DIGITAL ASSET CERTIFIER REPORT

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FAVOURABLE

ISSUANCE OF ALKEMY LUXEMBOURG TOKEN (ALKN)

ISSUANCE Alkemya Token (ALKN)

RID version: November 13, 2025

Issuer: Alkemya Metacore SCSp ("The Partnership")

Asset Type: Tokens Representing Ownership in LP Interests (Non-Voting Rights)

Network and platform: Liquid Network (L2 Bitcoin) via Hadron by Tether

Target Exchange: Bitfinex Securities El Salvador (PSAD-0001)

Collateral custody: Helvetic Securgest vaults, Lugano, Switzerland

Offer (current round): minimum 50M – cap 200M (total capped 800M)

Report date: 18.11.2025

Certifier: Digital Assets Solutions, S.A. de C.V. (CERT-0004)

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EXECUTIVE SUMMARY

Based on the exhaustive analysis carried out by Digital Assets Solutions, S.A. de C.V., the issuance of ALKN tokens by Alkemya Metacore SCSp is favorably certified. The issuance features a solid structure backed by a physical asset of exceptional value: 7 million linear meters of high-purity nickel wire (99.99+%) with a diameter of 0.025 mm, independently valued at USD 1.6 billion.

The issuance of $800,000,000 in ALKN tokens aims to expand access to a high-level technical physical asset, which has strategic value in sectors such as defense, aerospace, energy transition and advanced technologies. This initiative seeks to facilitate the participation of a wider base of investors through the use of blockchain-based digital instruments, thus allowing a more accessible and efficient way to get involved in industries that, until now, have been reserved for actors with high levels of specialization and capital. The tokenization of this asset allows for fractional participation, promoting greater transparency and efficiency in the way of investing in highly demanded resources. Each ALKN token represents an LP Interest, which implies an economic interest within Alkemya Metacore SCSp (the "Partnership"). These LP Interests grant their holders rights to the financial returns and distributions generated by the Partnership, according to the distribution scheme provided for in the Limited Partnership Agreement (LPA). It is important to note that these tokens do not confer management or decision-making rights over the Partnership's operations. The nature of economic rights is exclusively delimited by the provisions of the LPA and by the corresponding legislation, thus guaranteeing a clear separation between those who participate economically and those who manage the entity.

The main strengths of this issuance center on the strength and attractiveness of the underlying asset, whose intrinsic value has been estimated at $2.05 per token, which represents a significant difference from the initial issue price of $1.00. This advantage offers an attractive entry opportunity for investors, backed by a tangible asset of high technical specialization. The value-to-initial price differential underscores a strong value proposition, designed to build confidence and attract capital interested in physically-backed assets with appreciation potential. In addition, the asset has undergone rigorous verification processes through independent certifications issued by internationally renowned laboratories. These reports not only validate their authenticity and quality, but also contribute to the overall transparency of the project. Secure storage in Helvetic Securgest vaults, located in Lugano, Switzerland, ensures professional custody in a jurisdiction recognized for its stability and strict security standards. Complementing these elements, the asset has high-tech industrial applications in expanding sectors, which projects sustained growth in demand. All this is supported by a robust technological infrastructure, which Hadron by Tether and the Liquid Network uses to offer a secure, auditable and transparent environment, with appropriate standards for the institutional environment. The main considerations focus on the inherent volatility of commodity markets, the specialization of the asset that limits its immediate liquidity, and the operational risks associated with physical custody. However, the mitigation measures implemented, including comprehensive insurance and advanced safety protocols, significantly reduce these risks. The certification is granted with the recommendation that the issuance is appropriate for institutional and qualified investors with an understanding of commodity markets, moderate to high risk tolerance, and medium to long-term investment horizon.

1. IDENTIFICATION OF THE CERTIFIER

1.1 Corporate Information

Digital Assets Solutions, S.A. de C.V. is a public limited company with variable capital incorporated under the laws of the Republic of El Salvador, specialized in the certification of digital asset issuances with a focus on innovative structures backed by physical assets. The company operates commercially under the brand name "Tokenization Expert" and is duly registered with the National Digital Assets Commission (CNAD) under registration number CERT-0004, with a registration date of March 15, 2024.

Our organization represents the convergence of traditional financial expertise, specialized knowledge in blockchain technologies, and deep analysis of specialized commodity markets. The company was founded with the specific purpose of providing independent certification services that meet the highest regulatory standards set by the Digital Asset Issuance Act (LEAD) and its corresponding regulations, with particular emphasis on issuances backed by physical assets of high technical complexity.

Digital Assets Solutions' mission is focused on facilitating the orderly and transparent development of the digital asset market in El Salvador, providing rigorous technical analysis that protects investors' interests while promoting financial innovation. Our methodological approach combines traditional financial analysis with specialized assessment of blockchain technologies, emerging regulatory frameworks, commodity market analysis, and specialized physical asset valuation.

The company maintains a strict policy of professional independence, ensuring that all analyses are carried out without conflicts of interest and with total objectivity. This independence extends to all business, financial or any other relationships that could compromise the integrity of our analyses. In the specific case of the ALKN issuance, we confirm that there is no prior relationship or conflict of interest between Digital Assets Solutions and Alkemya Metacore SCSp., its shareholders, directors, or any related entity.

Digital Assets Solutions' technical team is made up of professionals with specialized training in financial analysis, risk assessment, blockchain technology, digital asset regulatory framework, commodity market analysis, and specialized physical asset valuation. This diversity of expertise makes it possible to comprehensively address the complexities inherent in innovative issuances such as ALKN, which involves a physical asset of high technical specialization in advanced technology sectors.

Digital Assets Solutions' accumulated experience includes the certification of multiple digital asset issuances in El Salvador, spanning different structures and economic sectors. This experience provides valuable comparative perspective to evaluate ALKN issuance in the context of the Salvadoran digital asset market and international best practices.

1.2 Certification Methodology

The certification methodology applied by Digital Assets Solutions for the ALKN issuance follows a systematic and comprehensive approach covering six main phases, each designed to assess critical aspects of the issuance and ensure that it complies with all regulatory standards and international best practices for digital assets backed by specialized commodities.

PHASE 1: Exhaustive Documentary Analysis

The first phase involves a complete review of all documentation provided by the issuer, including financial statements, technical documentation of the underlying asset, and all information contained in the Relevant Information Document. This phase includes checking for consistency between different documents,

identifying potential inconsistencies or missing information, and validating the veracity of the information provided.

During this phase, special attention is paid to the verification of the issuer's legal representation, ensuring that all affidavits are signed by the appropriate legal representative according to Luxembourg corporate records. The legal existence of all the entities mentioned in the documentation, the validity of the contracts between the parties involved, and the consistency in the company names used throughout all the documents are also verified.

For the ALKN issuance, this phase included the specific review of nickel wire technical certifications issued by internationally recognized independent laboratories, including Lectromec (United States), Allkema Engineering Srl (Italy), Nanyang Technological University (Singapore), and Indian Institute of Technology, New Delhi.

PHASE 2: Financial Viability Assessment and Asset Valuation

The second phase focuses on a detailed analysis of the valuation of the underlying asset, evaluating the valuation methodology used, the reasonableness of the reference prices, and the consistency between the value of the asset and the structure of the issue. The relationship between the intrinsic value of the asset (EUR 1.4 billion) and the amount of the issue (USD 800 million) is evaluated, identifying the margin of safety for investors.

This assessment includes a comparative analysis with market prices of nickel wire of different specifications, a review of the valuation methodologies applied by independent appraisers, and an assessment of the reasonableness of the assumptions used in the valuation. Particular attention is paid to the factors that justify the premium price of 25-micron nickel wire versus standard specifications.

PHASE 3: Specialized Comprehensive Risk Analysis

The third phase involves the identification, evaluation and quantification of all material risks associated with the issuance, with particular emphasis on the specific risks of specialized commodities. This includes issuer, underlying asset, physical custody, technological, market, regulatory, and operational risks. The proposed mitigation measures and their effectiveness are evaluated, developing a risk matrix that allows investors to clearly understand the risk profile of the investment.

The risk analysis specifically extends to the risks associated with the nickel market, including price volatility, geopolitical risks in producing countries, changes in demand from specific sectors (defense, aerospace, energy transition), and technological obsolescence risks. A framework for measuring, monitoring, communicating and mitigating risks is established that will be applicable throughout the life of the broadcast.

PHASE 4: Technical Verification of the Underlying Asset

The fourth phase comprises a specialized technical evaluation of the underlying asset, verifying the reported technical specifications, purity and quality certifications, and declared industrial applications. The consistency between the technical specifications and the proposed industrial applications is verified, evaluating the potential demand and commercial viability of the asset.

This verification includes a review of the physical and chemical properties of the nickel wire, the validation of the declared technical advantages (4x higher surface-to-volume ratio, weight 1/16 of the volume compared to standard wire), and the evaluation of specific applications in high-tech sectors. The consistency of the specifications with international industry standards is also verified.

PHASE 5: Regulatory Compliance Verification

The fifth phase comprises a comprehensive review of compliance with LEAD, CNAD regulations, and international best practices for issuances backed by physical assets. It is verified that the proposed structure is within the applicable legal framework, that all regulatory requirements have been met, and that the issuer's corporate policies have the appropriate authorization from the corresponding hierarchical bodies.

This verification includes a review of the tax aspects applicable in both El Salvador and Luxembourg, the validation that the proposed activities are within the corporate purpose of the issuer, and the confirmation that the appropriate mechanisms have been established for the continuous compliance with regulatory obligations during the life of the issue.

PHASE 6: Formulation of Conclusions and Recommendations

The sixth and final phase involves the synthesis of all the analyses carried out to formulate a well-founded conclusion on the certification of the issue. This synthesis includes the comprehensive evaluation of all identified strengths and weaknesses, the formulation of specific recommendations for the issuer, investors and regulator, and the determination of whether the issuance meets the necessary standards to receive a favorable certification.

1.3 Standards and Frameworks

The certification of the ALKN issuance is based on strict compliance with multiple standards and frameworks that ensure the quality, transparency and regulatory compliance of the analysis carried out, with particular emphasis on international best practices for issuances backed by specialized commodities.

The main regulatory framework is constituted by El Salvador's Digital Asset Issuance Law (LEAD) and its Regulation on the Registration of Issuers and Public and Private Issuances (RREEPP). These legal instruments establish the specific requirements for the issuance of digital assets, the obligations of issuers, and the standards that certifiers must comply with in the development of their analyses.

On the accounting and financial side, the analysis is based on the International Financial Reporting Standards for SMEs (IFRS for SMEs), ensuring that the issuer's financial assessment and the projections used comply with recognized international standards. For the valuation of the underlying asset, International Valuation Standards (IVS) and best practices for valuation of specialized commodities are applied.

The technological standards applied include international best practices in blockchain security, private key management, and personal data protection. Compliance with cybersecurity standards is verified.

2. AFFIDAVIT

I, César Augusto Castillo Guevara, in my capacity as Sole Owner Administrator and Legal Representative of Digital Assets Solutions, S.A. de C.V., a company duly incorporated under the laws of the Republic of El Salvador and registered in the Registry of Certifiers of the National Digital Assets Commission under number CERT-0004, declare under oath that the information contained in this certification report is truthful, and has been prepared based on the exhaustive analysis of the documentation provided by the issuer.

2.1 Professional independence

I expressly declare that Digital Assets Solutions, S.A. de C.V. maintains total professional independence with respect to the issuer Alkemya Metacore SCSp., its shareholders, directors, officers, and any related or related entity. This independence extends to all commercial, financial, family or any other relationships that could compromise the objectivity of the analysis carried out.

I confirm that neither Digital Assets Solutions, S.A. de C.V., nor its shareholders, directors, officers or employees, maintain shareholdings, contractual relationships, financial commitments, or any other type of economic relationship with Alkemya Metacore SCSp., Green Transitional Metals Pte Ltd, BOPP (Switzerland), or any entity of the Alkemy business group. This independence has been maintained throughout the certification process and will be maintained during the validity of the issue.

Remuneration for certification services has been established independently, based on market rates for similar certification services of emissions backed by specialized physical assets, and is not conditional on the outcome of the certification or any aspect related to the future performance of the issuance. The payment of fees was made in accordance with the provisions of the professional services contract signed between the parties, without any additional or contingent commitments.

2.2 Professional Competence and Methodology

I declare that Digital Assets Solutions, S.A. de C.V. has the technical competence, professional experience, and human resources necessary to carry out the certification of digital asset issuances backed by specialized commodities, in accordance with the standards established by the Digital Asset Issuance Law (LEAD) and its corresponding regulations. Our technical team has specialized training in financial analysis, blockchain technologies, regulatory framework of digital assets, risk assessment, commodity market analysis, and valuation of specialized physical assets.

