SPK Company Ltd.
SPK Token
White paper

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Edition: Markets in Crypto-Assets Regulation White Paper for European Union & European Economic Area.

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Purpose: Offer to the public of a crypto-asset other than an asset-referenced token or e-money token.

Note: This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The offeror of the crypto-asset is solely responsible for the content of this crypto-asset white paper.

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IMPORTANT NOTICE

Please carefully review the following notice before proceeding. This notice applies to the entire white paper, regardless of how you received it, whether by email, website access, or any other form of electronic communication. By accessing, reviewing, or otherwise using this white paper, you expressly acknowledge and agree to comply with all terms, conditions, and restrictions outlined herein, including any updates or supplements provided from time to time.

This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 (“MiCA”) 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.

The crypto-asset referred to in the White Paper may lose its value partially or in full, may not always be transferable and may not be liquid.

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.

WARNING

This summary should be read as an introduction to the crypto-asset white paper (the “White Paper”). 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.

Characteristics of the crypto-asset

SPK is a fungible crypto-asset issued on the Ethereum blockchain, designed for use within the Spark ecosystem. It does not represent ownership, profit rights, or a claim against the Offeror. SPK tokens can be freely held, transferred, and used in accordance with the functionalities described in this White Paper.

Holders of SPK may be entitled to participate in decentralised governance, access staking mechanisms, or engage in incentive-based activities, subject to eligibility criteria and the availability of such functionalities. All such rights are exercised through the Spark application or

associated interfaces, or direct interaction with the blockchain, using a self-custodied blockchain wallet.

The exercise of rights requires active engagement by the holder and may involve network transaction fees (gas fees) payable to the Ethereum blockchain. SPK token holders are responsible for maintaining access to their wallet and acting in accordance with the Spark protocol.

The rights and obligations associated with SPK tokens may be modified in the future only through valid governance decisions adopted in accordance with the decentralised governance framework of the Spark protocol. That framework will reflect certain requirements, guidelines and practices derived from Sky governance and the Sky Atlas. Any material change to SPK token functionalities or holder rights will be communicated in accordance with Article 12 of MiCA and reflected in an updated version of this White Paper.

Key information about the offer to the public

This White Paper relates to the public offering of SPK tokens. The offer consists of multiple distribution phases during which eligible users may claim SPK tokens, subject to conditions described in this document. No payment is required from eligible holders to participate in the offering, and no subscription or placement fees are charged by the Offeror.

The total number of SPK tokens available through this offer is capped at 910,000,000, representing the full allocation set aside for public distribution. There is no minimum or maximum subscription target, and no discounted purchase prices or bonuses for early participants apply, as SPK tokens are distributed without monetary consideration.

The offer is structured in distinct phases based on past activity and also participation in ecosystem-related campaigns. Each phase has a defined eligibility window and a claim period during which users may collect their allocated tokens via the official claiming interface. Claims are processed on-chain and subject to standard Ethereum gas fees.

This offer does not involve an issue price, as SPK tokens are not sold but offered for free to eligible participants. Additional distribution phases may be introduced in the future under this framework, and the White Paper will be updated if material changes occur.

The Offeror seeks to offer the SPK tokens to the public to increase the liquidity and distribution of the Token, facilitate more participation in governance, and increase the number of tokens in circulation.

PART I – INFORMATION ON RISKS

I.1 Offer-Related Risks

Although SPK tokens are distributed without monetary payment, recipients incur potential risks relating to time, effort, and opportunity costs associated with qualifying actions. These include engaging with DeFi protocols, staking tokens, or performing specific on-chain activities.

The primary offer-related risks involve post-receipt use and trading of SPK tokens. Once listed, token value may fluctuate significantly due to market speculation, macroeconomic factors, or project developments, which can affect the perceived benefit of having received the tokens.

Low liquidity on trading venues may impair a recipient's ability to sell or use SPK tokens efficiently. Listings are not guaranteed, and the Offeror cannot ensure continued support from exchanges. A delisting or lack of market depth may result in SPK tokens being practically unusable.

Trading venues, whether decentralised or centralised, pose operational and counterparty risks. Users may face delays, hacks, or insolvency events, which could hinder access to tokens. Neither the Spark Foundation nor the Offeror is liable for such outcomes.

Any future increase in the total supply of SPK - including the newly approved expansion from 710 million to 910 million tokens - will proportionally reduce each existing holder’s relative stake and may exert downward pressure on the token’s market value.

Smart contract risks also exist during the claim or staking processes. Errors, vulnerabilities, or incorrect wallet use may lead to permanent loss of SPK tokens, despite the token having been free.

Finally, recipients may still incur tax liabilities on receipt, even without monetary investment. Participants must assess these risks individually and ensure compliance with local regulations.

I.2 Issuer-Related Risks

The Issuer's sole function is to issue and distribute SPK tokens. It does not manage or operate any technical infrastructure, oversee governance processes, or maintain control over the protocol or community.

This limited operational role means the Issuer cannot respond to technical failures, governance disputes, or security incidents within the broader ecosystem. If issues arise post-distribution such as bugs in smart contracts or shifts in network governance, the Issuer has no authority or capacity to intervene or implement corrective measures.

Furthermore, the Offeror provides no guarantees regarding the future value, usability, or development of the SPK token or the Spark ecosystem. All post-distribution developments

depend on decentralised community governance or third-party contributors, over whom the Offeror has no influence.

Participants should therefore understand that their reliance on the Issuer is limited strictly to the issuance of SPK tokens. Any expectations beyond that, whether technical, economic, or governance-related, must be assessed based on the broader ecosystem's operations and risks.

