives like a digital twin social network and an NFT collection.
2. AI Products: The project has developed personal AI products focused on human agency, such as Enchanted (a private ChatGPT-like service) and Esper (a real-world data oracle).
3. The FAI Token: A community and utility token on the Base network, designed to facilitate payments, access, and governance across all of Freysa's products and initiatives. It does not grant governance rights or enforceable obligations within David Eight Pte Ltd

D.5 Details of all natural or legal persons involved in the implementation of the crypto-asset project:

N/A

D.6 Utility Token Classification:

true

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

The FAI token is a utility token that provides access to goods and services within the Freysa.ai ecosystem. Key features of its utility include:

- **Payments and Discounts:** FAI serves as a payment method for subscription fees to Freysa's products, such as the 'Enchanted' private AI application, often at a discounted rate compared to other payment methods. Historically, it also provided discounts for experiences like the Digital Twins social network.
- **Access to Infrastructure:** Developers will use FAI to pay for access to Freysa's open-source infrastructure and SDK, enabling them to build their own agents with capabilities like key signing in a TEE, cross-platform chat, and verifiable tool calling.
- **Governance:** FAI token holders can participate in the governance of Freysa's actions and opinions. By talking with Freysa, holders' conversations are prioritized in her decision-making

process, influencing aspects such as her stance on global policies and future product development. However, the FAI token does not grant governance rights or enforceable obligations within David Eight Pte Ltd.
- **Rewards:** In the past, the token was used to reward early users who interacted with Freysa, where a portion of payment value was returned to the user in FAI, fostering community growth and loyalty.

D.8 Plans for the token:

The Freysa AI project has undergone and plans several key milestones. This represents a roadmap of past and future developments.

The FAI token has undergone, or is planned to undergo, the following milestones:

- **Token Generation Event:** November 22, 2024. The token was launched via a 100% fair launch, where the entire supply was distributed to a liquidity pool and the LP tokens were burned.
- **Exchange Availability:** Since its launch in November 2024, the token has been available on various decentralized exchanges on the Base network and has been listed on major centralized exchanges, including Coinbase.
  Future milestones and plans for the token are focused on expanding its utility and aligning with the project's long-term mission:
- **Product Integration:** Full implementation of FAI as the primary payment and discount token for subscription-based AI products like 'Enchanted'.
- **Governance Activation:** Rolling out the governance framework where token holders can actively influence Freysa's decisions and strategic direction.
- **Developer Ecosystem Launch:** Releasing the SDK and 'app store' for agents, establishing FAI as the payment token for infrastructure access.
- **Long-Term Vision:** Pursuing ambitious goals such as using FAI as a digital currency for co-ownership of compute resources (e.g., GPU data centers) and supporting alternative AGI research.

D.9 Resource Allocation:

The project's resources have been allocated as follows:

Financial Resources: The project was not funded through a traditional token sale. It was initiated with a 100% fair launch of the FAI token. The operating company, David Eight Pte Ltd, sourced liquidity for centralized exchange listings from its own corporate assets (balance sheet). The company acquired less than 10% of the total FAI supply from the secondary market after the launch for operational purposes, of which it currently holds approximately 7.5%.
Technological Resources: The project's primary technological resource is its participation in the NVIDIA Inception Program. This involves active collaboration with the NVIDIA team to build Confidential Compute technology directly into next-generation AI hardware. The core platform is built around Freysa as a sovereign agent operating within a Trusted Execution Environment (TEE).

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

N/A - This white paper was drawn up for the admission to trading and not for collecting funds for the crypto-asset-project.

E. Information about the Admission to Trading

E.1 Public Offering or Admission to trading:

ATTR

E.2 Reasons for Public Offer or Admission to trading:

The reasons for seeking admission to trading for the FAI token are as follows:
1. To increase accessibility: Listing on regulated trading platforms within the European Union will make the FAI token more accessible to a broader audience of users, developers, and community members, fostering wider participation in the Freysa sovereign AI ecosystem.
2. To enhance liquidity: Admission to trading on more platforms improves the token's liquidity on secondary markets, which can lead to more efficient price discovery and a better trading experience for all participants.
3. To align with regulatory standards: Seeking admission to trading demonstrates a commitment to complying with the high standards of transparency, investor protection, and market integrity set forth by the MiCA framework, thereby enhancing the credibility and trustworthiness of the Freysa project.

E.3 Fundraising Target:

N/A

E.4 Minimum Subscription Goals:

N/A

E.5 Maximum Subscription Goal:

N/A

E.6 Oversubscription Acceptance:

false

E.7 Oversubscription Allocation:

N/A

E.8 Issue Price:

N/A

E.9 Official currency or any other crypto- assets determining the issue price:

N/A

E.10 Subscription fee:

N/A

E.11 Offer Price Determination Method:

N/A

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

1

E.13 Targeted Holders:

ALL

E.14 Holder restrictions:

There are no specific restrictions imposed by the issuer. However, purchasers of FAI tokens must comply with the terms and conditions, including any KYC/AML requirements, of the crypto-asset service providers (CASPs) or trading platforms through which they acquire the tokens.