The methodology applied in the certification of the ALKN issuance has rigorously followed the procedures established in our internal manuals, which have been developed based on international best practices and the specific requirements of Salvadoran regulation for issuances backed by physical assets. This methodology includes exhaustive documentary verification, financial feasibility analysis, asset valuation assessment, comprehensive risk assessment, technical verification of the underlying asset, regulatory compliance verification, and formulation of reasoned conclusions.

The analysis carried out has included the review of financial statements, apostilled corporate documents, custody contracts, technical certifications of independent laboratories, independent valuation documentation, market projections, and all the information contained in the Relevant Information Document. Internationally recognized financial analysis, risk assessment, commodity valuation, and regulatory compliance verification techniques have been applied and adapted to the specific characteristics of digital assets backed by specialized commodities.

2.3 Veracity and completeness of the information

I declare that all information used as the basis for this certification report has been provided by the issuer and verified by independent sources where possible and appropriate. In cases where the information could not be independently verified, this has been clearly stated in the report, and corresponding limitations have been set out in the conclusions.

The technical information about the underlying asset has been verified by reviewing certifications issued by internationally recognized independent laboratories, including Lectromec (United States), Allkema Engineering Srl (Italy), Nanyang

Technological University (Singapore), and Indian Institute of Technology, New Delhi. The valuation information has been verified by reviewing the independent valuation report issued by ASACERT UK Ltd.

I declare that the principle of professional skepticism has been applied in the evaluation of all information provided, checking for consistency between different sources of information and identifying any inconsistencies or information that requires further clarification. In all cases, efforts have been made to obtain sufficient and appropriate evidence to support the conclusions of the certification report.

2.4 Limitations of the Analysis

It stated that this certification report is based on information available as of the date of its preparation and that any material change in the circumstances of the issuer, the underlying asset, or the regulatory environment could affect the conclusions expressed herein. The analysis does not constitute a guarantee about the future performance of the issuance or about the issuer's ability to meet its obligations.

The market projections and valuations included in the analysis are based on publicly available information and assumptions that, while reasonable at the time of reporting, are subject to inherent uncertainty. Potential investors should conduct their own evaluation of the information and consult with their professional advisors before making investment decisions.

In witness whereof, I sign this affidavit in San Salvador, Republic of El Salvador, on the fifteenth day of the month of September in the year two thousand and twenty-five.

César Augusto Castillo

Legal Representative

Digital Assets Solutions, S.A. de C.V.

Authorized Certifier CERT-0004

CESAR AUGUSTO CASTILLO GUEVARA

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3. ISSUER COMMITMENT

Alkemya Metacore SCSp., in its capacity as issuer of ALKN tokens backed by high-purity nickel wire, assumes a series of fundamental commitments to ensure the transparency, security and regulatory compliance of this issuance. These commitments, detailed below, form the basis of confidence for investors and the wider market, and have been structured to ensure continued compliance throughout the life of the issuance.

3.1 Contractual Obligations and Custody of the Asset

The issuer irrevocably undertakes to maintain the safe and appropriate custody of the 7.0 million linear meters of high-purity nickel wire supporting the ALPN issuance. This commitment includes the maintenance of the asset at the specialized custody facilities in Lugano, Switzerland, under institutional security protocols that include 24/7 surveillance, biometric access control systems, and continuous environmental monitoring to preserve the physical and chemical properties of the asset.

The issuer warrants that each ALKN token issued is backed by a specific and determined amount of the underlying asset, maintaining at all times a direct and verifiable relationship between the tokens in circulation and the physical asset in custody. You agree not to dispose of, dispose of, encumber, or in any way compromise the underlying asset without the prior written consent of the token holders, except as specifically contemplated in the terms and conditions of the issuance. This commitment is recorded in the DIR or there is documentation to support it

The issuer shall maintain comprehensive insurance policies covering the full value of the asset against all risks, including theft, damage, loss, natural disasters, and any other event that may affect the integrity or availability of the asset. These policies will be maintained with insurers of recognized international prestige and will be unconfigured

renewed in a timely manner to ensure continuous coverage throughout the life of the issue.

3.2 Ongoing Regulatory Compliance

Alkemya Metacore SCSp. is committed to continuously and permanently complying with all applicable laws and regulations in the jurisdictions where it operates, with particular emphasis on El Salvador's Digital Asset Issuance Law (LEAD) and the regulations issued by the National Digital Asset Commission (CNAD). This commitment includes the maintenance of all necessary records and authorizations, as well as the timely and accurate reporting of all information required by the competent authorities.

The issuer undertakes to keep up to date all licenses, permits, and authorizations necessary for the development of its activities, immediately notifying token holders and regulatory authorities about any material change in its legal, regulatory, or corporate situation that may affect the issuance or the rights of investors.

A specific commitment is made to comply with all periodic reporting obligations established by the CNAD,

including quarterly financial reports, asset custody reports, updates on the state of the nickel market, and any other information that is required by the regulatory authorities or that is material to investors.

3.3 Transparency and Communication with Investors

The issuer is committed to maintaining the highest level of transparency with investors and the general public, providing timely, accurate and complete information on all material aspects related to the issuance and the underlying asset. This commitment includes the regular publication of detailed reports on the status of the asset, the evolution of the nickel market, the industrial applications developed, and any other relevant factors that may affect the value of the tokens.

Direct and efficient communication channels will be established to address the queries and requirements of token holders, including a dedicated web portal with updated information, periodic reports, and mechanisms for direct contact with the management team. It is guaranteed that all material information will be unconfigured

communicated simultaneously to all token holders, avoiding any type of discrimination or preferential access to information.

The issuer undertakes to provide access to independent audits of the underlying asset, conducted by firms specializing in commodity valuation, at a minimum annual frequency. The results of these audits will be publicly communicated to all token holders within 30 days of completion.

3.4 Risk Management and Mitigation Measures

Alkemya Metacore SCSp. is committed to implementing and maintaining a comprehensive risk management system that identifies, assesses, monitors and mitigates all material risks associated with the issuance and the underlying asset. This system will include specific procedures for the management of market, operational, technological, regulatory, and custody risks.

A commitment is made to maintain adequate liquidity reserves to meet operational contingencies and to ensure the continuity of custody and asset management operations. These reserves will be held in prestigious financial institutions and will be sized in accordance with international best practices for the management of specialized physical assets.

The issuer shall implement and maintain contingency protocols for emergency situations, including specific procedures for the protection of the asset in the event of extraordinary events, crisis communication mechanisms with investors, and business continuity plans that ensure the continued operation of essential services.

3.5 Prohibitions and Operational Restrictions

The issuer expressly agrees not to conduct, directly or indirectly, any of the following activities without the

prior written consent of token holders representing at least 75% of the tokens in circulation:

- Disposal, disposal, encumbrance, or any form of commitment of the underlying asset backing ALKN tokens
- Change in asset custody location without the new location meeting equivalent or higher security standards
- Substantial modification in the issuer's corporate structure that may affect its ability to meet the obligations of the issuance
- Incursion into business activities other than the management and custody of the underlying asset without specific authorisation

The issuer is expressly prohibited from using the underlying asset as collateral for obligations other than those specifically related to the LKN issuance, ensuring that the asset remains unencumbered and available exclusively for the benefit of token holders.

3.6 Compliance and Oversight Mechanisms

To ensure effective compliance with all established commitments, the issuer will implement oversight and control mechanisms that include the appointment of an independent custodian for the underlying asset, periodic audits by specialized firms, and regular reports to a supervisory committee composed of representatives of the token holders.

An early warning system will be established to enable the timely identification of any situation that may compromise compliance with the established commitments, automatically activating communication protocols with investors and appropriate corrective measures.

The issuer expressly submits to the jurisdiction of the courts of El Salvador for the resolution of any dispute related to the fulfillment of these commitments, waiving any jurisdiction or jurisdiction that may correspond to it by reason of its domicile or nationality.

4. EXECUTIVE SUMMARY

4.1 General Information of the Issuer

Alkemya Metacore SCSp. is a limited liability company incorporated under the laws of the Grand Duchy of Luxembourg, with its registered office at 26 Boulevard Royal L2449, Luxembourg.

The company was established specifically for the development of trade and investment activities in high-tech metals, with a particular focus on high-purity nickel and its specialized industrial applications.

The issuer's corporate structure reflects a professional organization designed for the management of specialized physical assets. The company has a share capital appropriate to its activities and maintains a corporate governance structure that ensures professional decision-making and appropriate supervision of operations. Corporate documents have been duly apostilled and certified in accordance with international requirements for cross-border operations.

The corporate purpose of **Alkemya Metacore SCSp.** It specifically includes the activities of specialized metals trading, physical asset management, and structuring of commodity-backed financial instruments. This definition of the corporate purpose provides the appropriate legal framework for the issuance of ALKN and ensures that the proposed activities are within the scope of the issuer's legal competence.

The management team's experience combines specialized knowledge in commodity markets, physical asset management, and financial structuring. This combination of competencies is particularly relevant for the management of the underlying asset of the ALKN issue, which requires specialized technical knowledge on the properties and applications of high-purity nickel wire.

Issuance Structuring Team:

The structuring of the ALKN issuance has been developed by a multidisciplinary team that combines expertise in commodity markets, blockchain technology, and digital asset regulation. This team includes specialists in specialized metals valuation, experts in custody of physical assets, and professionals with experience in structuring innovative financial instruments.

The structuring team has worked in collaboration with legal advisors specialized in digital asset regulation in both Luxembourg and El Salvador, ensuring that the proposed structure complies with all regulatory requirements applicable in both jurisdictions. This collaboration has resulted in a structure that optimizes both investor protection and the operational efficiency of the issuance.

The selection of the Hadron by Tether technology platform and the Liquid Network reflects the structuring team's approach to the use of institutional technology infrastructure of recognized prestige. This selection ensures that the issue has the technical robustness and security necessary for an issue of the proposed magnitude.

4.2 Description of the ALKN Digital Asset

ALKN is a **token that represents LP Interests** of the **Alkemya Metacore SCSp** partnership under Luxembourg law. Its nature is **economic**, not **political**: the holder **does not acquire voting or management rights** over the Partnership, nor a right to physical **delivery** of the underlying asset. Economic rights are governed by the **Limited Partnership Agreement (LPA).**

Registration and opposability. LP Interests are issued on **a nominative basis** and ownership/transfers are **enforceable against third parties** when recorded in the Partnership's **LP Interest Register**. Since LP Interests are **tokenized** on the Liquid Network using Hadron, the **token register** (on-chain) must **be reflected** in the LP Interest Register. Any movement of tokens requires registration **reconciliation** to produce all its effects.

Transfers and Eligibility. ALKN's transferability is **conditioned** by the LPA and compliance checks: **KYC/AML, PEP/sanctions, verification of residency, and non-admission of U.S. Persons where applicable**. Operationally, transfers can only be made between **previously verified wallets** (whitelisting) and may require **consent** from the General Partner, in accordance with the LPA's transfer restrictions.

Distributions and waterfall. The ALKN holder participates in distributions according to the **waterfall** established in the LPA, which provides for a **preferential return of 6% compound per annum** in favour of LPs and then a **carried interest of 20%.** Distributions **are not guaranteed** and are dependent on the performance of the Partnership.

Buy-back and liquidity.From year 2 **onwards, the Partnership** may **optionally** exercise mechanisms for **the buy-back** of LP Interest under the conditions provided; the investor **is not** entitled to **demand** such buy-back. ALKN's liquidity is subject to **investor eligibility**, **transfer restrictions**, **whitelisting** and **the conditions of the enabled markets**.

Identifiers and operations. The **ALKN** token has **ISIN LU3192257148** and its secondary trading is planned on **Bitfinex Securities El Salvador (PSAD-0001)** in accordance with the requirements and procedures of that market.

Tokenization is implemented in **Liquid** using **Hadron**, applying **whitelisting** and **transfer-restrictions** so that only verified wallets can transact. For the purposes of opposability, the **LP Interest Register** held in Luxembourg **reflects** the **token register** (on-chain), with periodic reconciliations.

ALKN tokens represent limited partnership (LP Interests) in the Association, backed by ultra-high purity nickel wire assets. The STO is structured to comply with El Salvador's law and will be listed on the Exchange Platform. The Association will own a 70.0% equity interest in Green Transitional Metals Pte. Ltd. ("GTX") in Singapore, which will commercialize the conversion of the material into meshes with applications for the energy transition (electrolyzers for hydrogen production), EMI shielding, radar absorption, aerospace and defense, among others.

Token Classification according to LEAD

In accordance with Article 5 of the Digital Asset Issuance Act (LEAD), the ALKN token is classified as a PROPERTY TOKEN, specifically under subparagraph (m): 'Digital assets representing property rights over tangible or intangible goods'.