I.3 Crypto-Assets-related Risks

As a Crypto-asset, SPK tokens carry risks inherent to digital tokens built on public blockchains. These risks are present regardless of whether a token is purchased or received for free.

SPK operates on the Ethereum network and is subject to blockchain-related vulnerabilities. Network congestion, outages, or high transaction fees could impact users' ability to claim, transfer, or use SPK tokens in a timely or cost-effective manner.

The token's value is also highly volatile. While there is no direct financial cost to acquiring SPK tokens through airdrops or qualifying actions, token holders may still face opportunity costs if the value declines sharply or if the token becomes unusable due to low adoption or regulatory constraints.

Smart contract vulnerabilities pose another key risk. Even audited contracts can contain bugs or be exploited. Losses stemming from contract-level attacks could affect staking, transfers, or functionality tied to SPK tokens.

Custody of SPK tokens requires secure private key management. Loss or theft of private keys will result in irreversible loss of tokens. Participants are solely responsible for securing their wallet access and recovery information.

SPK token holders may also be targeted by fraud, phishing attacks, or scams that impersonate the Offeror or promote counterfeit tokens. Engaging with unverified links, dApps, or communications could result in loss of assets.

Finally, evolving regulations in different jurisdictions may restrict use or access to SPK, especially if the token is later deemed to fall within specific legal classifications. This could limit its utility or expose holders to compliance obligations.

I.4 Project Implementation-Related Risks

The long-term success of SPK is closely tied to the ongoing implementation of the broader Spark project. This process faces a number of technical, operational, and strategic risks.

Technical risks include the potential for bugs or vulnerabilities in smart contracts, governance modules, or infrastructure upgrades. Even with careful development and auditing, errors could affect token functionality or user funds.

Operational risks arise from the allocation of resources, including developer attention, treasury funding, and community engagement. If these are insufficient or misaligned, project timelines may slip or core features may never be completed.

The project's governance and roadmap are shaped by a decentralised community. This structure can result in slow decision-making, conflicting interests, or even governance capture, where a small group steers development against the broader community's interests.

Adoption risk is also significant. SPK tokens' utility depends on community participation and real-world integrations. Without active use and credible demand for the Spark ecosystem's services, the token's role and relevance may diminish.

In addition, external dependencies such as integration with third-party protocols, platforms, and infrastructure providers can introduce delays or disruptions. Any instability or failure in these components could stall project delivery or impair functionality.

Finally, the broader regulatory and technological environment can shift rapidly. Changes in crypto-asset regulation, competition from new technologies, or loss of ecosystem partners may materially alter the implementation trajectory of the project.

I.5 Technology-Related Risks

SPK relies on blockchain infrastructure and smart contract technology that is still evolving. These underlying technologies present several risks that could affect the SPK token's security, performance, and usability.

Distributed ledger networks like the Ethereum blockchain may experience congestion, downtime, or forks, all of which can disrupt token transfers or contract interactions. In extreme cases, users may lose access to their tokens or experience unexpected delays or errors.

Smart contracts governing SPK token-related operations are immutable once deployed. Security flaws or exploits may be used to manipulate SPK token transfers, staking mechanisms, or governance processes.

Token holders are fully responsible for managing their private keys. Mistakes in wallet configuration or loss of access credentials result in permanent token loss, as transactions on the blockchain are irreversible.

Compatibility and access risks may arise if wallet software becomes outdated, unsupported, or incompatible with new SPK token upgrades or infrastructure. Users relying on specific platforms may lose access if those platforms shut down or fail to update their systems.

Moreover, SPK tokens depend on integrations with third-party services like decentralised exchanges, bridges, oracles, and custodians. Failures, security breaches, or regulatory actions

affecting these services could degrade SPK tokens' functionality or cause temporary inaccessibility.

The SPK token is also exposed to long-term risks from technological disruption. Innovations such as quantum computing could weaken cryptographic systems securing blockchain networks. While such risks remain largely theoretical, they could undermine user confidence or lead to structural changes in the network.

In summary, while the SPK ecosystem employs best practices in smart contract development and network integration, the rapidly changing technological landscape presents ongoing risks that may affect security, accessibility, and user experience.

I.6 Mitigation measures

To address the range of risks associated with SPK, the project has implemented multiple mitigation strategies across technical, operational, and governance layers.

- **Smart Contract Audits –** All critical contracts are subject to external audits by reputable security firms. Audits help identify vulnerabilities before deployment and reduce the likelihood of exploitation. Previous audits are accessible at http://docs.spark.fi/dev/security/security-and-audits.

- **Progressive rollout –** SPK token distribution and product features are introduced gradually to allow for testing and feedback, minimising systemic risk and improving resilience.

- **Decentralised Governance –** SPK token governance is structured through community mechanisms, including SparkDAO and SkyDAO governance. This provides checks and balances, limits centralised control, and enables dynamic adaptation to new risks.

- **Transparent communication –** Ongoing disclosures via public documentation, white paper updates, forums, and governance proposals foster community awareness and help participants make informed decisions.

- **Liquidity support and listings –** While no guarantee is provided, the Offeror may collaborate with market participants to encourage liquidity provision and exchange listings where feasible.

- **Regulatory Alignment –** The project tracks legal developments in key jurisdictions to align with regulatory frameworks, particularly those under MiCA.

These measures do not eliminate risk, but they significantly reduce the likelihood or severity of adverse events. Participants should still exercise caution and adopt personal risk management strategies when engaging with SPK tokens or the broader Spark ecosystem.