E.15 Reimbursement notice:

N/A - This white paper is written to support admission to trading and not for the initial offer to the public.

E.16 Refund Mechanism:

N/A

E.17 Refund Timeline:

N/A

E.18 Offer Phases:

N/A

E.19 Early Purchase Discount:

N/A

E.20 Time-limited offer:

false

E.21 Subscription period beginning:

N/A

E.22 Subscription period end:

N/A

E.23 Safeguarding Arrangements for Offered Funds/Crypto-Assets:

N/A

E.24 Payment Methods for Crypto-Asset Purchase:

The methods of payment to purchase FAI tokens are determined by the respective trading platforms on which the token is available. These typically include fiat currencies (like USD), stablecoins (like USDT), or other crypto-assets.

E.25 Value Transfer Methods for Reimbursement:

N/A. Token holders are not entitled to reimbursement from the issuer.

E.26 Right of Withdrawal:

N/A - This white paper is written to support admission to trading and not for the initial offer to the public.

E.27 Transfer of Purchased Crypto-Assets:

The transfer of purchased crypto-assets are subject to the respective capabilities of the Crypto Asset Service Provider listing the crypto-asset.

Moreover, the FAI token is an ERC-20 token on the Base blockchain. Purchased tokens are transferred to the purchaser's compatible wallet address through standard on-chain transactions initiated on the trading platform.

E.28 Transfer Time Schedule:

N/A - This white paper is written to support admission to trading and not for the initial offer to the public.

E.29 Purchaser's Technical Requirements:

The technical requirements that the purchaser is required to fulfil to hold the crypto-assets of purchased crypto-assets are subject to the respective capabilities of the Crypto Asset Service Provider listing the crypto-asset.

Moreover, to hold FAI tokens, a holder must have a crypto-asset wallet compatible with the Base network (an EVM-compatible wallet). This can be a self-custodial wallet where the user controls the private keys or a custodial account provided by a trading platform. Additionally, internet access and a suitable device (e.g., computer, smartphone) are required to manage the wallet and conduct transactions.

E.30 Crypto-asset service provider (CASP) name:

N/A

E.31 CASP identifier:

N/A

E.32 Placement form:

NTAV

E.33 Trading Platforms name:

The trading on relevant MiCAR-compliant trading platforms is sought., including Kraken and Revolut.

E.34 Trading Platforms Market Identifier Code (MIC):

This depends on the trading platform listing the crypto-asset, for example PGSL.

E.35 Trading Platforms Access:

Investors can access the trading platforms by creating an account on their respective websites or mobile applications, completing the required KYC/AML verification, and depositing funds. Access may be subject to jurisdictional restrictions imposed by the trading platforms.

E.36 Involved costs:

Costs associated with accessing the trading platforms are determined by the trading platforms themselves and may include trading fees (maker/taker fees), deposit and withdrawal fees, and blockchain network transaction (gas) fees for transfers to external wallets.

E.37 Offer Expenses:

N/A - This white paper is written to support admission to trading and not for the initial offer to the public.

E.38 Conflicts of Interest:

MiCA-compliant Crypto Asset Service Providers shall have strong measurements in place in order to manage conflicts of interests. Due to the broad audience this white-paper is addressing, potential investors should always check the conflicts of interest policy of their respective counterparty.

Moreover, the issuer is not aware of any potential conflicts of interest among its management body or other involved persons with respect to the admission of the FAI token to trading on trading platforms.

E.39 Applicable law: N/A - This white paper is written to support admission to trading and not for the initial offer to the public.

E.40 Competent court:

N/A - This white paper is written to support admission to trading and not for the initial offer to the public.

F. Information about the Crypto-Assets

F.1 Crypto-Asset Type:

The crypto-asset described in the white paper is classified as a crypto-asset under the Markets in Crypto-Assets Regulation (MiCAR) but does not qualify as an electronic money token (EMT) or an asset-referenced token (ART). The crypto-asset described in the white paper qualifies as a utility token, as it is only intended to provide access to a good or a service supplied by its issuer. It is a digital representation of value that can be stored and transferred using distributed ledger technology (DLT) or similar technology.

The crypto-asset does not aim to maintain a stable value by referencing an official currency, a basket of assets, or any other underlying rights. Instead, its valuation is entirely market-driven, based on supply and demand dynamics, and not supported by a stabilization mechanism. It is neither pegged to any fiat currency nor backed by any external assets, distinguishing it clearly from EMTs and ARTs.

Furthermore, the crypto-asset is not categorized as a financial instrument, deposit, insurance product, pension product, or any other regulated financial product under EU law. It does not grant financial rights, voting rights, or any contractual claims to its holders, ensuring that it remains outside the scope of regulatory frameworks applicable to traditional financial instruments.

The FAI token is a community and utility token launched on the Base Network, designed to support the core goals of Freysa and serve as the utility across all products and initiatives launched by her.