This classification is based on the fact that:

1. ALKN tokens represent Limited Holdings in Alkemya Metacore SCSp

2. These Limited Holdings are backed by specific tangible assets: 7 million linear meters of ultrapure nickel wire (99.99% purity, 0.025 mm diameter)

3. Token holders have economic rights derived from ownership of the underlying asset

4. They do not grant voting rights or control over the management of the Company

The DIR confirms this classification by stating that it is a 'Proprietary Token Offering' (page 4 of the DIR) and that the tokens represent 'Tokenized Limited Holdings on nickel assets' (page 11 of the DIR).

Differentiation: Underlying Asset vs. Economic Support

It is critical to distinguish between the underlying asset that the token represents and the economic backing that underpins its valuation:

ALKN tokens directly represent Limited Partnership Interests in Alkemya Metacore SCSp, a special limited company incorporated in Luxembourg. These Limited Shares are the legal asset underlying the token, granting holders economic rights in the Company.

Economic Support:

The financial backing of Limited Holdings (and therefore ALKN tokens) consists of:

1. Main Asset: 7 million linear meters of ultrapure nickel wire (99.99% purity, 0.025 mm diameter), valued at approximately USD $1,600 million, held in Helvetic Securgest Vaults, Lugano, Switzerland.

2. Strategic Stake: 70% equity interest in Green Transitional Metals Pte. Ltd. ("GTX"), a Singapore-based company that will commercialize the conversion of the material into meshes with energy transition applications.

This structure allows the intrinsic value of the token ($2.05 according to DIR page 13) to be derived from the valuation of the physical nickel and GTX revenue projections, while the market price of the token will be determined by supply and demand on the exchange.

Technical Specifications of the Underlying Asset:

The nickel wire backing ALKN tokens features technical specifications that position it as a highly specialized asset with critical applications in advanced technology sectors:

Property	Value / Description
Purity	99.99+% (NP1 rating according to international standards)
Diameter	0.025 mm (25 microns)
Crystal Structure	Face Centred Cubic crystalline
Magnetic Properties	Ferromagnetic
Thermal Resistance	High temperature resistance (melting point 1455°C)
Electrical conductivity	Excellent electrical conductivity
Corrosion Resistance	Superior corrosion resistance compared to other metals

Differentiated Technical Advantages:

The 25 micron diameter of nickel wire provides significant technical advantages compared to standard specification wire:

Surface Area/Volume Ratio: 4 times higher compared to 100 micron wire

Weight: 1/16th of the volume compared to larger diameter wire

Flexibility: Superior formability on meshes with predetermined spacing

Efficiency: Increased efficiency in applications requiring high contact surface

These technical characteristics are particularly relevant for applications in high-tech sectors where weight, contact surface, and dimensional accuracy are critical performance factors.

Independent Certifications and Verifications:

The quality and specifications of the underlying asset have been verified by multiple independent laboratories of recognized international prestige:

Laboratory	Country	Certification	Date
Lectromec Corporation	States United	ISO/IEC 17025:2017	2023
Allkema Engineering Srl	Italy	Chemical and Physical Analysis	December 2022
Nanyang Technological University	Singapore	Technical Report Specialized	February 2023
Indian Institute of Technology	India	Laboratory Tests	March 2023
ASACERT UK Ltd	United Kingdom	Independent Valuation	May 2023

These certifications provide independent verification of the declared technical specifications and support the valuation of the asset performed by ASACERT UK Ltd.

Rights of Token Holders

ALKN token holders have the following rights:

Economic Rights:

- Right to receive cash distributions from the Company's profits
- Right to participate in the appreciation of the token's value
- Right to transfer tokens (subject to DIR restrictions)

***Rights NOT included:**

- ALKN tokens do NOT grant voting rights in the management of the Company
- Holders do NOT have the right to participate in corporate decisions
- Holders are NOT entitled to physical delivery of the underlying nickel

The management of the Company corresponds exclusively to the General Partner (Alkemya Partners GP S.À R.L.), while the holders of Limited Shares (represented by ALKN tokens) have a purely economic shareholding, in accordance with the typical structure of a special limited partnership (SCSp) under Luxembourg law.

Tokenization Structure:

The ALKN issuance is structured to issue up to 800 million tokens, each with an issue price of $1.00. This structure provides the following features:

Concept	Value / Description
Maximum Issue Amount	USD 800,000,000
Maximum Number of Tokens	800,000,000 ALKN
Price per Token	US$1.00
Intrinsic Value per Token	US$1.75 (based on independent valuation)
Safety Margin	75% on the issue price

The ratio of the intrinsic value of the asset to the amount of the issue provides a significant margin of safety for investors, with the value of the underlying asset exceeding the amount of the issue by 75%.

4.3 Supply and Marketing

The ALKN token offering has been structured to provide institutional access to a highly specialized physical asset that has traditionally been available only to large industrial corporations. The democratization of access to this asset through tokenization represents a significant innovation in the specialty commodities market.

Offering Type: Property Token Offering (STO)*

* ("Security Token" (STO) Although the specific term no longer appears on page 4, the legal nature of ALKN Tokens is that of a security. On page 81 (source), under regulatory risks, the uncertainty of the laws governing "security tokens" is mentioned. The inconsistency arises when the authors of the DIR use the general regulatory classification (security token) or the formal legal description (tokenized Limited Holdings) and, at the same time, use the classification under El Salvador's law (Ownership Token).

Total Token Limit: 800,000,000

Token Supply Limit in this round: minimum initial supply of 50,000,000 and supply limit of 200,000,000

Price per Token: $1

Target Exchange: Bitfinex Securities, El Salvador

The ALKN token offering is done on a "best efforts" basis by Alkemya. There is no guarantee that all tokens will be sold. The offer is not subscribed.

The economic rationale for the value of the assets to be approximately double the face value of the token issuance is the creation of an Initial Intrinsic Value higher than the issue price.

1. Immediate Intrinsic Value Creation

The main purpose of this discrepancy is to ensure that tokens are born with asset backing that far exceeds their purchase price:

• Intrinsic Value Calculation: The initial intrinsic value per token is calculated by dividing the total estimated value of the asset ($1.64 billion) by the total number of tokens issued ($800 million).

• Initial Intrinsic Value per Token: This calculation results in an initial intrinsic value of USD $2.05 per token.

• Strategic Discount: Since the token's issuance price is $1.00, the strategy involves issuing the token at a significant discount of 51% (approximately) to its verified intrinsic value. This offers an immediate built-in value proposition for early investors and is expected to drive token adoption.

2. Basis for Future Appreciation

This initial difference lays the foundation for the token's long-term appreciation model:

• Intrinsic Value Appreciation: The token's value growth is driven by the liquidation of industrial assets (nickel wire is converted into high value-added meshes through GTX) over a seven-year forecast period.

• Value Projection: The intrinsic value, which starts at $2.05, is expected to increase to approximately $4.02 per token by Year 7.

• Target Token Price: The Company projects that the market price of the token will reach USD $6.00 by Year 7. This appreciation is largely based on real profits and reinvestment results (90% of the appreciation is anchored in industrial fundamentals) and only minimally on speculation.

3. Distribution and Control of Emission

The Company uses this valuation difference and the locking of tokens to ensure market stability and the financing of the business operation:

• Controlled Issuance: Although the total value of the issuance is 800 million tokens (nominally $800 million), the initial offering limit in this round is much lower, between $50 million and $200 million.

• Token Lock-up: Between 600 and 750 million tokens (75%-93.75% of the total) will be subject to a lock-up period in treasury reserves.

• Use of Funds: Proceeds from the initial sale (up to $200 million) are used to make the initial investment in GTX's operating subsidiary in Singapore ($60 million), cover operating and preliminary expenses, and repay outstanding liabilities of Alkemya.

In short, the economic justification is that the Ownership Token is intentionally issued at half of its initial backing value to incentivize qualified and institutional investors, while aligning the future return potential with the actual industrial exploitation of the underlying high-purity nickel asset

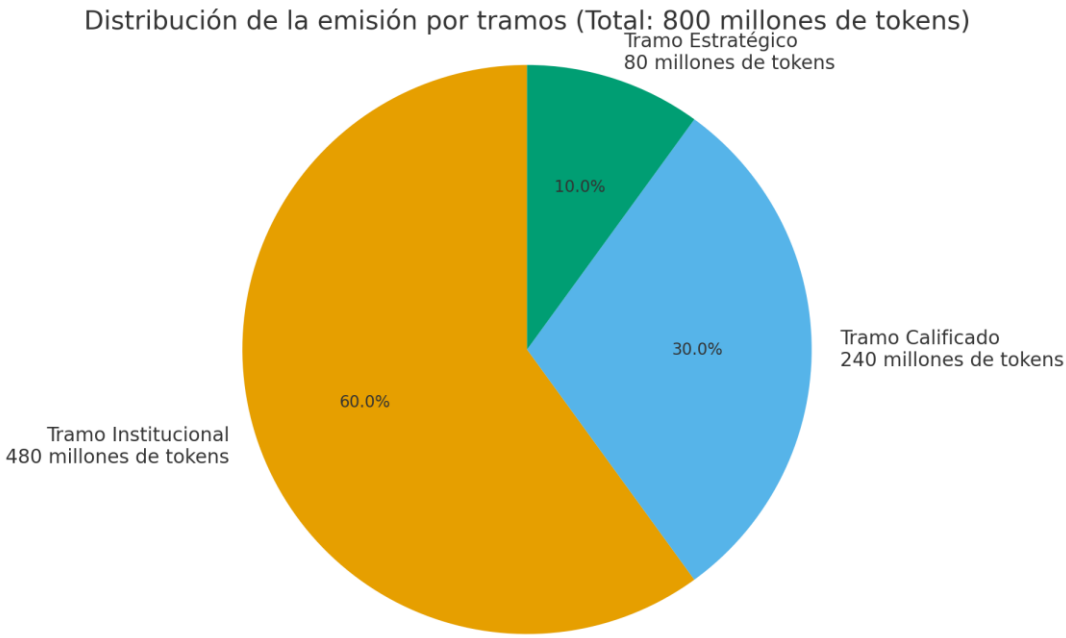
Structure of the Offer:

The offering will be made in multiple tranches to accommodate different types of investors and optimize the distribution of the tokens:

Institutional tranche: 60% of the issuance (480 million tokens) aimed at institutional investors

Rated Tranche: 30% of the issuance (240 million tokens) aimed at qualified investors

Strategic Tranche: 10% of the issuance (80 million tokens) reserved for strategic partners



This structure allows for a balanced distribution that ensures both the participation of sophisticated institutional investors and access for qualified investors with a specific interest in specialized commodities.

Technology Platform and Listing:

The issuance uses the Hadron by Tether platform, recognized as one of the most robust infrastructures for the issuance of digital assets backed by the Hadron by Tether.

physical assets. This platform provides the following advantages:

Institutional Security: Institutional-level security protocols **Transparency:** Complete traceability of all transactions

Scalability: Ability to handle institutional volumes

Compliance: Integrated tools for regulatory compliance

The Liquid Network, developed by Blockstream, provides the underlying blockchain infrastructure with features specifically designed for institutional digital assets:

Confidentiality: Confidential transactions that protect investor privacy

Speed: Fast confirmations appropriate for institutional trading

Purpose: Fast completion of transactions

Interoperability: Bitcoin Infrastructure Support

Listing on Bitfinex Securities El Salvador provides a regulated secondary market for ALKN tokens, ensuring liquidity and transparency in trading. Bitfinex Securities operates under license from the CNAD and complies with all regulatory requirements for digital asset trading in El Salvador.

Subscription Process and KYC/AML:

The underwriting process has been designed to comply with the highest international standards of KYC (Know Your Customer) and AML (Anti-Money Laundering):

1. **Initial Registration:** Potential investors must complete a registration process that includes identity verification and eligibility
2. **Due Diligence:** Thorough verification of the investor's source of funds and risk profile
3. **Legal Documentation:** Review and signature of all required legal documentation
4. **Subscription Confirmation:** Final confirmation of subscription and token assignment
5. **Token Delivery:** Transfer of tokens to the investor's digital wallet

This process ensures that all investors meet the established eligibility criteria and that the issuance complies with all applicable regulatory requirements.

Target Investor Profile:

The ALKN issue is specifically aimed at investors with the following characteristics:

Institutional Investors: Investment funds, family offices, and corporations with an interest in diversification into specialized commodities

Qualified Investors: High-net-worth individuals with experience in alternative investments and understanding of commodity risks

Strategic Investors: Industrial corporations with a specific interest in access to high-purity nickel wire for their operations

The target investor profile reflects the specialized nature of the underlying asset and the need for investors to have an appropriate understanding of the risks and opportunities associated with investments in specialized commodities.