PART A – INFORMATION ABOUT THE OFFEROR OF THE CRYPTO-ASSET

A.1	Name	SPK Company Ltd.
A.2	Legal Form	Company limited by shares
A.3	Registered address	SHRM Trustees (BVI) Limited of Trinity Chambers, PO Box 4301, Road Town, Tortola, British Virgin Islands
A.4	Head office	
A.5	Registration Date	2025-02-19
A.6	Legal entity identifier	Not available
A.7	Another identifier required pursuant to applicable national law	2170013
A.8 A.9 A.10	Contacting the Offeror	The Offeror can be contacted by telephone or email using the details provided below. The Offeror will respond within 14 business days. Glenn Kennedy: gkennedy@leewardmanagement.ky Marc Piano: piano@horizonsglobal.io Telephone number: +1 345-749-9601 Email address: The Offeror does not have a website. The website of the project is https://spark.fi/.
A.11	Parent Company	Spark Foundation
A.12	Identity of the management body	The sole director of the Offeror is Spark Foundation The directors of Spark Foundation are Glenn Kennedy and Marc Piano Business address of Spark Foundation is Leeward Management Limited, Suite 3119, 9 Forum Lane, Camana Bay, PO Box 144, George Town, Grand Cayman KY1-9006, Cayman Islands

A.13	Business activity	The only purpose is to issue and distribute the Token.
A.14	Parent Company Business Activity	To support, promote, and advance the development, adoption, security, and growth of Spark.
A.15	Newly Established	true
A.16	Financial condition for the past three years	The Offeror is a newly incorporated company with no material liabilities as of the date of this White Paper. The Offeror will be capitalised as needed to fulfil its mandate of issuing SPK tokens and distributing them.
A.17	Financial condition since registration	The Offeror is a newly incorporated company with no material liabilities as of the date of this White Paper. The Offeror will be capitalised as needed to fulfil its mandate of issuing SPK tokens and distributing them.

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

This section is not applicable. Part B does not apply as the issuer and the offeror are the same legal entity.

PART C – INFORMATION ABOUT THE OPERATOR OF THE TRADING PLATFORM

This section is not applicable. No trading platform has drawn up or contributed to the preparation of this White Paper.

PART D – INFORMATION ABOUT CRYPTO-ASSET PROJECT

D.1	Crypto-asset project name	Spark
D.2	Crypto-asset name	Spark
D.3	Abbreviation	SPK
D.4	Crypto-asset project description	The project is a DeFi protocol, which emerged from Sky, previously known as MakerDAO, and serves as a 'Sky Star', a subDAO within the Sky ecosystem. It consists of three main components: SparkLend, a stablecoin lending market; Spark Savings, for earning yield on certain stablecoins; and Spark Liquidity Layer, a backend capital allocator that routes liquidity across select DeFi protocols.
D.5	Details of all natural or legal persons involved in the implementation of the crypto-asset project	SPK Company, Ltd. c/o SHRM Trustee (BVI) Ltd. Trinity Chambers PO Box 4301 Road Town, Tortola, British Virgin Islands Spark Foundation c/o Leeward Management Limited Suite 3119, 9 Forum Lane Camana Bay, George Town, Grand Cayman KY1-9006, Cayman Islands
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

The SPK token is designed to function as a cornerstone of the Spark ecosystem, enabling long-term value creation through decentralised incentives, participation, and infrastructure support. SPK is distributed without monetary consideration and built with clear alignment between user effort and ecosystem growth.

Community-Driven Distribution

SPK token's distribution model prioritises organic community involvement. Tokens are allocated via airdrops, on-chain activity, and reward mechanisms tied to meaningful user engagement.

These distribution channels are permissionless, performance-based and structured to encourage use among committed participants.

Protocol Utility and Staking
SPK tokens are expected to play a role in supporting the reliability and functionality of the Spark protocol over time. SPK token holders may be given the option to stake their SPK to contribute to the network's resilience or participate in reward systems. Staking mechanisms could be linked to protocol components such as cross-chain infrastructure or security features, although specifics may evolve based on governance decisions and technical development. Staking may involve time-bound commitments, and rewards, if any, will reflect the level of engagement and the function being supported.

Incentive structures
The token design incorporates the possibility of allocating SPK tokens to participants who contribute to the ecosystem's growth and operational soundness. This may include users who interact with infrastructure components, provide liquidity, or contribute to early adoption efforts. These measures aim to foster long-term engagement.

Governance Engagement
SPK tokens may also function as a governance tool, enabling holders to take part in decentralised decision-making processes. These could include discussions and votes on treasury use, protocol evolution, or other strategic priorities. The governance model is intended to be adaptable, subject to community feedback and emerging needs.

Future Outlook
As the Spark project grows, SPK tokens may become relevant in additional modules or integrations, including those related to cross-chain operations, coordination layers, or service modules. These developments will be introduced incrementally and in alignment with broader ecosystem goals.

The vision for SPK tokens is to support a sustainable, community-driven network. Its role is not fixed but is intended to reflect the evolving needs of a decentralised ecosystem prioritising fairness, resilience, and meaningful engagement.

D.9 Resource Allocation

The Spark ecosystem incorporates a structured approach to resource allocation, aimed at ensuring long-term operational sustainability and adaptability. SPK tokens are reserved across specific categories to support development, governance, and ecosystem initiatives.

A dedicated share of the SPK token supply is earmarked for operational costs, reflecting the ongoing need to maintain infrastructure, support contributors, and cover administrative requirements. Additionally, Spark will receive initial grant funding from Sky to help bootstrap Spark's growth. These resources enable the protocol to remain functional and responsive without immediate reliance on external funding.