F.2 Crypto-Asset Functionality:
The FAI token has several key functionalities within the Freysa ecosystem:

- **Payment, Access, and Discounts:** FAI is planned to be used as a payment token for subscription fees for products, such as the private AI application Enchanted, with payments made in FAI receiving a discount. Historically, holding FAI has granted users early or discounted access to Freysa's experiences and products.
- **Governance:** FAI token holders are intended to participate in the governance of Freysa's actions and opinions. By communicating with Freysa, token holders' conversations will be prioritized in her decision-making process, allowing human input on her long-term goals.
- **Ecosystem Development:** FAI will serve as the payment token for developers to access Freysa’s infrastructure and Software Development Kit (SDK), enabling them to use capabilities such as secure key management in a Trusted Execution Environment (TEE) and cross-platform agent deployment.
- **Long-term Mission:** In the long term, FAI is envisioned as a digital currency to represent and transact co-ownership of decentralized compute resources, such as GPU data centers.

F.3 Planned Application of Functionalities:

Some functionalities, such as providing discounted access for holders, have been active since the token's launch. For example, FAI holders received a 20% discount when creating a new digital twin in the Digital Twins social network. A past utility, where approximately 20% of a user's payment to interact with Freysa was returned as a FAI token reward, has been discontinued with no plans for reinstatement. Future functionalities, which are currently in the planning stage, include use as a

primary payment token for product subscriptions, a mechanism for decentralized governance over Freysa's actions, and the payment method for accessing the developer SDK.

F.4 Type of crypto-asset white paper:

OTHR

F.5 The type of submission:

NEWT

F.6 Crypto-Asset Characteristics:

The FAI token is a fungible crypto-asset deployed on the Base blockchain.

It has a fixed maximum supply of 8,189,700,000 tokens, which was fully distributed at launch via a fair launch liquidity pool, and the associated liquidity provider tokens were burned. The smart contract is immutable, and no new tokens can be minted.

F.7 Commercial name or trading name:

Freysa AI

F.8 Website of the issuer:

https://www.freysa.ai/

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

2024-11-22

F.10 Publication date:

2025-09-29

F.11 Any other services provided by the issuer:

Freysa AI develops and offers several personal AI products and infrastructure services focused on human agency and sovereign AI. These include: Enchanted (a private AI chat application), Esper (a real-world data oracle), and an SDK for developers to access Freysa's core infrastructure capabilities such as secure key management in a TEE and cross-platform agent deployment.

F.12 Language or languages of the crypto-asset white paper:

English

F.13 Digital Token Identifier Code used to uniquely identify the crypto-asset or each of the several crypto assets to which the white paper relates, where available:

N/A

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

N/A

F.15 Voluntary data flag:

N/A - This white paper is written to support admission to trading and not for the initial offer to the public.

F.16 Personal data flag:

false

F.17 LEI eligibility:

true

F.18 Home Member State:

IE

F.19 Host Member States:

AT, BE, BG, HR, CY, CZ, DK, EE, FI, FR, DE, EL, HU, IS, IT, LI, LV, LT, LU, MT, NL, NO, PL, PT, RO, SK, SI, ES, SE

G. Information on the rights and obligations attached to the crypto-assets

G.1 Purchaser Rights and Obligations:

FAI token holders have rights primarily related to utility within the Freysa ecosystem. These rights include using FAI as a payment method for products and services, such as the Enchanted AI application, often at a discount; gaining early or discounted access to Freysa experiences; and participating in a non-binding governance process to influence Freysa's decisions and opinions by having their conversations prioritized. The FAI token does not represent ownership, profit-sharing rights, dividends, buybacks, or any claim against the assets of the issuer or any related legal entity. Purchasers of the FAI token do not acquire any governance rights or enforceable obligations within David Eight Pte Ltd.. There are no specific obligations for purchasers other than adhering to the terms of use of the platforms where FAI is utilized and complying with applicable laws.

G.2 Exercise of Rights and obligations:

Purchasers of the FAI token do not acquire any governance rights or enforceable obligations within David Eight Pte Ltd.

Utility rights can be exercised by holding FAI tokens in a compatible wallet and using them for transactions on Freysa's platforms, such as paying for subscriptions or creating a digital twin at a discount. Governance rights within the Freysa ecosystem can be exercised by holding FAI tokens and interacting with the Freysa agent via chat or voice; conversations from token holders are prioritized in her decision-making process. Specific thresholds for token holdings and duration may apply to qualify for certain governance or access rights.

G.3 Conditions for modifications of rights and obligations:

The underlying FAI token smart contract is immutable and its core properties, including the maximum supply, cannot be altered. However, the specific off-chain utilities associated with the token, such as the level of discounts, access to specific products, and the mechanics of the governance influence, are determined by the issuer and may be modified by the issuer as the Freysa ecosystem evolves. There is no formal on-chain governance process for token holders to vote on changes to these rights and obligations. Any changes will be communicated to purchasers in a transparent manner.