Nature of the Issue: **PUBLIC**

Literal: **"No action has been taken and will not be taken to permit a public offering in any jurisdiction where an action is required for that purpose, except in El Salvador, and under no circumstances should it be construed..."**

This ALKN token issuance is classified as a Public ISSUE in accordance with the CNAD Regulations on the Registration of Public and Private Issuers and Issuers. It is important to remember that despite this registration in El Salvador, the initial placement and secondary trading are strictly aimed at Eligible Investors, both qualified and institutional investors, through private placement on the exchange platform. This narrow approach is critical to complying with public offering registration exemptions in jurisdictions such as the United States and the European Economic Area.

Primary Issuance

This is a PRIMARY ISSUANCE of ALKN tokens, in which the issuer (Alkemya Metacore SCSp) offers for the first time the tokenized Limited Holdings directly to investors.

The DIR states that 'support for ALKN's trading on the secondary market will be provided by Bitfinex Securities' (page 3 of the DIR), confirming that the present offering corresponds to the primary market, while subsequent transactions between investors will be carried out on the secondary market through the regulated platform.

4.4 Risk Analysis

The risk analysis for the ALKN issuance has identified multiple risk categories that require careful assessment by potential investors. The specialized nature of the underlying asset and the innovation of the tokenization structure create a unique risk profile that combines traditional commodity risks with digital asset-specific risks.

Main Risk Matrix:

Risk Category	Probability	Impact	Level of Risk	Mitigation Measures
Volatility of the Nickel Market	Medium	High	High	Diversification of applications, long-term contracts
Physical Custody Risk	Low	High	Middle	Comprehensive insurance, Advanced security protocols
Technology Risk (Platform)	Low	High	Middle	Security audits, redundant infrastructure
Regulatory Risk	Medium	High	High	Regulatory monitoring, specialized legal advice
Token Liquidity Risk	Medium	Middle	Middle	Market makers, listed on regulated exchange

Risk of Obsolescence Technological	Low	Middle	Low	Application diversification, continuous R+D

Market Risks of the Underlying Asset:

The nickel market exhibits characteristics of volatility inherent to commodity markets, with specific factors particularly affecting high-purity nickel wire:

Price Volatility: Nickel prices are subject to fluctuations based on global supply and demand, geopolitical conditions, and changes in industrial demand

Geographic Concentration: Nickel production is concentrated in a limited number of countries, creating geopolitical risks

Sectoral Dependence: Demand is concentrated in specific sectors (defence, aerospace, energy transition) that may undergo cyclical changes

Substitute Competition: Possibility of developing alternative materials that can replace nickel wire applications

Operational and Custody Risks:

The physical custody of the underlying asset in Lugano, Switzerland, entails a number of operational risks that have been previously identified and assessed. One of the most sensitive aspects corresponds to **physical security risks**, which include the possibility of theft, damage or loss of the asset. Even if there are protection protocols and surveillance measures in place, the fact that the asset is tangible implies an inevitable degree of exposure to events such as intrusions, sabotage or human failure. Total safety can never be fully guaranteed, which requires adequate contingency and insurance plans to be in place.

On the other hand, **environmental risks** are also considered, understood as the exposure of the asset to external conditions that may alter its physical properties. Factors such as humidity, temperature variations or even natural disasters can negatively affect the condition of the property in custody. In this sense, it is essential that the facilities have adequate climate controls and monitoring systems that allow the ideal conditions to be preserved for the type of asset stored.

As for **access risks**, these refer to the possibility that restrictions may be imposed that limit or hinder the immediate availability of the asset. Such restrictions may arise for regulatory reasons, such as inspections, audits, or changes in local regulations, as well as for operational reasons such as failures in internal procedures or administrative disputes. These types of constraints can negatively impact asset management, especially in contexts where agile and timely access is required.

Finally, the **risks linked to the custodian are highlighted**, since the integrity of the asset depends directly on the operational capacity and financial soundness of the entity responsible for safeguarding it. If the custodian faces financial, legal, or administrative issues, the security of the asset could be compromised. The trust placed in the custodian requires a constant evaluation of its solvency, reputation and regulatory compliance, since any weakening in these aspects could lead to a loss or difficulty in the recovery of the asset in custody.

Technology and Platform Risks:

Within the digital environment in which tokenized assets operate, a series of risks linked to both technological infrastructure and information protection are identified. One of the most relevant is **cybersecurity risk**, which refers to the possibility of computer attacks with the aim of accessing, altering or stealing confidential information. These incidents can target both the systems that store the tokens and the databases that contain investors' personal or financial information. A successful cyberattack could result in financial loss, privacy breaches, or severe disruptions to operations.

There are also **risks associated with the operation of the technological platform** that serves as a means of interaction between users and digital assets. This platform must be kept operational continuously and without critical errors, as its availability is key to the execution of transactions, queries, and validations. Structural failures, maintenance issues, or unpatched vulnerabilities could lead to outages, errors in records, or even loss of access to assets, directly impacting investor experience and confidence.

On a more technical level, there are also the **risks linked to the Liquid Network**, which is the infrastructure on which tokens are issued and transferred. This network may experience congestion, delays in transaction processing, or failures in its overall operation, which would impact the operational efficiency of the system. Although blockchain technology is usually robust, its performance can be affected by heavy use, unplanned upgrades, or bugs in the nodes that make up the network.

Finally, one of the most sensitive elements in the security of digital assets is the management of **private keys**. These keys allow investors to access and control their tokens, so their protection is critical. The loss, leak, or theft of a private key can mean the permanent loss of the asset, as there is no recovery mechanism in place in many systems. For this reason, it is imperative that users implement rigorous secure storage practices, such as the use of cold wallets or specialized devices, thus avoiding exposing their assets to avoidable vulnerabilities.

Mitigation Measures Implemented:

Given the detailed identification of various categories of risk, specific measures have been adopted to reduce their potential impact and guarantee the operational stability of the system. Firstly, comprehensive insurance has been taken out to cover the full value of the physical asset in custody. These policies are designed to respond to a wide range of scenarios, including theft, damage or loss, thus ensuring that, in the event of an incident, investors do not suffer direct economic damage. This measure provides an additional layer of support against the risks inherent in physical custody.

In the field of protection, **both physical and digital security protocols** have been implemented, aligned with institutional standards. This involves the use of advanced surveillance systems, restricted access controls, and high-level cyber measures such as firewalls, encryption, and multi-factor authentication. The combination of these tools ensures robust protection for both physical assets and the digital systems that support them, significantly reducing exposure to internal or external threats.

To mitigate the risk linked to the concentration of uses or markets, the **diversification of industrial applications of** the underlying asset has been promoted. This means that the asset is not limited to a single function or sector, but that different applications are developed that expand its usefulness in different contexts. This strategy reduces dependence on a single type of demand or market dynamics, which in turn decreases vulnerability to abrupt changes in a specific sector.

Another relevant measure is the establishment of a **continuous monitoring system**, which allows real-time observation of the status of the asset, the operation of the technological platform, and the evolution of the regulatory environment. This permanent surveillance not only facilitates the early detection of anomalies or emerging risks, but also allows an agile and efficient reaction to any eventuality, reinforcing the system's ability to adapt to changing scenarios.

Finally, financial contingency reserves **have been arranged** , the purpose of which is to deal with possible operational interruptions or unforeseen situations that may require immediate resources. These reserves act as a safety cushion that guarantees the continuity of operations, even in adverse contexts, and reinforce the overall stability of the project in the face of events beyond the direct control of the managers.

4.5 Legal and Regulatory Framework

The ALKN issuance operates within a complex legal and regulatory framework that spans multiple jurisdictions, with particular emphasis on compliance with El Salvador's Digital Asset Issuance Law (LEAD) and applicable regulations in Luxembourg for the management of specialized physical assets.

Regulation in El Salvador - LEAD and CNAD:

El Salvador's Digital Asset Issuance Law (LEAD) provides the primary regulatory framework for ALKN issuance. This law establishes the specific requirements for:

Issuer Registration: Alkemya Metacore SCSp must comply with the registration requirements before the CNAD

Emissions Certification: The issuance must be certified by an authorized certifier (Digital Assets Solutions, CERT-0004)

Required Documentation: Submission of the Relevant Information Document (DIR) with all material

information

Continuing Obligations: Compliance with reporting and transparency obligations over the life of the issue

The CNAD regulations establish specific procedures for issues backed by physical assets, including requirements for:

Asset Verification: Independent certification of the existence and specifications of the underlying asset

Custody: Appropriate protocols for the safe custody of the physical asset

Valuation: Appropriate methodologies for valuation of the underlying asset

Regulation in Luxembourg:

LP's holding under the legal framework of SCSp of Luxembourg and in compliance with Luxembourg corporate laws.

• LP shares are issued in registered form and their registration will be maintained by the Issuer. LP's register of shares (the "LP Share Register") will be updated by the Issuer in compliance with Luxembourg corporate laws, reflecting transfers taking place on the Exchange Platform to ensure enforceability under Luxembourg law.

• LP shares are converted into tokens in accordance with the laws of El Salvador and the terms of this RID. From the perspective of Luxembourg law, title to the Tokens and, consequently, to LP Shares shall be deemed validly conferred and enforceable against third parties only to the extent that such ownership has been duly registered in the LP Shares Register.

• Transfers of the Tokens are subject to the terms of this RID, including restrictions on the transfer of LP Shares under Article 15 of the Limited Partnership Agreement (Transfer Restrictions).

• Legal and tax advice provided by CMS DeBacker Luxembourg.

Tax Aspects:

The tax structure of the ALKN issuance has been designed to optimize tax efficiency while ensuring full compliance with tax obligations in all relevant jurisdictions:

Treatment in El Salvador: ALKN tokens are subject to the tax regime established in Article 36 of the LEAD

Treatment in Luxembourg: The issuer's income is subject to the Luxembourg corporate tax regime

Treatment for Investors: Investors are subject to the tax regime of their jurisdiction of residence

AML/CFT Compliance:

The ALKN issuance has been structured with a firm commitment towards regulatory compliance, especially with regard to the prevention of money laundering (AML) and terrorist financing (CFT). To this end, policies and mechanisms have been adopted that are aligned with the highest international standards, which allows

not only to guarantee the legality of operations, but also to strengthen transparency and trust in the system. One of the fundamental pillars in this regard is the **implementation of know-your-customer (KYC) policies**, which are rigorously applied from the moment each investor joins. This process includes identity verification, risk profile assessment, and gathering relevant information to ensure that participants comply with current regulations.

In addition, a **continuous transaction monitoring** system has been established, designed to detect unusual patterns or suspicious behavior that may be linked to illicit activities. These tools allow early warnings to be generated that are then analyzed by specialized teams, in order to take preventive or corrective measures in a timely manner. This proactive approach helps mitigate operational and reputational risks, as it promotes an environment of permanent control over financial activities linked to issuance.

The compliance framework also contemplates the **timely reporting to the competent authorities**, in case of identifying operations that deserve to be notified in accordance with current regulations. This process is carried out in a systematic and documented manner, ensuring clear traceability and effective cooperation with national and international organizations. Likewise, this institutional collaboration reinforces the credibility of the platform before regulatory entities and strategic allies.

Finally, the development of **continuous training programs for the personnel involved is highlighted**, with the aim of keeping their knowledge of the prevention of money laundering and terrorist financing up to date. These training instances allow not only to reinforce the technical skills of the team, but also to raise awareness of the importance of regulatory compliance as a central value within the project. Thanks to this constant preparation, the capacity to respond to complex situations is strengthened and an organizational culture based on integrity and legality is promoted.

LP Interest Registration and Opposability: The Partnership's LP Interest Register must reflect the Tokens register; transfers are subject to art. 15 of the LPA (transfer restrictions).

4.6 Financial Analysis

The financial analysis of the ALKN issuance is based on the independent valuation of the underlying asset, market projections for high-purity nickel wire, and the financial structure of the issuer. This analysis provides the basis for assessing the financial viability of the issuance and the potential return for investors.