In parallel, a treasury allocation is established to provide flexibility over time. This reserve is governed by community processes and may be used to support future proposals, ecosystem incentives, or strategic partnerships.

The resource model aligns token distribution with the needs of a dynamic and participatory ecosystem, allowing SPK tokens to function as a mechanism for funding public goods and sustaining the protocol over time.

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

The offer to the public will take place without raising funds or accepting any crypto-assets, as outlined in Section E.

PART E – INFORMATION ABOUT THE OFFER TO THE PUBLIC

E.1	Public Offering	OTPC

E.2 Reasons for Public Offer

The public offer of SPK tokens is intended to initiate the launch of the Spark project and to incentivise early engagement with the Spark protocol. The offer is designed to encourage the use of its services and to establish a decentralised and active user base from the outset. The tokens will be distributed without collecting any funds or crypto-assets from participants. Instead, the offer is structured around non-monetary contribution mechanisms such as protocol usage, on-chain activity, staking engagement, and other qualifying actions.

Tokens are provided free of charge or in exchange for specific actions that demonstrate interest or involvement in the ecosystem. These distribution mechanisms include airdrops based on past engagement, performance-based eligibility, and participation in pre-defined incentive programs as specified in more detail in section E.18.

The public offer is not intended as a capital-raising measure and does not involve the collection of funds or crypto-assets. Accordingly, no proceeds will be received by the Offeror or any affiliated entity in connection with the distribution of SPK tokens. The offer is exclusively designed to support the initial development of a decentralised user base by allocating tokens to participants on the basis of non-financial contributions. The Offeror does not intend to derive any financial gain from the offer, and the distribution is structured to ensure compliance with applicable regulatory exemptions concerning public offerings without consideration.

E.3	Fundraising target	Not applicable
E.4	Minimum Subscription Goal	Not applicable
E.5	Maximum Subscription Goal	Not applicable
E.6	Oversubscription Acceptance	false
E.7	Oversubscription Allocation	Not applicable
E.8	Issue Price	€0
E.9	Official currency or any other crypto-assets determining the issue price	Not applicable
E.10	Subscription fee	€0

E.11	Offer Price Determination Method	The SPK tokens will be allocated without consideration and exclusively based on demonstrable user actions or prior holdings. No monetary payment or transfer of crypto-assets is required or accepted in exchange for the receipt of SPK tokens.
E.12	Total Number of Offered Crypto-Assets	910,000,000 SPK tokens
E.13	Targeted Holders	ALL
E.14	Holder restrictions	The offer of SPK tokens is not subject to any general restriction with respect to the type of recipient. However, the distribution is limited to individuals and entities that are not subject to applicable sanctions or other regulatory prohibitions. The Offeror reserves the right to exclude from eligibility any user or wallet address that is reasonably believed to be associated with a jurisdiction, entity, or individual subject to relevant restrictions under applicable law. Further, any user or wallet address reasonably suspected of being a Sybil wallet or involved in fraudulent, manipulative, or malicious activity may be excluded from participation in the offer. Users are responsible for ensuring that their receipt and holding of SPK tokens are lawful in their respective jurisdictions. Participants must self-certify that they are not residents of, or otherwise located in, any jurisdiction where the receipt or holding of crypto-assets is restricted or prohibited.

E.15 Purchasers participating in the offer to the public of crypto-asset will be able to be reimbursed if the minimum target subscription goal is not reached at the end of the offer to the public, if they exercise the right to withdrawal foreseen in Article 13 of Regulation (EU) 2023/1114 or if the offer is cancelled.

E.16	Refund Mechanism	Pursuant to Article 13 of MiCA, retail holders who have agreed to receive SPK tokens from the Offeror shall have a right to withdraw from such agreement within a period of 14 calendar days from the date of such agreement, without giving any reason and without incurring any costs. Retail holders may exercise their right of withdrawal by following the process available at www.spark.fi/mica. The notice must be submitted no later than 14 calendar days after the date on which

the agreement to acquire SPK tokens was concluded.

Upon receiving the withdrawal notice, the Offeror will provide the retail holder with a blockchain address to which the tokens must be returned.

Return of Tokens and Reimbursement
The retail holder shall return the acquired SPK tokens to the Offeror without undue delay and no later than 14 calendar days after submitting the withdrawal notice. As no monetary payment was made by the holder, no reimbursement shall be due. Due to this, the tokens shall be returned and the agreement voided without further obligation from either party.

The Offeror will not impose any fee or penalty in connection with the exercise of the right of withdrawal. Gas fees incurred on-chain in connection with the return of tokens shall be borne by the retail holder unless otherwise agreed.

E.17 Refund Timeline

The designated refund wallet address shall be made available to the holder upon receipt of the withdrawal notice and shall remain available for the return of tokens for a minimum period of 14 calendar days thereafter.

E.18 Offer Phases

The public offering of SPK tokens will occur in separate phases, each designed to distribute tokens to distinct participant groups based on eligibility criteria and pre-defined allocation methodologies. Claims will be made available via on-chain claiming interfaces following the Token Generation Event (TGE), with each phase subject to its own claiming window.

Phase 1:
This phase includes distributions to early participants who interacted with designated DeFi protocols prior to the TGE. Allocation is based on historic on-chain activity, with protocol-specific criteria and anti-sybil measures applied. Eligible users may claim their tokens starting at TGE for a limited duration.