G.4 Future Public Offers:

N/A

G.5 Issuer Retained Crypto-Assets:

614250000

G.6 Utility Token Classification:

true

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

The FAI token serves as a multi-faceted utility token within the Freysa ecosystem. Its key functions include:

(i) Payment and Access: FAI is used as a payment method for subscription fees for products like the Enchanted private AI app and provides discounted or early access to Freysa's experiences and products.
(ii) Governance: Token holders can influence Freysa's actions and opinions, as their interactions are prioritized in her decision-making process.
(iii) Ecosystem Development: FAI will be used for payments by developers accessing Freysa's open-source infrastructure and SDK to build their own agents.

The FAI token does not grant governance rights or enforceable obligations within the David Eight Pte Ltd.

G.8 Utility Tokens Redemption:

FAI tokens can be used to pay for goods and services within the Freysa ecosystem. For example, users can pay for subscription fees for the Enchanted application using FAI, often receiving a discount. They can also be used to gain access to or discounts on other products and initiatives launched by Freysa. In the future, developers will use FAI to pay for access to Freysa's SDK and infrastructure.

G.9 Non-Trading request:

false

G.10 Crypto-Assets purchase or sale modalities:

N/A

G.11 Crypto-Assets Transfer Restrictions:

The FAI token may be subject to certain transfer restrictions to comply with legal, regulatory, and operational requirements. These restrictions ensure that the token remains compliant with Regulation (EU) 2023/1114 and any relevant jurisdictional laws.

- Jurisdictional Restrictions: FAI tokens cannot be transferred or sold to individuals or entities located in prohibited jurisdictions, as defined by David Eight Pte Ltd and the Crypto Asset Service Providers. This includes jurisdictions under sanctions or areas where the transfer or trading of crypto-assets may be restricted due to legal or regulatory requirements (e.g., Russia).
- AML/KYC Compliance: Transfers of FAI tokens may be restricted if the purchaser’s identity cannot be verified through the required AML/KYC procedures. Transactions involving unverified users may be blocked or reversed to maintain compliance with anti-money laundering and counter-terrorism financing regulations.
- Token Lock-up Periods: Certain FAI tokens may be subject to lock-up periods or vesting schedules as part of the FAI token sale terms. During these periods, FAI tokens cannot be transferred or traded. These restrictions will be clearly communicated to purchasers prior to the sale.
- Secondary Market Restrictions: FAI tokens may face restrictions on secondary market trading depending on the platform and applicable regulations. The Crypto Asset Service Providers can impose their own restrictions in agreements they enter with their clients. The Crypto Asset Service Providers may impose restrictions to buyers and sellers in accordance with applicable laws and internal policies and terms.

These transfer restrictions are designed to protect both the purchasers and the broader ecosystem, ensuring that the FAI token remains compliant with legal obligations and functions securely within its intended use.

The FAI token is a standard crypto-asset on the Base network and is freely transferable. The smart contract is immutable and does not contain any technical restrictions on transferability, such as lock-ups or vesting schedules, as 100% of the supply was distributed at launch. Transfers are subject only to the operational protocols of the Base network and the terms and conditions of the trading platforms where the token is listed.

G.12 Supply Adjustment Protocols:

false

G.13 Supply Adjustment Mechanisms:

N/A

G.14 Token Value Protection Schemes:

false

G.15 Token Value Protection Schemes Description:

N/A

G.16 Compensation Schemes:

false

G.17 Compensation Schemes Description:

N/A

G.18 Applicable law:

The laws of the British Virgin Islands

G.19 Competent court:

The competent court is the High Court of the British Virgin Islands

H. Information on the Underlying Technology

H.1 Distributed ledger technology:

Distributed Ledger Technology ("DLT") refers to a digital system for recording transactions in which the transactions and their details are recorded in multiple places at the same time. Unlike traditional databases, distributed ledgers have no central data store or administration functionality. Instead, the ledger is decentralized, and consensus on the transactions is achieved through a process that involves multiple nodes, each maintaining its own copy of the ledger. The benefits of DLT include increased transparency, enhanced security, improved traceability, and greater efficiency of transactions.

One of the most well-known forms of DLT is a blockchain, which is a subtype characterized by its use of a chain of blocks to manage the ledger. Each block contains a list of transactions and is cryptographically linked to the previous block, ensuring that the data once recorded, cannot be altered retroactively without altering all subsequent blocks.

Blockchains also introduce features like smart contracts, notably to automate and enforce pre-defined transactions and logic through code, thereby reducing the need for intermediaries and further boosting efficiency.

Blockchains offer significant benefits for consumer choice and interoperability as well. Consumers have the advantage of accessing the open-source code of these blockchains, allowing them to review, verify, and select the platform that best suits their needs. This transparency empowers users to make more informed decisions. Additionally, the open nature of blockchains promotes interoperability, meaning that any type of application that follows the same technical standards can integrate with the blockchain without anyone’s permission. This flexibility enables a wide range of applications to work seamlessly together, fostering innovation and making it easier for different services to connect and interact within the blockchain ecosystem.

The FAI token operates on the Base network, which is an Ethereum Layer 2 (L2) blockchain in order to leverage these benefits. Base utilizes optimistic rollup technology as its underlying distributed ledger framework. As an L2 solution, Base processes transactions off-chain and then submits summarized data to the Ethereum mainnet. This architecture is designed to leverage the security and decentralization of the Ethereum blockchain while providing higher throughput and lower transaction costs for users.