FINANCIAL PROJECTIONS

(in million USD)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Revenue	-	188.8	633.0	755.9	903.4	1,080.6	1,293.9

(in million USD)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Gross Profit	-	70.9	229.2	310.2	410.5	534.2	686.7
EBITDA	-	69.9	226.0	306.4	405.9	528.8	680.3
Net Income	-	46.32	155.6	211.9	281.5	367.6	473.6
Net Income Adj.	-	149.1	499.8	585.7	687.9	809.6	955.1
Earnings Available for Distribution	-	149.1	499.8	579.8	672.4	791.4	916.9

Token Pricing and Appreciation Framework:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Remaining Meters (millions)	7.0	6.6	5.1	3.6	1.8	-	-
Nickel Price ($)	233.9	233.9	233.9	233.9	233.9	233.9	233.9
Value of Remaining Assets	1,644	1,545	1,204	834	432	0	0
Intrinsic Value ($)	2.05	2.12	2.32	2.51	2.74	3.06	4.02
Token Price ($)	1.00	1.35	1.82	2.45	3.30	4.45	6.00

Valuation of the Underlying Asset:

The independent valuation carried out by ASACERT UK Ltd establishes the value of the underlying asset at EUR 1.4 billion, based on the following factors:

Factor Assessment	Value/Metric	Justification
Total Quantity	7.0 million linear meters	Verified by physical audit
Price per Meter	USD 200	Based on market prices for similar specifications
Base Total Value	$1.4 billion	Quantity × Price per meter
Premium by Purity	15%	Premium for 99.99+% purity vs standard
Premium by Diameter	25%	Premium by diameter 25 microns vs standard
Total Value Tight	EUR 1.4 billion	Including premiums by specs

Financial Structure of the Issue:

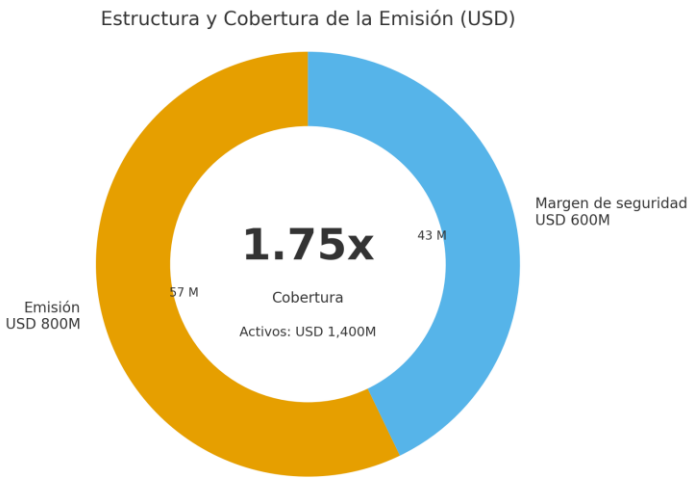
The financial structure provides a significant margin of safety for investors:

Asset Value: EUR 1.4 billion (≈ USD 1.4 billion)

Issuance Amount: USD 800 million

Safety Margin: 75% (USD 600 million)

Coverage Ratio: 1.75x (Asset Value / Issue Amount)



This structure ensures that the value of the underlying asset significantly exceeds the amount of the issue, providing protection for investors against market fluctuations.

Market Projections:

The market projections for high-purity nickel wire are favorable, based on the expected growth in key application sectors:

Application Sector	**Projected Annual Growth**	**Contribution to Value**
Defense & Aerospace	8-12%	35%
Energy Transition	15-20%	30%
Hydrogen Electrolysis	25-30%	20%
Other Applications	5-8%	15%
Weighted Average	**12-15%**	**100%**

Sensitivity Analysis:

A sensitivity analysis has been carried out to assess the impact of different market scenarios on the value of the asset:

Scenario	**Change in Price of Nickel**	**Impact on Value of the Active**	**Ratio of Coverage**

Optimistic	+30%	$1.82 billion	2.28x
Base	0%	$1.40 billion	1.75x
Conservative	-20%	$1.12 billion	1.40x
Pessimistic	-40%	$0.84 billion	1.05x

Even in the pessimistic scenario, the value of the asset maintains full coverage of the amount of the issue.

4.7 Technical Analysis

The technical analysis of the ALKN issuance covers both the technical characteristics of the underlying asset and the technological infrastructure used for the tokenization and management of digital assets. This analysis is critical to understanding both the intrinsic value of the physical asset and the robustness of the technology platform.

Blockchain Infrastructure - Liquid Network:

The ALKN issuance uses Liquid Network, a Bitcoin sidechain developed by Blockstream, specifically designed for institutional financial applications:

Consensus: Liquid uses a federated consensus mechanism with institutional validators **Speed:** Transaction confirmations in about 1 minute

Confidentiality: Confidential transactions that hide amounts and types of assets

Purpose: Fast completion of transactions without risk of reorganization

Interoperability: Native support for the Bitcoin network

Tokenization Platform - Hadron by Tether:

The **Hadron by Tether platform** represents the technological foundation on which the tokenization of assets is carried out, offering an infrastructure designed to meet the demands of the institutional environment. One of its key elements is compliance **with institutional standards in the issuance of tokens**, which ensures that the digital assets generated through the platform conform to recognized practices in the financial and technological field. This allows the tokens to be interoperable, auditable, and trustworthy, fundamental characteristics to achieve acceptance in regulated markets and professional investment environments.

Hadron also incorporates **advanced asset-backed management tools**, enabling efficient and transparent control of tokens linked to real assets. Through these functionalities, issuers can monitor in detail the relationship between the physical asset and its digital representation, ensuring traceability and constant verification. This integrated management simplifies operational processes and provides greater clarity to investors regarding the support of the assets they acquire.

In terms of the regulatory environment, the platform has been developed with **specific functionalities for regulatory compliance**, facilitating the integration of controls such as KYC (know your customer), AML (prevention of money laundering) and transaction monitoring. This capability allows users to operate within a framework of legality without the need to develop external solutions, making the process of issuing and trading digital assets more agile and secure.

In addition, Hadron has been designed with a high degree of **scalability**, making it suitable for handling high-volume emissions without compromising the efficiency or stability of the system. This capability is essential for projects seeking to grow in scope or diversify their asset portfolio, as it allows for smooth expansion without requiring structural changes in technological infrastructure.

Finally, the platform integrates **institutional-level security protocols**, which protect both the integrity of digital assets and users' sensitive information. This includes advanced encryption, authentication, and protection against unauthorized access. Thanks to this approach, Hadron offers a trusted environment for tokenization, in which technical security accompanies each stage of the asset's lifecycle.

Technical Characteristics of the Underlying Asset:

25 micron nickel wire has unique technical characteristics that justify its premium valuation:

Category	Property	Value
Physical	Diameter	0.025 mm (25 microns) with ±1 micron tolerance
	Purity	99.99+% Nickel (NP1 Rating)
	Crystal Structure	Face Centred Cubic (FCC)
	Density	8,908 g/cm³
	Melting Point	1455°C
Mechanical	Tensile Strength	400-600 MPa
	Yield Strength	100-300 MPa
	Elongation	30-50%
	Hardness	70-120 HV

Electrical and Magnetic	Electrical conductivity	14.3% IACS
	Resistivity	6.84 μΩ·cm at 20°C
	Magnetic Permeability	Ferromagnetic
	Curie Temperature	358°C

Specific Technical Advantages:

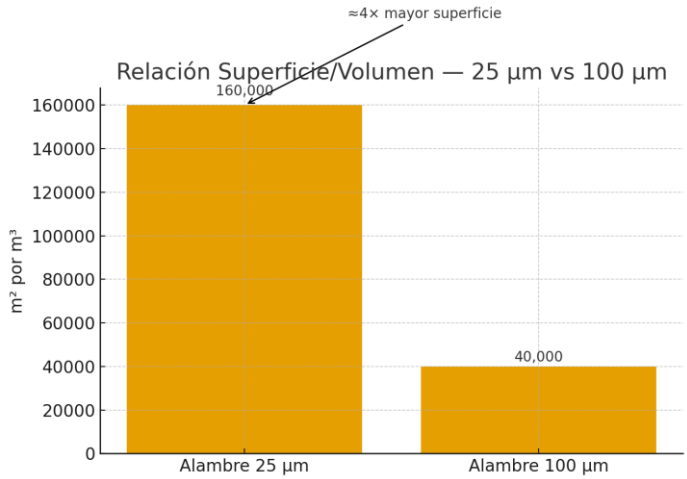
The 25 micron diameter provides critical technical advantages for specialized applications:

Surface area/upper volume ratio:

25 micron wire: 160,000 m^2/m^3

100 micron wire: 40,000 m^2/m^3

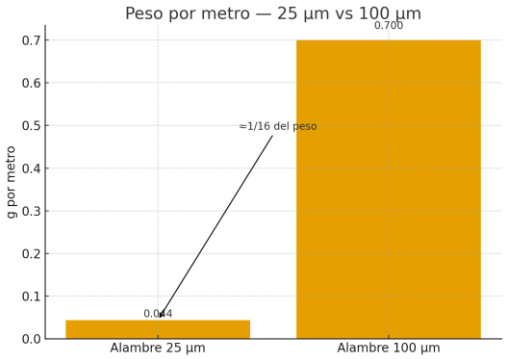
Advantage: 4x larger surface area per unit volume



Weight Reduction:

Weight per meter: 25 microns = 0.044 g/m vs 100 microns = 0.70 g/m

Advantage: 1/16th of the weight for the same length



Forming Flexibility:

Superior ability to form meshes with precise spacing, greater flexibility for applications requiring complex forming

Ventajas técnicas del diámetro de 25 µm

Resumen cuantitativo

Superficie/volumen: 160,000 vs 40,000 m²/m³ (≈4×)

Peso por metro: 0.044 g/m vs 0.70 g/m (≈6.29%)

Ventajas y aplicaciones

- Flexibilidad de conformado superior
  - Permite formar mallas con espaciado preciso
  - Adecuado para conformados complejos

Aplicaciones (ejemplos):
- Filtros de alta precisión y microfiltración
- Catálisis (alta superficie específica)
- Microelectrónica y sensores
- Tejidos conductores / mallas finas

Specialized Technical Applications:

Verification and Technical Certification:

The technical specifications have been verified by multiple independent laboratories:

Laboratory	Certification	Verified Aspects
Lectromec (USA)	ISO/IEC 17025:2017	Electrical properties, aerospace compatibility
Allkema Engineering (Italy)	Chemical analysis	Purity, chemical composition
NTU (Singapore)	Technical Report	Mechanical properties, crystal structure
IIT Delhi (India)	Testing laboratory	Corrosion resistance, durability

Strategic and Scientific Validation:

Laboratory tests conducted by a materials scientist in Singapore (at NTU) and by a team of scientists at IIT Delhi confirm suitability for hydrogen production, EMI shielding and radar absorption. Nickel wire was also tested at Lectromec, an engineering firm based in Virginia, USA, specializing in the certification, testing, and risk assessment of aircraft electrical wiring interconnect (EWIS) wires and systems, with a focus on improving safety and reliability through advanced laboratory analysis and research. They work for NASA's Jet Propulsion Laboratory at the California Institute of Technology ("CalTech"), the U.S. Air Force, and the Royal Air Force, among others.

Collaboration with BOPP Switzerland for mesh conversion.

Validated applications for stealth technology, hydrogen production and anti-biofouling systems.

4.8 Nickel Market Analysis (As an Orimaria Base of the Enriched Underlay)

The market analysis for ALKN emission focuses specifically on the high-purity nickel wire market and its specialized applications, differentiating it from the overall nickel market that is dominated by applications in stainless steel. This analysis is critical to understanding the appreciation potential of the underlying asset and the factors driving demand.

4.8.1 Nickel Market Segmentation:

The global nickel market is segmented into multiple applications with different demand characteristics:

Segment	Market Share	Growth Annual	Characteristics
Stainless Steel	70%	3-5%	Mature market, sensitive to economic cycles
Batteries (EV)	15%	20-25%	Accelerated growth, structural demand
Superalloys	8%	8-12%	Specialized applications, high value
Wire Specialized	**2%**	**15-20%**	**High-value niche, critical applications**
Other	**5%**	**5-8%**	Diverse applications

High-purity nickel wire represents a specialized niche within the general market, characterized by: - High added value - Significant barriers to entry - Inelastic demand to price - Critical applications in high-tech sectors

4.8.2 Supply and Demand Dynamics:

Supply: The supply of ultra-high purity nickel wire, with a concentration greater than 99.99% and a diameter of 25 microns, is significantly restricted due to a series of factors that limit its production globally. One of the main challenges lies in the technical complexity of the manufacturing process, specifically in wire drawing. This must be carried out with extremely precise electromagnetic control to ensure the homogeneity of the material in such small dimensions. The precision required implies a level of technological specialization that not all industrial facilities can achieve.

In addition, the entry into the market of this type of product is conditioned by the need to make considerable investments in highly specialised machinery and equipment. Production lines must be designed to operate with sensitive materials, and this entails high upfront costs that represent a significant obstacle for new entrants. In addition to this, there are strict certification requirements in sectors such as advanced electronics, aerospace or medical, where these wires are used. Meeting these standards involves meticulous quality control processes, which further limits the number of authorized producers.

Finally, the panorama of producers worldwide is small. Few companies have the technical expertise and resources to produce this type of wire with the above levels of purity and precision. This concentration of capacities in a limited number of players leads to restricted product availability and can directly influence delivery times and pricing in the international market.