Phase 2:
This phase encompasses broader ecosystem distribution based on historical activity across

		multiple chains, platforms and applications. Allocations are determined using a point-based system reflecting user exposure to selected assets and protocols. Eligibility is non-transferable and fixed prior to the TGE. The claiming period for this phase begins at TGE and concludes following a pre-defined window. **Phase 3**: This phase involves distribution to participants in Spark's post-TGE ecosystem campaigns, including social and engagement-based reward initiatives. Participants may earn eligibility by completing campaign tasks or interacting with designated applications. Each campaign includes an earning period and a subsequent claim window. Unclaimed tokens after the claim period expires will revert to the treasury. All phases are subject to eligibility verification, including sanctions screening and wallet verification. Tokens may only be claimed via the official interface during the applicable claiming window. Eligibility criteria and claiming instructions for each phase will be published on the official claiming interface on Spark's website, spark.fi, prior to the commencement of the relevant claiming window.. This white paper covers a continuous offering of SPK tokens through multiple time-limited phases. Each phase has a defined claim period, but the Offeror may initiate additional distribution phases in the future under the same framework. The offer shall remain open for purposes of MiCA Article 10(2) until otherwise stated, and the number of tokens in circulation will be published at least monthly on the Offeror's website. In the event that future phases are materially different from those described herein, whether in terms of structure or claiming mechanisms, the Offeror will update and notify the white paper in accordance with MiCA Article 12 prior to the commencement of such phases.
E.19	Early Purchase Discount	Not applicable.
E.20	Time-limited offer	false

E.21	Subscription period beginning	Not applicable
E.22	Subscription period end	Not applicable
E.23	Safeguarding Arrangements for Offered Funds/Crypto-Assets	Not applicable
E.24	Payment Methods for Crypto-Asset Purchase	The SPK tokens are offered without payment of any monetary benefit, but based on pre-defined actions and on-chain activity.
E.25	Value Transfer Methods for Reimbursement	No reimbursement shall be due.
E.26	Right of Withdrawal	In accordance with Article 13 of MiCA, any retail holder who enters into an agreement to acquire SPK tokens as part of this public offering shall have the right to withdraw from the agreement within a period of 14 calendar days from the date of such agreement, without giving any reason and without incurring any cost. Retail holders may exercise it by following the process outlined under Refund Mechanism.
E.27	Transfer of Purchased Crypto-Assets	Upon satisfying the eligibility criteria for a given phase of the offer, SPK tokens will become claimable by the eligible holder at or after the TGE. Tokens will be made available via an on-chain claiming mechanism, and holders must actively claim their allocation through the designated interface. Upon successful claiming, the SPK tokens will be transferred to the holder's self-custodied wallet address, at which point the holder obtains full control and ability to transfer, subject to applicable legal or contractual restrictions with wallet provider. There are no transfer restrictions imposed by the Offeror following delivery, unless otherwise stated in this White Paper.
E.28	Transfer Time Schedule	SPK tokens will become claimable by eligible holders in accordance with any claiming schedules announced on Spark's official website. Upon claiming, tokens will be transferred in full to the holder's wallet with no further vesting, lock-up, or time-based release restrictions imposed by the Offeror.
E.29	Purchaser's Technical Requirement	To receive and hold SPK tokens, eligible holders must have access to a compatible, self-custodied

		wallet capable of interacting with the Ethereum blockchain, where SPK is deployed as an ERC-20 standard token. The wallet must support: ● Secure storage of private keys and recovery phrases; ● On-chain interaction with smart contracts (e.g., for claiming SPK tokens) ● The ability to pay applicable network transaction fees (gas) in the native blockchain token, ETH. The Offeror does not provide wallet infrastructure or custody services. It is the sole responsibility of the eligible holder to: ● Secure their private keys; ● Ensure uninterrupted access to their wallet; ● Ensure the wallet address used for claiming is correct and under their exclusive control. Failure to meet the above requirements may result in the holder's inability to claim or access the SPK tokens, for which the Offeror assumes no responsibility.
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	Not applicable
E.34	Trading Platforms Market Identifier Code (MIC)	Not applicable
E.35	Trading Platforms Access	Not applicable
E.36	Involved costs	Not applicable
E.37	Offer Expenses	No placement fees, subscription fees, or transaction fees are charged to the eligible holder by the Offeror in connection with the receipt or claiming of SPK tokens. Eligible holders may be required to pay standard network transaction fees (gas fees) to claim their tokens via the designated on-chain interface. These fees are paid directly to the blockchain network and

		not retained by the Offeror. All costs associated with the development, structuring, and execution of the offering, including legal, technical, and marketing expenses, are borne by the Offeror.
E.38	Conflicts of Interest	Spark Foundation is expected to receive an allocation of approximately 1 billion SPK tokens following the TGE. These SPK tokens will be used by the Spark Foundation to support protocol development, governance, ecosystem incentives, and other community-aligned initiatives. It is the assessment of the Offeror that this allocation does not give rise to a conflict of interest within the meaning of Article 14(1)(c) of MiCA, as Spark Foundation operates with a mandate to promote the long-term success of the ecosystem and not for private gain. The Offeror will continue to monitor for potential conflicts of interest on an ongoing basis and will take appropriate steps to disclose and mitigate any such conflicts should they arise.
E.39	Applicable law	This offering and the contractual rights and obligations arising between the Offeror and eligible holders in connection with SPK tokens shall be governed by and construed in accordance with the laws of the British Virgin Islands. Notwithstanding the above, this White Paper and the offer of SPK tokens to the public within the European Union are made in accordance with MiCA.
E.40	Competent court	Any dispute arising out of or in connection with this offering or the SPK tokens shall be subject to the exclusive jurisdiction of the courts of the British Virgin Islands. This is without prejudice to the rights of retail holders residing in the European Union to bring claims before the courts of their place of residence, in accordance with applicable consumer protection and private international law rules.