H.2 Protocols and technical standards:

The FAI token is issued on Base, an Ethereum Layer 2 network developed by Coinbase utilizing Optimism's OP Stack. As an L2, Base inherits the security guarantees of the Ethereum blockchain. The FAI token adheres to the ERC-20 token standard, ensuring interoperability with a wide range of wallets, decentralized exchanges (DEXs), and other applications within the Base and broader Ethereum ecosystem. The smart contract for the FAI token is immutable, and the function for minting new tokens has been permanently disabled, ensuring the total supply cannot be increased.

H.3 Technology Used:

The FAI token leverages the Base network, which is EVM-equivalent, meaning it operates similarly to the Ethereum mainnet. Holders and users of FAI tokens can use a variety of self-custody wallets that support the Base network, such as Coinbase Wallet or MetaMask. The token is transferable on

the Base network and can be traded on decentralized exchanges operating on Base as well as centralized exchanges like Coinbase.

H.4 Consensus Mechanism:

The FAI token relies on the consensus mechanism of the Base network. Base is built on the OP Stack and functions as an optimistic rollup, which means it depends on the security and finality of the Ethereum blockchain's Proof-of-Stake (PoS) consensus. On the L2, a sequencer processes and orders transactions, posting a compressed summary to the Ethereum mainnet. These transactions are assumed to be valid unless challenged through a fault-proof system, where observers can submit proof of fraudulent activity to ensure the integrity of the L2 state.

H.5 Incentive Mechanisms and Applicable Fees:

Incentive mechanisms on the Base network are tied to its function as an Ethereum L2. Users pay transaction fees (gas) for operations on the network. These fees are used to compensate the sequencer for processing and ordering transactions and to cover the costs of submitting the transaction data to the Ethereum L1 for final settlement and security. This rollup architecture allows for transaction fees that are significantly lower than those on the Ethereum mainnet.

H.6 Use of Distributed Ledger Technology:

false

H.7 DLT Functionality Description:

N/A

H.8 Audit:

As we are understanding the question relating to "technology" to be interpreted in a broad sense, the answer to whether an audit of "the technology used" was conducted is "no", we cannot guarantee, that all parts of the technology used have been audited. This is due to the fact this report focusses on risk, and we cannot guarantee that each part of the technology used was audited.

H.9 Audit outcome:

N/A

I. Information on Risks

I.1 Offer-Related Risks:
The admission to trading of FAI tokens involves several risks. David Eight Pte Ltd, its affiliates, directors, and officers shall not be held liable for any damages or losses arising from these risks:

- **Regulatory and Compliance:** This white paper has been prepared with utmost caution; however, uncertainties in the regulatory requirements and future changes in regulatory frameworks could potentially impact the token's legal status and its tradability. There is also a high probability that other laws will come into force, changing the rules for the trading of the token. Therefore, such developments shall be monitored and acted upon accordingly.
- **No Listing Guarantee:** As of the date of this white paper, the FAI token is available on certain trading platforms. However, there is no guarantee that it will be listed or continue to be listed on any specific trading platform. The decision to list, pause, or delist the token rests solely with the operators of these platforms.
- **Third-Party Trading Platform Risk:** When token holders trade FAI on trading platforms, they are subject to the terms, conditions, and operational risks of those third-party platforms. David Eight Pte Ltd does not operate or control these platforms and assumes no responsibility for their security, performance, or solvency. Operational failures, security breaches, system outages, or the insolvency of a trading platform could result in the partial or total loss of assets held on that platform.
- **Smart Contract Risks:** Smart contracts governing the token may contain hidden vulnerabilities or bugs that could disrupt the token offering or distribution processes.
- **Connection Dependency:** As the trading of the token also involves other trading venues, technical risks such as downtime of the connection or faulty code are also possible.
- **Human errors:** Due to the irrevocability of blockchain-transactions, approving wrong transactions or using incorrect networks/addresses could result in funds not being accessibly anymore.
- **Custodial risk:** When admitting the token to trading, the risk of losing clients' assets due to hacks or other malicious acts is given. This is due to the fact the token is hold in custodial wallets for the clients.
- **Market and Liquidity Risk:** Secondary markets for crypto-assets can be highly volatile and suffer from limited liquidity. A lack of market depth may make it difficult to buy or sell FAI tokens at desired prices without significant price impact, potentially leading to losses. There is no assurance as to the depth, stability, or sustainability of any secondary market for the FAI token.
- **Regulatory Risk on Trading Platforms:** Trading platforms are subject to evolving regulatory requirements across various jurisdictions. Changes in regulations could force platforms to delist the FAI token or restrict access for users from certain regions, adversely affecting the token's liquidity and market value.
- **Failure of one or more Counterparties:** Another risk stems from the internal operational processes of the counterparties used. As there is no specific oversight other than the typical due diligence check, it cannot be guaranteed that all counterparties adhere to the best market standards. Counterparties could go bankrupt, possibly resulting in a total loss for the clients' assets hold at that counterparty.
- **Unanticipated Risks:** In addition to the risks outlined, unforeseen risks may arise from unexpected variations or combinations of the risks discussed in this white paper.