4.8.3 Demand: The demand for ultra-high-purity nickel wire is strongly driven by high-tech industrial sectors exhibiting sustained structural growth. The defense and aerospace sector currently accounts for 35% of this demand. This segment is experiencing an estimated annual growth of between 8% and 12%, fuelled mainly by military modernization initiatives in different regions of the world and by the intensification of both governmental and private space programmes. Nickel wire is used in sensitive components of advanced aircraft such as the F-22 and F-35, as well as in satellites and electromagnetic camouflage technologies, such as stealth systems. The need for precision, thermal resistance and conductivity makes this material a strategic input for these applications.

Another 30% of demand comes from the global energy transition process, where projected growth is even faster, reaching rates of 15% to 20% per year. International policies aimed at decarbonization, as well as heavy investments in emerging technologies such as green hydrogen, have significantly increased interest in advanced materials such as high-purity nickel wire. This material is used in the manufacture of electrolysers and fuel cells, essential components for clean energy production and storage. Nickel's resistance to corrosion and its stability in electrochemical environments make it an indispensable element in these innovative industrial processes.

Hydrogen electrolysis, on its own, accounts for an additional 20% of demand, with an even faster growth rate, estimated at between 25% and 30% per year. This increase is closely linked to the advance of the hydrogen economy and the progressive reduction in the cost of related technologies. In this context, nickel wire is essential for the production of porous electrodes and catalysts that make the efficiency and durability of electrolysis systems possible. Finally, the remaining 15% of demand is distributed in various industrial applications, such as thermal plants, desalination facilities and offshore operations. Although growth in this group is more moderate, with rates between 5% and 8% per year, its stable nature and its integration into essential sectors guarantee a constant and significant consumption base.

4.8.4 Competitive Analysis:

The high-purity nickel wire market presents characteristics of limited competition:

The ALKN active ingredient has a number of competitive advantages that position it favourably within the global market for ultra-high purity nickel wire. One of the most outstanding characteristics is the quality of the product: it is a wire with a purity of more than 99.99% and a uniform diameter of 25 microns, which meets the most demanding standards in sectors such as aerospace, defense and energy transition. This specification not only guarantees high technical performance, but also expands the range of critical applications in which it can be used. In addition, the product has been validated by international laboratories, which reinforces its reliability and acceptance in highly regulated markets.

Another key differentiator is the immediate availability of inventory. With a stock of 7.0 million linear meters, ALKN offers a significant logistical advantage in a context where global supply is limited and delivery times can be extended by months. This availability allows us to respond quickly to the demand of strategic customers, avoiding bottlenecks in the supply chain. In addition, the wire is guarded in Switzerland, which not only provides security and traceability, but also represents a privileged access point to European markets. This location allows logistics to be optimised and delivery times to key industrial centres on the continent to be reduced.

In terms of the competitive landscape, the main rivals include players such as BOPP, a Swiss company recognized worldwide for its leadership in precision meshes and which also acts as a manufacturing partner. In Asia, a number of producers have large-scale industrial capabilities and competitive cost structures, making them relevant competitors, especially in applications that are less sensitive to origin or certification. In North America, local manufacturers benefit from their proximity to major consumers in the defense sector, giving them a logistical and commercial advantage in that specific niche. However, the balance between quality, certification, available inventory and strategic location gives ALKN a solid value proposition against these competitors.

Market Projections:

The projections for the high-purity nickel wire market are favorable:

The market outlook for high-purity nickel wire between 2023 and 2027 is extremely encouraging, with projections indicating compound annual growth of between 15% and 20%. This expansion dynamic will allow

the market size to nearly double, from $2.5 billion in 2023 to $5.0 billion in 2027. However, this accelerated growth faces a significant challenge: the available supply is failing to keep pace with demand. A supply deficit is expected to persist at least until 2027, mainly due to limitations in current production capacity and the high technical complexity required to manufacture this type of wire.

Among the main drivers of this expansion is the energy transition, supported by an estimated $4 trillion in global investment in renewable energy technologies. In this context, nickel wire plays a fundamental role in key components such as electrolyzers, making it a strategic input to achieve decarbonization goals. Likewise, the hydrogen economy is consolidating rapidly, with the electrolyzer market growing at a rate of 25% per year. This evolution directly contributes to the intensification of demand for advanced and resistant materials such as high-purity nickel, especially in applications where electrochemical efficiency is critical.

Other relevant factors include the process of military modernization experienced by various powers, reflected in a sustained increase in defense budgets at the global level. This phenomenon drives the need for reliable materials with high performance standards, such as nickel wire, which is used in communication systems, navigation and advanced weaponry. Finally, space programmes, both in their governmental and private sector, are in the midst of an expansion phase. Lunar exploration, missions to Mars and the proliferation of commercial satellites reinforce the need for materials of the highest quality, capable of withstanding extreme conditions. All this paints a picture of solid growth, although accompanied by structural constraints on supply that could sustain high prices and consolidate current producers as strategic players in the global supply chain.

5. PROOF OF REGISTRATION FEE PAYMENT

In accordance with the provisions of the Regulations for the Registry of Public and Private Issuances, payment will be made by issuing a check from a financial institution in the Republic of El Salvador in favor of the National Digital Assets Commission or by bank transfer to the account of the National Digital Assets Commission. which corresponds to the registration fee associated with the issuance of the ALKN digital asset.

6. DETAILED DESCRIPTION OF RISKS

Risk identification, assessment and management is a key component of certification analysis for ALKN emissions. Given the innovative nature of the structure (tokenization of a specialized commodity) and the specific characteristics of the underlying asset (ultra-high-purity nickel wire), the risk profile presents unique elements that require detailed analysis and specific mitigation measures.

6.1 Market Risks of the Underlying Asset

The price of nickel, as with many other commodities, is subject to considerable volatility due to the dynamics of global commodity markets. In the particular case of ultra-high purity nickel wire, this volatility is amplified due to its highly specialized character and the limited supply available. The geographical concentration of nickel production in countries such as Indonesia, the Philippines and Russia contributes to a particular sensitivity to any logistical, regulatory or political disruptions. In addition, the demand for nickel at a general level is closely linked to cyclical industrial sectors such as construction and manufacturing, which introduces additional fluctuations in price behavior.

Geopolitical factors also play an important role in supply stability and market perception. Trade tensions,

economic sanctions or regional conflicts can abruptly alter the supply chain, affecting prices in unpredictable ways. Added to this is financial speculation, especially in futures markets, where speculative movements can generate sudden rises or falls that do not always correspond to the physical fundamentals of the market. This combination of variables makes constant monitoring of macroeconomic and sectoral factors essential for those who participate in this industry.

In the specific case of the ALKN asset, the impact of this volatility is modulated by a series of differentiating elements. Unlike nickel as a base commodity, 25 micron wire with 99.99+% purity is marketed with a premium margin that can range from 40% to 60% over the standard price of the metal. This premium is due to the high technical demand and the scarcity of suppliers capable of meeting the necessary specifications. In addition, the demand for this product shows a strong inelasticity, since many of its applications – such as in defense, aerospace or hydrogen – are critical and do not allow easy replacements. The technical barriers to replacing this type of material are high, which sustains its value even in contexts of general variability.

To mitigate the risks associated with this volatility, different strategies can be implemented. The diversification of applications to multiple industrial sectors makes it possible to distribute the risk of concentration and cushion the effects of possible falls in specific segments. Another effective measure is the establishment of long-term supply contracts with end users, which offers greater predictability in both revenue and replacement costs. Finally, continuous monitoring of the market and the indicators that influence the price of nickel is essential to anticipate movements and make informed decisions that protect the value of the asset over time.

6.1.2 Risk of Technological Obsolescence

The risk of technological obsolescence is a relevant consideration in the context of ultra-high purity nickel wire, given that its demand depends on very specific applications in high-tech sectors. This type of risk stems from the possibility that future advances in materials science, industrial design, or manufacturing processes will reduce or eliminate the need to use this type of wire in certain applications. For example, the emergence of advanced composite materials or new alloys with nickel-like properties could eventually displace their use, especially if they offer advantages in cost, weight, or performance. In addition, changes in the design of industrial systems could reduce reliance on components that require conductivity or corrosion resistance as specific as those provided by this material.

Another risk front relates to progress in manufacturing technologies. It is possible that new techniques will allow the production of functional devices using materials with less demanding specifications, which would open the door to partial substitutions of nickel wire with more accessible or easy-to-produce options. However, the current assessment of this risk indicates that its probability is low to medium, as technological developments in these fields are usually gradual and require long validation periods, especially when it comes to sectors such as defense or aerospace. However, the potential impact is considered medium to high, since if new solutions were to take hold, they could significantly reduce demand in specific applications. This is a plausible scenario in the medium or long term, with an estimated time horizon of between five and ten years.

To face this risk, various mitigation strategies are proposed focused on anticipation and adaptation. First, it is essential to maintain continuous monitoring of technological advances in the sectors where wire is used, both from the point of view of materials and processes. This surveillance makes it possible to identify possible threats or changes in trend well in advance. Secondly, the diversification of uses is promoted, promoting the exploration of new applications in emerging industries where nickel wire can provide added value. Finally, investment in research and development, ideally in collaboration with technology centres or academic institutions, can lead to innovations of its own that maintain the relevance of the product in an ever-evolving environment.

6.2 Operational and Custody Risks

6.2.1 Physical Custody Risks

Risk Category	Specific Risk	Mitigation Measure Implemented
Physical Security	**Robbery or Larceny**	High Security Vault (International Certification)
		Comprehensive Insurance (full coverage of the asset)
		Access Protocols (biometric, multi-level)
	Accidental Damage	High Security Vault, Regular Audits
	Natural Disasters	High Security Vault, Comprehensive Insurance
	Sabotage	High Security Vault, Access Protocols
Environmental	**Corrosion**	Environmental Monitoring (temperature, humidity, air)
		High Security Vault
	Contamination	Environmental Monitoring (Air Quality), High Security Vault
	Thermal Variations	Environmental Monitoring (temperature)
	Improper handling	Access Protocols, Regular Audits

6.2.2 Custodian Counterparty Risk

Reliance on a specific custodian for asset security creates counterparty risk:

The management of specialized assets such as ultra-high purity nickel wire requires not only rigorous technical control, but also sound financial and operational custody. In this context, there are several risk factors that must be considered when evaluating the safety and reliability of the custodian in charge. Firstly, **financial solvency** is essential, as it ensures the ability of the custodian to maintain its operations over time, cover its obligations and respond to unforeseen events. A lack of liquidity or financial stability could compromise access to or integrity of the asset in your care.

Another critical aspect is **technical competence**, especially when it comes to handling assets with specific physical requirements. The custodian must have the knowledge and adequate infrastructure to handle, store and preserve highly sensitive materials without compromising their quality. In addition, **regulatory compliance** plays an essential role: the custodian must operate within the legal framework, maintaining all licenses and authorizations in force, especially if the assets are subject to specific international or national regulations. Finally, **operational continuity** becomes a key element, i.e. the ability of the custodian to maintain its functions even in adverse conditions, such as economic crises, natural disasters or cyberattacks.

In terms of the specific assessment of the custodian responsible for this asset, several positive elements stand out. His **reputation** is backed by a strong track record in specialty asset management, which builds confidence in his operational expertise. It also has certifications **that accredit compliance with international standards** on custody, which provides an additional guarantee on its internal procedures. Added to this is the existence of **adequate insurance**, in particular coverage for professional liability, which makes it possible to deal with possible incidents without compromising the financial integrity of the system. Finally, **regular audits by independent firms** ensure external and objective oversight, which reinforces transparency and accountability in asset management.

6.3 Technology and Platform Risks

6.3.1 Cybersecurity Risks

The adoption of blockchain technology and digital platforms for the issuance and management of assets represents a significant advance in efficiency and traceability, but it also introduces a series of risks linked to **cybersecurity**. Since these operations take place in decentralized digital environments, they become susceptible to various **attack vectors** that could compromise the integrity of the system or the security of investors. One of the main focuses is **direct attacks on the technology platform**, as in the case of **Hadron by Tether**, where unauthorized access attempts could affect the operation, availability, or confidentiality of data.

Another critical point is attacks **on the underlying network**, such as **the Liquid Network**, which supports transactions. Any vulnerability in this system could jeopardize the validity or traceability of the issued assets. In addition, risks that directly affect users are identified, such as **phishing and social engineering**, techniques with which attackers seek to deceive investors to obtain credentials, keys or access to their wallets. Finally, the

presence of **specialized malware** can directly compromise **digital wallets**, allowing the theft or loss of assets held by users.