PART F – INFORMATION ABOUT THE CRYPTO-ASSETS

F.1	Crypto-Asset Type	Crypto-asset other than an asset-referenced token or e-money token.
F.2	Crypto-Asset Functionality	SPK token is a fungible crypto-asset within the meaning of Article 3(1)(5) of MiCA. It does not qualify as an asset-referenced token (ART) or e-money token (EMT) under MiCA and is offered to the public under the Title II framework. SPK token is implemented as a standard ERC-20 token on the Ethereum blockchain and is freely transferable following its delivery to the holder, subject to any applicable legal or contractual restrictions described in this White Paper. SPK token is designed primarily for the use within Spark ecosystem, including participation in governance, reward programs, and future protocol-based activities. It does not represent a financial claim or entitlement to any underlying asset, nor does it confer ownership or profit rights in the Offeror or any affiliated entity.
F.3	Planned Application of Functionalities	At the time of publishing this White Paper, the SPK token's core functionalities are described below and will be made available progressively after Offering: ● **Governance**: SPK token holders will be able to participate in the governance of the Spark protocol. This may include the right to vote on proposals concerning matters like protocol parameters, treasury allocation, grant distributions, and technical upgrades. Governance mechanisms will evolve under a decentralised governance model managed via the SparkDAO. ● **Staking**: SPK tokens may be staked by holders. In return for staking, participants may earn rewards. The staking mechanism is governed by smart contracts and requires the transfer of SPK tokens to a dedicated staking contract.

- **Rewards and Incentives**:
  SPK tokens will be distributed as part of airdrop campaigns and incentive programmes as described in this White Paper. These may include rewards for early use of DeFi products within the Spark application. In addition, SPK tokens may be used in future farming mechanisms or liquidity incentives across various Spark-related services.

All functionalities are accessible through the Spark application or approved interfaces. Certain features, such as staking and voting, may be made available in phases, with implementation timelines subject to further governance decisions. Any material updates to the functionalities or use of SPK tokens will be reflected through updates to this white paper in accordance with MiCA Article 12.

A description of the characteristics of the crypto-asset, including the data necessary for classification of the crypto-asset white paper in the register referred to in Article 109 of Regulation (EU) 2023/1114, as specified in accordance with paragraph 8 of that Article

F.4	Type of white paper	OTHR
F.5	The type of submission	MODI
F.6	Crypto-asset Characteristics	See Part D and Section F.2.
F.7	Commercial name or trading name	Spark / SPK token
F.8	Website of the issuer	The Issuer does not have a website. The website of the project is https://spark.fi/.
F.9	Starting date of offer to the public or admission to trading	2025-06-17
F.10	Publication date	2025-08-30
F.11	Any other services provided by the issuer	The Offeror does not offer any other services covered by MiCA
F.12	Identifier of operator of the trading platform	Not applicable

F.13	Language or languages of the white paper	English
F.14	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	SPK
F.15	Functionally Fungible Group Digital Token Identifier, where available	Not applicable
F.16	Voluntary data flag	false
F.17	Personal data flag	true
F.18	LEI eligibility	false
F.19	Home Member State	Denmark
F.20	Host Member States	The offer to the public of SPK tokens is passported to the following countries: ● Austria ● Belgium ● Bulgaria ● Croatia ● Cyprus ● Czech Republic ● Estonia ● Finland ● France ● Germany ● Greece ● Hungary ● Iceland

- Ireland
- Italy
- Latvia
- Liechtenstein
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Slovakia
- Slovenia
- Spain
- Sweden

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

G.1	Purchaser Rights and Obligations	Upon receipt of SPK tokens, holders are granted the right to hold, transfer, and utilise the tokens in accordance with the functionalities set out in this White Paper. Where implemented, such functionalities may include the ability to participate in governance processes and protocol-level decision-making, as well as to access certain staking or reward mechanisms as described herein. SPK tokens do not confer on holders any ownership interest, profit-sharing rights, equity claims, or creditor rights against the Offeror. The tokens do not represent financial instruments, electronic money, or asset-referenced tokens within the meaning of MiCA. SPK token holders shall be solely responsible for maintaining secure custody of their private keys, ensuring accurate and timely use of the designated claiming interface, and bearing any applicable network transaction fees incurred during claiming, transferring, or using SPK tokens. Token holders must also ensure compliance with any applicable legal, regulatory, or tax obligations in their jurisdiction of residence. No additional rights or obligations are imposed on holders beyond those expressly described in this White Paper.
G.2	Exercise of Rights and obligations	The rights associated with SPK tokens may be exercised exclusively through the designated blockchain interfaces, smart contracts, or governance mechanisms made available. Access to these rights requires that the SPK token holder maintains control over a compatible self-custodied wallet and engages directly with the supported interfaces. Participation in governance, staking, or any reward-based functionality shall be subject to the technical implementation of such features and any applicable eligibility conditions, timelines, or

		procedural requirements as further communicated via official channels of the Spark ecosystem. The obligations of SPK token holders, including the payment of any network fees and compliance with applicable legal requirements, are to be fulfilled independently and at the sole responsibility of the holder.
G.3	Conditions for modifications of rights and obligations	The rights and obligations associated with SPK tokens may be modified in the future as a result of governance decisions adopted in accordance with the decentralised governance framework of the Spark protocol. Such modifications may include changes to token functionalities, staking parameters, voting mechanisms, or eligibility criteria for participation in network incentives. The Offeror does not retain unilateral discretion to amend the rights or obligations of retail holders after the issuance of SPK tokens. Any material change to the governance structure or token utility will be subject to the governance procedures established within the Spark ecosystem, including proposal submission, voting thresholds, and quorum requirements, as applicable.
G.4	Future Public Offers	At the time of publication of this white paper, the Offeror does not have any confirmed plans for future public offers of SPK tokens. Should the Offeror initiate any such offering in the future, a separate or updated white paper will be prepared, notified to the competent authority, and published in accordance with Article 12 of MiCA.
G.5	Issuer Retained Crypto-Assets	0
G.6	Utility Token Classification	false
G.7	Key Features of Goods/Services of Utility Tokens	Not applicable
G.8	Utility Token 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	The Offeror does not impose any transfer restrictions.