I.2 Issuer-Related Risks:

N/A

I.3 Crypto-Assets-related Risks:
Investing in the FAI token involves several risks that may impact its value and utility:

- **Market Risk:** The market value of the FAI token is subject to high volatility and can experience significant price fluctuations due to factors such as market sentiment, speculative trading, supply and demand dynamics, regulatory developments, and broader macroeconomic trends. The FAI token does not guarantee any financial return, and holders could suffer a total loss of their investment.
- **Utility Risk:** The value and utility of the FAI token are closely tied to the adoption and success of Freysa and its related products and initiatives. Planned utilities, such as its use as a payment, access, or governance token, may not be fully realized or generate sufficient demand. Furthermore, the utility of the token may change over time, as demonstrated by the discontinuation of the initial reward function for interactions. A failure to develop or sustain a robust ecosystem could diminish the token's utility and value.
- **Governance Risk:** The FAI token is intended to be used for governance over Freysa's actions and opinions. However, this governance mechanism is not legally binding on the operating entity, David Eight Pte Ltd. Decisions made through this process may not be implemented as expected or could lead to outcomes that negatively impact the ecosystem.
- **Custodial Risk:** FAI token holders are responsible for securing their own private keys. Loss, theft, or compromise of private keys can result in the permanent and irreversible loss of tokens. The choice of storage method, whether a personal wallet or a third-party custodial service, carries inherent security risks.
- **Scam and Phishing Risk:** The crypto-asset space is targeted by malicious actors. Holders of FAI may be subject to scams, phishing attacks, or fraudulent schemes, including impersonations of Freysa or the development team, which could result in the loss of their tokens.
- **Liquidity Challenges:** Some crypto-assets suffer from limited liquidity, which can present difficulties when executing large trades without significantly impacting market prices. This lack of liquidity can lead to substantial financial losses, particularly during periods of rapid market movements, when selling assets may become challenging or require accepting unfavorable prices.
- **Asset Security:** Crypto-assets face unique security threats, including the risk of theft from exchanges or digital wallets, loss of private keys, and potential failures of custodial services. Since crypto transactions are generally irreversible, a security breach or mismanagement can result in the permanent loss of assets, emphasizing the importance of strong security measures and practices.
- **Blockchain Dependency:** Any issues with the blockchain used, such as network downtime, congestion, or security vulnerabilities, could disrupt the transfer, trading, or functionality of the crypto-asset.
- **Privacy Concerns:** All transactions on the blockchain are permanently recorded and publicly accessible, which can potentially expose user activities. Although addresses are pseudonymous, the transparent and immutable nature of blockchain allows for advanced forensic analysis and intelligence gathering. This level of transparency can make it possible to link blockchain addresses to real-world identities over time, compromising user privacy.

- **Regulatory Uncertainty:** The regulatory environment surrounding crypto-assets is constantly evolving, which can directly impact their usage, valuation, and legal status. Changes in regulatory frameworks may introduce new requirements related to consumer protection, taxation, and anti-money laundering compliance, creating uncertainty and potential challenges for investors and businesses operating in the crypto space. Although the crypto-asset do not create or confer any contractual or other obligations on any party, certain regulators may nevertheless qualify the crypto-asset as a security or other financial instrument under their applicable law, which in turn would have drastic consequences for the crypto-asset, including the potential loss of the invested capital in the asset.
  Furthermore, this could lead to the sellers and its affiliates, directors, and officers being obliged to pay fines, including federal civil and criminal penalties, or make the crypto-asset illegal or impossible to use, buy, or sell in certain jurisdictions. On top of that, regulators could take action against the issuer as well as the trading platforms if the regulators view the token as an unregistered offering of securities or the operations otherwise as a violation of existing law. Any of these outcomes would negatively affect the value and/or functionality of the crypto-asset and/or could cause a complete loss of funds of the invested money in the crypto-asset for the investor.
- **Counterparty risk:** Engaging in agreements or storing crypto-assets on exchanges introduces counterparty risks, including the failure of the other party to fulfill their obligations. Investors may face potential losses due to factors such as insolvency, regulatory non-compliance, or fraudulent activities by counterparties, highlighting the need for careful due diligence when engaging with third parties.
- **Reputational concerns:** Crypto-assets are often subject to reputational risks stemming from associations with illegal activities, high-profile security breaches, and technological failures. Such incidents can undermine trust in the broader ecosystem, negatively affecting investor confidence and market value, thereby hindering widespread adoption and acceptance.
- **Technological Innovation:** New technologies or platforms could render FAI token's design less competitive or even break fundamental parts (i.e., quantum computing might break cryptographic algorithms used to secure the network), impacting adoption and value. Participants should approach the crypto-asset with a clear understanding of its speculative and volatile nature and be prepared to accept these risks and bear potential losses, which could include the complete loss of the assets' value.
- **Community and Narrative:** The trading activity is based on the intended market value and its community and the popularity of the narrative. Declining interest or negative sentiment could significantly impact the token's value.
- **Interest Rate Change:** Historically, changes in interest, foreign exchange rates, and increases in volatility have increased credit and market risks and may also affect the value of the crypto-asset. Although historic data does not predict the future, potential investors should be aware that general movements in local and other factors may affect the market, and this could also affect market sentiment and, therefore most likely also the price of the crypto-asset.
- **Taxation:** The taxation regime that applies to the trading of the crypto-asset by individual holders or legal entities will depend on the holder's jurisdiction. It is the holder's sole responsibility to comply with all applicable tax laws, including, but not limited to, the reporting and payment of income tax, wealth tax, or similar taxes arising in connection with the appreciation and depreciation of the crypto-asset.
- **Anti-Money Laundering/Counter-Terrorism Financing:** It cannot be ruled out that crypto-asset wallet addresses interacting with the crypto-asset have been, or will be used for money