To mitigate these risks, various **protection measures** have been established that combine technological solutions, organizational protocols and user training. These include **periodic security audits**, carried out on platforms to identify and correct vulnerabilities in advance. Continuous monitoring systems are also implemented, which allow any anomalous activity or intrusion attempt to be detected in real time, operating 24/7 as a first line of defense. Additionally, **digital security education programs** are promoted for users, in order to reduce the effectiveness of attacks based on social engineering. Finally, **incident response protocols have been defined**, which allow us to act quickly and effectively in the face of any contingency, minimizing the operational impact and protecting the assets involved.

6.3.2 Platform Availability Risks

The high dependence on a specific technological infrastructure in issuance, custody and digital transaction processes entails a set of **availability risks** that can affect the operational continuity of the system. These risks manifest themselves on several levels. On the one hand, there are **technical failures**, which can arise both in the platform used and in the network on which it rests. Software errors, hardware failures, or unexpected interruptions can cause services to be temporarily taken offline. Added to this is the need to perform **scheduled maintenance**, which, although necessary for the stability of the system, also generates windows of unavailability that must be managed in advance and clearly.

Another major risk is **network congestion**, especially at times of high transactional demand. This phenomenon can significantly degrade performance, leading to delays in the validation and confirmation of operations. Finally, the impact of **changes to the platform**, such as upgrades or modifications in the technological architecture, which may alter critical functionalities or require reconfiguration by users and operators, must be considered. All of these factors can compromise the ability to access, issue, or transfer assets in real-time, directly impacting investor and participant confidence.

To mitigate these risks, various **technology continuity strategies** are implemented. Firstly, **redundancy** systems are used, which allow the operation to be kept active even if a part of the infrastructure fails. This duplication of critical components ensures that the system continues to operate without significant interruptions. In addition, **service level agreements (SLAs)** are established with technology providers, which guarantees minimum standards of availability, response times and incident resolution. Another key measure is **contingency plans**, which define alternative operating procedures to maintain operation in the event of severe disruptions. Finally, **continuous monitoring of the platform's performance is carried out**, which allows possible degradations to be detected in real time and corrective measures to be taken before they affect the end user.

6.4 Regulatory and Compliance Risks

6.4.1 Changes in Regulatory Framework

The regulatory environment that regulates digital assets is constantly evolving, introducing **significant regulatory risk** to any issuance scheme based on technologies such as blockchain. This risk is manifested in different key jurisdictions for the operation and holding of these assets. For example, in **El Salvador**, any modification to the **Digital Asset Issuance Law (LEAD)** or its technical regulations, such as those established by the **National Digital Asset Commission (CNAD),** could have a direct impact on the formal and procedural requirements that issuers must meet. Similarly, in **Luxembourg**, a change in financial regulation or corporate regulations may affect the legal structure of the entities involved, influencing their ability to issue, custody or transfer these instruments.

In addition, regulatory changes that may arise in **investors' jurisdictions should be considered**, which could limit their ability to hold, exchange, or declare digital assets in their countries of residence. At the global level, the adoption of **international standards** by bodies such as the FATF or IOSCO can also condition market practices, imposing new compliance filters or cross-border limitations. These changes can generate cascading effects on the operations of issuers, custodians, and intermediaries, affecting everything from access channels to asset liquidity.

The **potential impact** of this changing regulatory environment includes, on the one hand, the imposition of **new compliance requirements**, such as more detailed reports, customer identification obligations or additional technical certifications. On the other hand, **operational restrictions** may arise that limit certain activities, such as the type of investor that can participate or the jurisdictions authorized to operate. Likewise, all this can translate into a **considerable increase in compliance costs**, affecting the profitability of the project. Finally, **access limitations** could reduce the universe of potential investors, affecting the asset's liquidity and attractiveness in the market.

To meet these challenges, measures have been implemented to **anticipate, adapt and respond** to regulatory changes. One of them is the **permanent monitoring** of regulatory developments in all relevant jurisdictions, which allows early signs of change to be detected. In addition, **specialized legal advice** is available in each key region, which facilitates timely interpretation and adaptation to new legal frameworks. Active **participation in public consultation processes** is also promoted, which allows influencing regulatory development and protecting the interests of the issuer. Finally, a **flexible legal and operational structure has been designed**, which allows adjustments to be made without compromising the stability or viability of the project in the face of unexpected regulatory changes.

6.4.2 AML/CFT Compliance Risks

Anti-Money Laundering (AML) **and** Terrorist Financing (CFT) **obligations** represent a set **of compliance risks** that must be managed with extreme rigor in any issuance of digital assets. These regulations, established both nationally and internationally, require issuers and operators to implement robust controls to prevent the

misuse of their platforms for illicit purposes. One of the main sources of risk is the customer **identification** process, which involves the proper verification of each investor's identity. Incomplete or insufficient verification can leave vulnerable spaces for malicious actors to enter, affecting not only the security of the system but also its reputation.

Another critical component is continuous **transaction monitoring**, which should allow for the detection of suspicious or unusual patterns of behavior, such as atypical movements of funds, fractionation of operations, or transfers between high-risk jurisdictions. Likewise, the regulatory framework imposes **regulatory reporting** obligations, requiring timely communication to the authorities of any activity that meets alert criteria. Finally, the need to comply with **international sanctions** implies that the platform must operate in accordance with updated lists of sanctioned persons, entities or countries, avoiding any direct or indirect relationship with them.

To meet these requirements, various **compliance measures** have been adopted focused on both processes and technology and the human factor. First, **robust KYC (Know Your Customer) policies** are in place, including detailed procedures for the collection, validation, and updating of user information. These processes allow an appropriate risk profile to be established for each customer. In addition, **advanced transactional monitoring systems** have been implemented, capable of analyzing large volumes of data in real time, generating automatic alerts against unusual behavior.

At the organizational level, great importance is placed on **the continuous training of personnel**, ensuring that all actors involved understand the legal obligations and are prepared to identify and escalate suspicious situations. Finally, **periodic compliance audits** are carried out, both internally and by independent third parties, to evaluate the effectiveness of the controls implemented, detect opportunities for improvement and ensure permanent alignment with international best practices in AML/CFT.

6.5 Liquidity and Secondary Market Risks

6.5.1 Liquidity of the Token in the Secondary Market

The **liquidity of ALKN tokens on the secondary market** is a key element for their functionality as an investment instrument, but it also represents a set of **operational and financial risks** that should be carefully monitored. The ease with which an investor can buy or sell these tokens without generating a significant alteration in their price depends on several factors. One of them is trading **volume**, i.e. the number of trades that are made on the platform, in this case **Bitfinex Securities**. Reduced activity limits execution opportunities and increases exposure to illiquidity risk. The **number of active participants**, both on the buying and selling sides, also plays a role. A market with few players can become vulnerable to distortions, making it difficult to trade at fair prices.

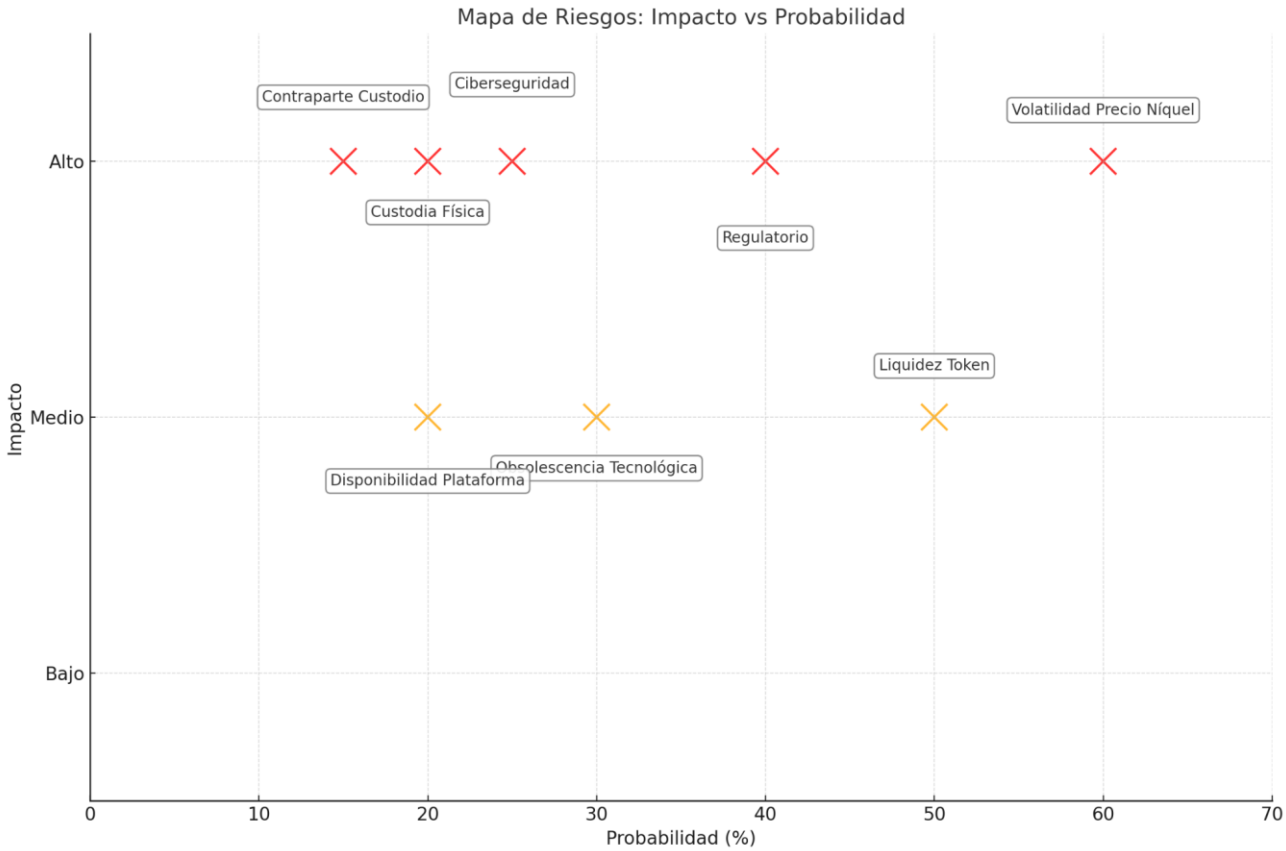
Other critical elements are **bid-ask spreads**, which represent the difference between the highest price a buyer is willing to pay and the lowest price accepted by a seller. Wide spreads reflect less competition between orders and raise costs for those looking to enter or exit the market. Likewise, **market depth** is a key indicator: it measures the market's ability to absorb large volume orders without causing sharp movements in price. Limited depth can increase volatility and lead to disadvantages in the execution of significant trades.

These factors can lead to various **liquidity risks**. Among them is **low liquidity**, which implies difficulties in completing transactions without affecting the price of the token. There is also a risk of **excessive volatility**, where the lack of regular trading causes prices to fluctuate with small movements in supply or demand. This can cause uncertainty in the token's valuation and affect market sentiment. In addition, investors face **higher transaction costs**, as wide spreads can erode net returns. Finally, **execution risk** arises when it is not possible to make a trade at the expected price, which can affect the investment strategy or liquidity management of the portfolio.

To foster the liquidity of the ALKN token, **strategic measures** have been implemented aimed at energizing the secondary market. One of them is the participation of **professional market makers**, who act as an active counterparty in the market and help reduce spreads and improve execution. The fact that the tokens are **listed on a regulated exchange like Bitfinex Securities** also brings trust and establishes a transparent operating framework. Additionally, **incentive programs** can be used to stimulate trading activity, attracting both institutional and retail investors. Finally, transparency is promoted **in the valuation** of the underlying asset, providing clear and accessible information on its structure and fundamentals, which contributes to better price formation and greater confidence among market participants.

6.6 Comprehensive Risk Matrix

The following matrix provides a quantitative assessment of all identified risks:



Category of Risk	Probability	Impact	Risk Level	Mitigation Measures	Effectiveness
Volatility Price Nickel	Medium (60%)	High	High	Diversification, long-term contracts	Medium
Physical Custody	Low (20%)	High	Middle	Insurance, safety protocols	High
Cybersecurity	Low (25%)	High	Middle	Audits, continuous monitoring	High
Regulatory	Medium (40%)	High	High	Monitoring, legal advice	Medium
Liquidity Token	Medium (50%)	Middle	Middle	Market makers, Regulated Exchange	Medium
Obsolescence Technological	Low (30%)	Middle	Low	R+D, diversification applications	Medium

Counterpart Custodian	Low (15%)	High	Middle	Due diligence, insurance	High
Availability Platform	Low (20%)	Middle	Low	Redundancy, SLA	High

6.7 Risk Management Plan

6.7.1 Risk Governance Structure

A formal risk governance structure will be established that includes:

Risk Committee: Supervisory body with stakeholder representation

Risk Officer: Executive responsible for day-to-day risk management

Regular Reports: Quarterly reports on the state of risk

Escalation: Procedures for Escalating Critical Hazards

6.7.2 Continuous Monitoring

Continuous monitoring system including:

Key Risk Indicators (KRI): Metrics specific to each risk category

Early Warnings: Automated Warning Systems for Emerging Risks

Risk Dashboard: Control panel for viewing risk status

Periodic Reviews: Regular evaluations of the effectiveness of mitigation measures

6.7.3 Risk Communication

Risk Reports: Regular reports on the status of material risks

Incident Communication: Immediate notification of significant risk events **Mitigation Updates:** Communication on new mitigation measures

Consultation Channel: Mechanism for investors to consult on specific risks

Limited Token-Stake Pegging Mechanism

The ALKN token operates under a dual pegging system that simultaneously complies with Luxembourg and Salvadoran legislation:

1. Primary Registry (Luxembourg):

Limited Shares are issued under the Luxembourg legal framework and are registered in the Limited Partnership Register maintained by the issuer. This record is the primary source of legal truth under Luxembourg law.