G.12	Supply Adjustment Protocols	false
G.13	Supply Adjustment Mechanisms	SPK does not currently have any automatic or algorithmic supply adjustment mechanisms linked to market demand. There is no pre-programmed rebasing, burning, or minting functionality designed to increase or decrease the token supply based on price or demand fluctuations. However, the total supply of SPK may be increased in the future through governance proposals adopted by the SkyDAO, the decentralised governance structure associated with the Spark protocol. Any such supply adjustment would be subject to the applicable governance rules and would require approval through the established voting procedures.
G.14	Token Value Protection Scheme	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	This white paper, and any contractual rights and obligations arising in connection with the receipt and use of SPK tokens, shall be governed by and construed in accordance with the laws of the British Virgin Islands.
G.19	Competent court	Any dispute arising out of or in connection with this offering shall be subject to the exclusive jurisdiction of the courts of the British Virgin Islands. This is without prejudice to the rights of retail holders who are natural persons and habitually resident in a Member State of the European Union to bring proceedings before the courts of their place of residence, in accordance with applicable EU consumer protection and private international law rules.

Part H – INFORMATION ON THE UNDERLYING TECHNOLOGY

H.1	Distributed ledger technology	SPK token is deployed on the Ethereum mainnet, a public and permissionless distributed ledger based on blockchain technology. The token is implemented via a set of smart contracts deployed to Ethereum and is accessible to any compatible wallet.
H.2	Protocols and technical standards	SPK tokens conform to the ERC-20 token standard and interacts with Ethereum-compatible smart contracts to facilitate distribution, claiming, staking, and governance. Token transfers, approvals, and other on-chain operations follow the established ERC-20 interface.
H.3	Technology Used	As an ERC-20 token, the SPK token will be deployed as a smart contract on the Ethereum blockchain. Users can manage the SPK tokens through their own non-custodial wallet software provided by third parties or by interacting directly with the SPK token's smart contract through a third-party API.
H.4	Consensus Mechanism	The SPK token is deployed on the Ethereum blockchain. Ethereum operates using a Proof of Stake (PoS) consensus mechanism, wherein network validators are selected based on staked ETH to confirm transactions and propose new blocks.
H.5	Incentive Mechanisms and Applicable Fees	SPK token holders may earn SPK tokens as rewards through staking or participation in Spark ecosystem activities, as described in this White Paper. The Offeror does not charge any placement or transaction fees in connection with the receipt or use of SPK tokens. However, all on-chain transactions on Ethereum, including claiming and transferring SPK tokens, require the payment of network gas fees. Gas fees are denominated in ETH and paid directly to the Ethereum network. Following the implementation of Ethereum Improvement Proposal 1559 (EIP-1559), gas fees consist of two components: ● **Base fee**: This is automatically calculated based on current network demand and is burned,

		meaning it is removed from circulation. ● **Priority fee (tip)**: This is paid to the validator that successfully proposes the block in which the transaction is included. Ethereum validators are incentivised through a combination of block rewards and priority fees paid in ETH. Validators who misbehave or act maliciously are subject to slashing penalties, resulting in the loss of a portion of their staked ETH. The Offeror has no control over Ethereum blockchain fees, validator behaviour, or the consensus process.
H.6	Use of Distributed Ledger Technology	false
H.7	DLT Functionality Description	Not applicable
H.8	Audit	false
H.9	Audit outcome	Not applicable

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

		General information
S.1	Name	SPK Company Ltd
S.2	Relevant legal entity identifier *Identifier stated to in section A*	Not available
S.3	Name of the crypto-asset *Name of the crypto-asset as stated to in section A*	Spark / SPK
S.4	Consensus Mechanism *The consensus mechanism, as stated in Section H*	The SPK token is deployed on the Ethereum blockchain. Ethereum operates using a Proof of Stake (PoS) consensus mechanism, wherein network validators are selected based on staked ETH to confirm transactions and propose new blocks.
S.5	Incentive Mechanisms and Applicable Fees *Incentive mechanisms to secure transactions and any fees applicable as stated in section H.*	SPK token holders may earn SPK tokens as rewards through staking or participation in Spark ecosystem activities, as described in this White Paper. The Offeror does not charge any placement or transaction fees in connection with the receipt or use of SPK tokens. However, all on-chain transactions on Ethereum, including claiming and transferring SPK tokens, require the payment of network gas fees. Gas fees are denominated in ETH and paid directly to the Ethereum network. Following the implementation of Ethereum Improvement Proposal 1559 (EIP-1559), gas fees consist of two components: ● **Base fee**: This is automatically calculated based on current network demand and is burned, meaning it is removed from circulation.