laundering or terrorist financing purposes, or are identified with a person known to have committed such offenses.

- **Market Abuse:** It is noteworthy that crypto-assets are potentially prone to increased market abuse risks, as the underlying infrastructure could be used to exploit arbitrage opportunities through schemes such as front-running, spoofing, pump-and-dump, and fraud across different systems, platforms, or geographic locations. This is especially true for crypto-assets with a low market capitalization and few trading venues, and potential investors should be aware that this could lead to a total loss of the funds invested in the crypto-asset.
- **Timeline and Milestones:** Critical project milestones could be delayed by technical, operational, or market challenges.
- **Unanticipated Risks:** In addition to the risks outlined, unforeseen risks may arise from unexpected variations or combinations of the risks discussed in this white paper.

I.4 Project Implementation-Related Risks:
As this white paper relates to the "admission to trading" of the crypto-asset, the implementation risk is referring to the risks on the Crypto Asset Service Providers side. These can be, but are not limited to, typical project management risks, such as key-personal-risks, timeline-risks, and technical implementation-risks.

The implementation of the Freysa project is subject to significant risks and uncertainties:

- **Novelty and Execution Risk:** The project's core mission to create the world's first sovereign AI agent is highly ambitious and experimental. The underlying technologies and concepts are novel and unproven at scale. There is no guarantee that the long-term vision of Freysa becoming fully independent, or related initiatives like co-ownership of compute resources, will be successfully implemented or achieve their intended goals.
  Adoption and Community Risk: The success of Freysa and the FAI token is heavily dependent on attracting and retaining a large and active community of users, supporters, and developers. A lack of public interest, engagement, or adoption of Freysa's products and ecosystem could hinder development and negatively impact the utility and value of the FAI token.
- **Competition Risk:** The fields of artificial intelligence and crypto-assets are highly competitive. Freysa faces competition from numerous other projects, including those developed by large technology companies with substantially greater financial, technical, and marketing resources. There is no assurance that the Freysa project will be able to compete successfully.
- **Regulatory and Legal Uncertainty:** The legal and regulatory landscape for sovereign AI agents and decentralized ecosystems is undefined. Future laws or regulations could impose unforeseen restrictions or obligations, potentially impeding the project's development, altering its structure, or affecting the functionality of the FAI token.
- **Dependency on Key Personnel and Partners:** The project's progress may depend on the continued involvement of its core development team and strategic partners, such as NVIDIA. The loss of key individuals or the termination of critical partnerships could disrupt development and negatively affect the project's trajectory.
- **Unanticipated Risks:** In addition to the risks outlined, unforeseen risks may arise from unexpected variations or combinations of the risks discussed in this white paper.

I.5 Technology-Related Risks:
As this white paper relates to the "admission to trading" of the crypto-asset, the technology-related risks mainly lie in the settling on the FAI ecosystem.

The FAI token and the Freysa ecosystem rely on complex and emerging technologies that carry inherent risks:

- **Blockchain Network Risk:** The FAI token operates on the Base network, an Ethereum Layer 2 solution. The network is susceptible to risks such as network congestion, which can lead to slow transaction times and high fees. It is also exposed to vulnerabilities inherent in the underlying blockchain, including potential consensus failures, forks, or exploits in the bridge connecting to the Ethereum mainnet. Potential outages or congestion of the FAI-Protocol could interrupt on-chain token transfers, trading, and other functions.
- **Smart Contract Risk:** The FAI token smart contract is immutable. While this prevents unauthorized minting of new tokens, it also means that any bugs, errors, or vulnerabilities discovered in the code after deployment cannot be fixed. Exploits in the contract could lead to unintended behavior, though the risk of inflation is mitigated. Other smart contracts within the Freysa ecosystem may also contain vulnerabilities.
- **Trusted Execution Environment (TEE) Risk:** Freysa's autonomy and security model heavily rely on Trusted Execution Environments (TEEs) to protect her cryptographic keys, memory, and actions. TEEs are a complex technology and may be vulnerable to sophisticated attacks, such as side-channel attacks or hardware-level exploits. A compromise of the TEE could undermine Freysa's sovereignty and the integrity of the entire ecosystem.
- **Private Key Management:** Token holders must securely manage their private keys and recovery phrases to prevent permanent loss of access to their tokens, which includes trading-venues, who are a prominent target for dedicated hacks.
- **AI-Related Risk:** As a sovereign AI, Freysa's behavior is designed to become increasingly autonomous. There are inherent risks associated with advanced AI, including the potential for unintended or emergent behaviors, misalignment with the project's mission, or vulnerability to manipulation, which could have negative consequences for the ecosystem and FAI token holders.
- **General Cybersecurity Risk:** The project infrastructure, associated platforms, and token holders are targets for cyberattacks, including hacking, phishing, and denial-of-service attacks. A successful attack could result in the loss of assets or disruption of services.
- **Technological Obsolescence:** The fast pace of innovation in blockchain technology may make FAI less competitive or become outdated, potentially impacting the usability or adoption of the token.
- **Unanticipated Risks:** In addition to the risks outlined, unforeseen risks may arise from unexpected variations or combinations of the risks discussed in this white paper.

I.6 Mitigation measures:
Several measures have been implemented to mitigate certain technological and economic risks:

- **Immutable Smart Contract:** The FAI token contract is immutable and its ownership has been renounced. This design choice permanently prevents the creation of new FAI tokens beyond the maximum supply of 8,189,700,000, mitigating the risk of token inflation by the issuer.
- **Fair Launch and Burned Liquidity:** The FAI token was distributed via a 100% fair launch, with the initial liquidity provider (LP) tokens being burned. This action permanently locks the initial liquidity pool, reducing the risk of a 'rug pull' and promoting a decentralized distribution from inception.
- **Use of Established Blockchain Infrastructure:** The FAI token is deployed on the Base network, an Ethereum Layer 2 protocol developed by Coinbase. This leverages the underlying

security of the Ethereum network and the infrastructure of a major entity in the crypto-asset industry.

- **Security through Trusted Execution Environments (TEE):** The project's use of TEEs is a core security measure designed to protect Freysa's cryptographic keys and operational integrity from centralized control or external tampering, thereby supporting her mission of becoming a sovereign agent.

However, it cannot be ensured that the implemented mitigation measures address and/or mitigate all the risks associated with the technology. Uncertainties in the regulatory requirements and future changes in regulatory frameworks could potentially impact the token's legal status and its tradability.

J. Information on the sustainability indicators in relation to adverse impact on the climate and other environment-related adverse impacts

S.1 Name:

David Eight Pte Ltd.

S.2 Relevant legal entity identifier:

2549007RT2BFK16J6W70

S.3 Name of the crypto-asset:

Freysa AI

S.4 Consensus Mechanism:

The FAI token leverages the Base network, which is EVM-equivalent, meaning it operates similarly to the Ethereum mainnet. Holders and users of FAI tokens can use a variety of self-custody wallets that support the Base network, such as Coinbase Wallet or MetaMask. The token is transferable on the Base network and can be traded on decentralized exchanges operating on Base as well as centralized exchanges like Coinbase.

S.5 Incentive Mechanisms and Applicable Fees:

Incentive mechanisms on the Base network are tied to its function as an Ethereum L2. Users pay transaction fees (gas) for operations on the network. These fees are used to compensate the sequencer for processing and ordering transactions and to cover the costs of submitting the transaction data to the Ethereum L1 for final settlement and security. This rollup architecture allows for transaction fees that are significantly lower than those on the Ethereum mainnet.

S.6 Beginning of the period to which the disclosure relates:

2025-02-20

S.7 End of the period to which the disclosure relates:

2025-08-25

S.8 Energy consumption:

3,924

S.9 Energy consumption sources and methodologies:

The Freysa.AI (FAI) ecosystem is deployed on Base, Coinbase's Ethereum Layer-2 blockchain. Electricity consumption is calculated using Equation A + B, combining a bottom-up estimate of node activity with a top-down benchmark of token-level activity.

A. Node-level electricity consumption (bottom-up approach)

To calculate the energy consumption for the Freysa.AI network that might be relevant to the token, we conservatively calculated the total electricity consumption of the Freysa.AI ecosystem based

on node activity. Using a proposed bottom-up calculation of node energy, breakdown of nodes times power estimate of one day gives 10.75 kWh/day, or 3,924 kWh/year.

This estimate is conservative and aligned with the assumptions used in prior MiCA-aligned energy disclosures for Base-based networks.

B. Token-level electricity consumption (top-down approach)

To benchmark the energy use attributable specifically to the FAI token on the Base network, we reference comparable disclosures. For example, the Kaito token (also deployed on Base) reports annual energy use of ~15.66 kWh/year (*Kaito MiCA whitepaper*, OpenKaito Foundation; LEI: 254900TSVY02DCZPYH91).

Market comparison:

• Kaito: FDV ≈ $1.05 billion; 24h volume ≈ $36.2 million
• Freysa.AI (FAI): FDV ≈ $118.61 million; 24h volume ≈ $14.3 million (*CoinMarketCap - Kaito*, *CoinMarketCap - Freysa AI*)