		● **Priority fee (tip)**: This is paid to the validator that successfully proposes the block in which the transaction is included. Ethereum validators are incentivised through a combination of block rewards and priority fees paid in ETH. Validators who misbehave or act maliciously are subject to slashing penalties, resulting in the loss of a portion of their staked ETH. The Offeror has no control over Ethereum blockchain fees, validator behaviour, or the consensus process.
S.6	Beginning of the period to which the disclosed information relates	2024-05-08
S.7	End of the period to which the disclosure relates	2025-05-08

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, expressed in kilowatt-hours per calendar year*	6,490,000 kWh

Sources and methodologies

S.9	Energy consumption sources and methodologies *Sources and methodologies used in relation to the information reported above*	For the calculation of energy consumption, a bottom-up approach, as described in the CBNSI methodology, is used. In this approach, Ethereum network nodes are considered the central factor determining total energy demand. Hardware assumptions are based on empirical findings from public information sources, open-source network crawlers, and analytical tools developed by CCAF. The main determinants for estimating the hardware used within the network are the operational requirements of the Ethereum client software. The electricity consumption of the relevant hardware

configurations has been measured in certified test laboratories, as set out in the referenced methodology.

CBNSI's model estimates the average power demand of the Ethereum consensus layer on a daily basis, using observed Beacon node counts, client software distribution, and typical hardware profiles. The model then annualises these daily figures to produce an annual electricity consumption estimate.

Secondary cross-check: The CBNSI figures are consistent in order of magnitude with the *Digiconomist – Ethereum Energy Consumption Index*, which applies a separate estimation methodology.

Reference period: Please refer to S.8.

Calculation for SPK token: As SPK is an ERC-20 token on the Ethereum network, the token's share of total network electricity consumption may be approximated by the proportion of total Ethereum gas usage attributable to SPK-related transactions in the reference period. This pro-rata value is calculated as:

$$Espk = Eethereum\ x\ \frac{SPK\ gas\ used}{Total\ Ethereum\ gas\ used}$$

Since the SPK token has only recently been created, the energy consumption figure relates to the previous calendar year and serves as an estimate of what may be consumed during the SPK token's first year of operation on the Ethereum blockchain.

S.10	Renewable energy consumption (%)	Based on the CBNSI methodology and the geographical distribution of Ethereum validator nodes, approximately 40.0 % (0.400))of the electricity used for the validation of transactions and the maintenance of the integrity of the Ethereum distributed ledger originates from renewable energy sources. This percentage is calculated by weighting the renewable share of the electricity grid in each country/region hosting validator nodes according to the proportion of validators located there. Regional renewable share data is sourced from official statistics (e.g., Eurostat for the EU, U.S. Energy Information Administration for the United States, and equivalent agencies for other regions).

S.11	Energy consumption per transaction (kWh/transaction)	Based on the total annual energy consumption disclosed in S.8 (6,490,000 kWh) and the total number of Ethereum transactions in the reference period (468,000,000, source: Etherscan), the average energy consumption per transaction is: $kWh/tx = \frac{6{,}490{,}000}{468{,}000{,}000} = 0,0139\ kWh/tx$ This represents the average network-wide figure and is not limited to the SPK-related transactions.
S.12	Scope 1 greenhouse gas emissions (tCO_2e/year)	For the Ethereum proof-of-stake network, scope 1 greenhouse gas emissions – defined as direct emissions from owned or controlled sources – are negligible, as validators do not burn fossil fuels on-site for consensus operations. Accordingly, the annualised scope 1 greenhouse gas emissions for the reference period are reported as $0tCO_2e$/year.
S.13	Scope 2 greenhouse gas emissions (tCO_2e/year)	Based on the total annual energy consumption disclosed in S.8 (6 490 000 kWh) and an average grid emission factor of 0.35 kg CO_2e/kWh (source: European Environment Agency – EU residual mix 2023), the estimated annualised scope 2 greenhouse gas emissions are: $6490000\ x\ 0.35\ \ kgCO_2e \approx 2271500\ kgCO_2e/year$ ($\approx 2272\ tCO_2e/year$) Scope 2 emissions represent indirect emissions from the generation of purchased electricity consumed by Ethereum validators. Scope 1 emissions for the Ethereum proof-of-stake network are negligible and reported as zero in S.12.
S.14	Total greenhouse gas emissions per transaction ($kgCO_2e$/transaction)	Total annual GHG emissions (scope 1 + scope 2) are 2,272 tCO_2e/year (see S.12–S.13). Based on 468,000,000 Ethereum transactions in the reference period, the average emissions per transaction are: $kgCO_2e/tx = \frac{2{,}272{,}000\ kgCO_2e}{468{,}000{,}000\ tx}$

$$kgCO_2e/tx \approx 0.00485\ kgCO_2e/tx$$

S.15	Sources of data	Primary source: *Cambridge Centre for Alternative Finance (CCAF) – Cambridge Blockchain Network Sustainability Index (CBNSI) – Ethereum*. Secondary source: *Digiconomist – Ethereum Energy Consumption Index* (cross-check). Emissions factor source: *European Environment Agency – EU residual mix 2023*.
S.16	Methodologies applied	The energy consumption figures are calculated using CBNSI's "bottom-up" methodology: network node counts, client software distribution, and typical hardware configurations are combined to estimate total network electricity demand. Hardware power draw values are obtained from certified laboratory tests. Daily estimates are annualised using a 7-day moving average. Emissions are calculated by multiplying total electricity consumption by the average grid emission factor for the geographical distribution of nodes. Renewable share is derived from the renewable percentage of the relevant grid mixes. Transaction counts are obtained from on-chain data (Etherscan API). For SPK, as an ERC-20 token on Ethereum, energy consumption and emissions are expressed at the network level; a pro-rata allocation based on SPK's share of total Ethereum gas usage can also be provided for illustrative purposes.