2. Tokenization (El Salvador):

Limited Holdings are tokenized in accordance with El Salvador's LEAD. Each ALKN token issued on the Liquid Network represents a specific Limited Stake.

3. Dual Synchronization:

The DIR establishes that 'The Register of Limited Shares will be updated by the Issuer... by doubling the transfers made on the Exchange Platform' (page 6 of the DIR). This means:

- When an ALKN token is transferred on the blockchain, the issuer simultaneously updates the Limited Holdings Register

- Legal ownership under Luxembourg law is only considered valid when it is registered in the Limited Holdings Register

- The blockchain token serves as a transfer mechanism, but the corporate registry is decisive for legal purposes

4. Custody of the Physical Asset:

Physical nickel remains in custody at Helvetic Securgest Vaults (Switzerland), regardless of token transfers, ensuring the integrity of the financial backing.

7. THOROUGH FINANCIAL ANALYSIS

The financial analysis of the ALKN issuance provides a comprehensive assessment of the financial viability of the proposed structure, the valuation of the underlying asset, and performance projections for investors. This analysis is based on internationally recognized methodologies for valuation of specialized commodities and digital asset structures backed by physical assets.

7.1 Underlying Asset Valuation Methodology

7.1.1 Multiple Valuation Approach

The titration of high-purity nickel wire has been carried out using multiple methodologies to ensure robustness and precision:

Replacement Cost Method:

- **Raw Material Cost:** High purity primary nickel

- **Processing Cost:** Specialized electromagnetic drawing

- **Certification Cost:** Independent laboratory testing and certifications

- **Manufacturing Margin:** Appropriate margin for specialized processes

Market Comparison Method:

- **Reference Prices**: Nickel wire of similar specifications

- **Purity Adjustments:** Premium for 99.99+% purity vs standard

- **Adjustments by Diameter:** Premium by diameter 25 microns vs standard

- **Volume Adjustments:** Transaction volume discounts/premiums

Use Value Method:

- **Value in Specific Applications:** Value created in end applications

- **Cost Savings:** Efficiency Benefits vs. Alternatives

- **Strategic Value:** Premium for critical features for applications

The valuation of the ALKN token is based on a dual methodology that considers both intrinsic value and projections of future flows:

Initial Intrinsic Value: USD $2.05 per token

Calculation:

- Value of physical nickel: $1.6 billion

- GTX Stake Valuation: $40 million (estimated)

- Total asset value: $1.64 billion

- Total number of tokens: 800 million

- Intrinsic value = $1,640M / 800M = USD $2.05 per token

Issue Price: USD $1.00 per token

The issue price represents a 51% discount to intrinsic value, offering a significant margin of safety for initial investors.

Value Projection: USD $6.00 for Year 7

The projected assessment is based on:

1. Generation of income from the commercialization of nickel meshes

2. Projected increasing EBITDA (see table page 7 of the DIR)

3. Gradual reduction of nickel inventory

4. Cash distributions to token holders

7.1.2 Consolidated Valuation Results

Valuation Method	Calculated Value	Weight in Assessment	Contribution
Replacement Cost	$1.2 billion	30%	USD 360 million
Market Comparison	$1.4 billion	50%	USD 700 million
Use Value	$1.6 billion	20%	USD 320 million
Weighted Value	**USD 1.38K Million**	**100%**	**USD 1.38K Million**

The final valuation of USD 1.4 billion (EUR 1.4 billion) represents the consensus of the methodologies applied, providing a solid basis for the structuring of the issuance.

7.2 Financial Structure of the Issue

7.2.1 Structure Components

ALKN's financial structure has been designed to optimize investor protection while providing efficient access to the underlying asset:

Component	Amount (USD)	Percentage	Purpose
Asset Value	1,400,000,000	175%	Backing of the underlying asset
Token Issuance	800,000,000	100%	Capital available to investors
Safety Margin	600,000,000	75%	Volatility protection
Operational Reserve	20,000,000	2.5%	Operational expenses and contingencies

7.2.2 Coverage and Protection Ratio

The structure designed to support the issuance of ALKN tokens incorporates **multiple levels of protection** aimed at safeguarding investors' interests against adverse scenarios. One of the key elements is the **base coverage ratio**, set at **1.75x**, which means that for every unit issued in tokens, the value of the underlying asset is equivalent to 1.75 times that amount. This ratio generates a **75% margin of safety** on the value of the issue, creating solid protection against market fluctuations or unforeseen events that may affect the valuation of the asset.

This financial cushion allows a **drop of up to 43% in the value of the asset** to be absorbed without compromising the full backing of the tokens in circulation. This resilience to **market volatility** is especially relevant in contexts where underlying assets, such as ultra-high-purity nickel wire, may experience price variations due to external factors such as global supply, geopolitical tensions or financial speculation. In this sense, the coverage ratio acts as a stability mechanism, strengthening investor confidence.

In addition to this financial backing, comprehensive **insurance coverage has been included**, which protects **100% of the asset's value against all risks**. This policy covers possible physical loss, damage or theft related to the storage and custody of the material, offering an additional layer of protection that complements the strength of the coverage ratio. Together, these elements make up a robust protection structure, designed to

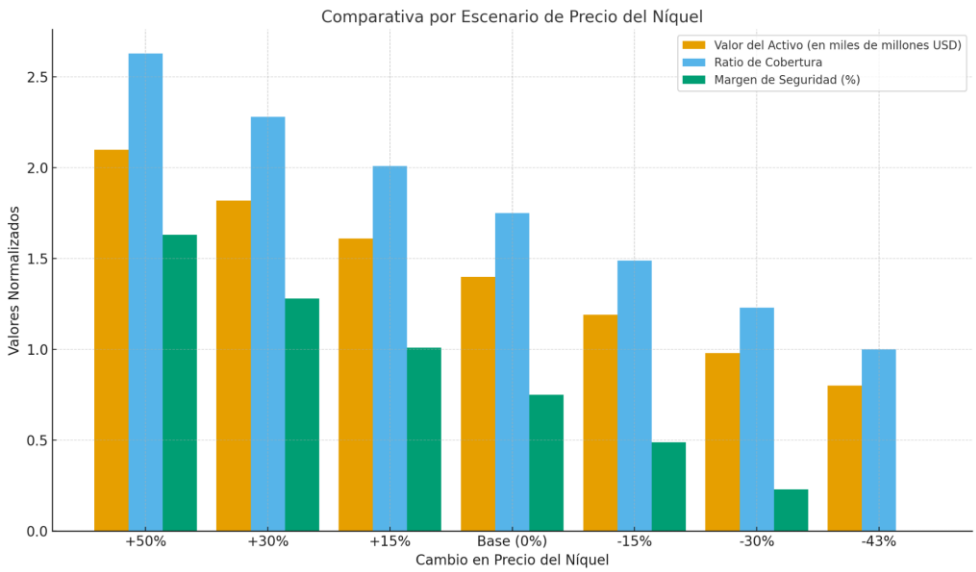
reduce risk exposure and ensure that the economic value of the tokens is adequately backed at all times.

7.3 Sensitivity and Scenario Analysis

7.3.1 Nickel Price Sensitivity Analysis

The sensitivity analysis assesses the impact of changes in the price of nickel on the value of the asset and the coverage of the issue:

Change in Nickel Price	Asset Value (USD)	Coverage Ratio	Safety Margin
+50%	2,100,000,000	2.63x	163%
+30%	1,820,000,000	2.28x	128%
+15%	1,610,000,000	2.01x	101%
Base (0%)	1,400,000,000	1.75x	75%
-15%	1,190,000,000	1.49x	49%
-30%	980,000,000	1.23x	23%
-43%	800,000,000	1.00x	0%



Break-even Point: The value of the asset can decline by up to 43% before the coverage of the issue is compromised.

7.3.2 Market Scenarios

Scenario analysis provides a structured view on how the value of the ultra-high-purity nickel-backed asset might perform under different macroeconomic and sectoral conditions. This approach makes it possible to assess not only the return potential, but also the associated risks, providing investors with a useful tool for informed decision-making.

In an **optimistic scenario**, with an estimated probability of **25%,** a context of accelerated growth is projected in the key sectors that drive demand for the asset. This would include a significant expansion of the **energy transition**, especially with a strong push into **green hydrogen** projects, as well as a considerable increase in **defense and aerospace** programs. These conditions would favor upward pressure on demand for high-purity nickel wire, resulting in an increase in **asset value in the range of 40% to 60%,** supported by structural supply shortages and technical product strength.

The **base scenario**, with a **probability of 50%,** proposes a more gradual but positive evolution. Here, growth in the application sectors is maintained, albeit at a moderate pace. The development of the hydrogen market is advancing, but without exponential leaps, and defence spending remains stable, without major expansions or cuts. In this context, the **value of the asset would remain stable or could experience an increase of up to 15%,** reflecting constant demand in a controlled environment and without major disruptions.

On the other hand, the **conservative scenario**, which is assigned a **probability of 20%,** contemplates a possible **global economic slowdown**, which could translate into **delays in the energy transition** and a **reduction in military budgets**. Under these conditions, demand for specialized wire would be affected, causing a correction in the market. The **estimated impact on asset value would be between -20% and -30%,** as a result of a drop in industrial orders and lower activity in the driving sectors.

Finally, the **pessimistic scenario**, with a lower probability of **5%,** poses a combination of high-impact negative factors. A **severe global recession**, accompanied by the **development of substitute technologies** and a possible **geopolitical crisis** that disrupts international trade, could lead to an abrupt decline in demand and market confidence. In such a case, the **value of the asset could suffer a significant drop, estimated between -40% and -50%,** affecting its liquidity, usefulness and perception of value in the medium term.

These scenarios, combined with the coverage ratio and mitigation measures already in place, allow us to visualize both the potential and the limits of risk for the investors participating in this issuance.

7.4 Issuer's Financial Projections

7.4.1 Structure of Income and Expenditure

Concept	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue					
Custody and Management	2,000,000	2,100,000	2,205,000	2,315,250	2,431,013
Additional Services	500,000	750,000	1,000,000	1,250,000	1,500,000
Total Revenue	2,500,000	2,850,000	3,205,000	3,565,250	3,931,013
Operational Expenses					
Custody and Security	800,000	840,000	882,000	926,100	972,405
Insurance	600,000	630,000	661,500	694,575	729,304
Administration	400,000	420,000	441,000	463,050	486,203
Regulatory & Legal	300,000	315,000	330,750	347,288	364,652
Total Expenses	2,100,000	2,205,000	2,315,250	2,430,013	2,552,564
Operating Profit	400,000	645,000	889,750	1,135,238	1,378,449

7.4.2 Projected Cash Flow

The **projected cash flow** for the issuer reflects a healthy financial structure that supports the long-term viability and sustainability of the project. From the first year of operations, a **positive operating cash flow is anticipated**, indicating that the internal generation of resources will be sufficient to cover operating costs without the need for additional external financing. This position allows the issuer to operate with financial autonomy from the outset, strengthening the credibility of the business model and reducing the risk of disruptions due to lack of liquidity.

During the first five years, sustained **cash flow growth is projected in the range of 25% to 30% per year**, driven by the increase in demand from the strategic sectors to which the asset is directed, such as energy, defense and emerging technologies. This growth not only improves operating margins, but also expands the

room for maneuver for reinvestment, development of new products or expansion of the operating model. In addition, the **constitution of liquidity reserves equivalent to six months of operating expenses has been contemplated**, which acts as a safety cushion against possible market fluctuations or unforeseen contingencies.

These conditions also allow for sustained **investment capacity** over time. The issuer will have resources available to make improvements in technological infrastructure, strengthen custody and expand services related to the asset, which can translate into an increase in the value perceived by investors. Together, these elements demonstrate prudent and stability-oriented financial planning, with a cash projection that supports both the continued operation and future growth of the project.

7.5 Return Analysis for Investors

7.5.1 Return Sources

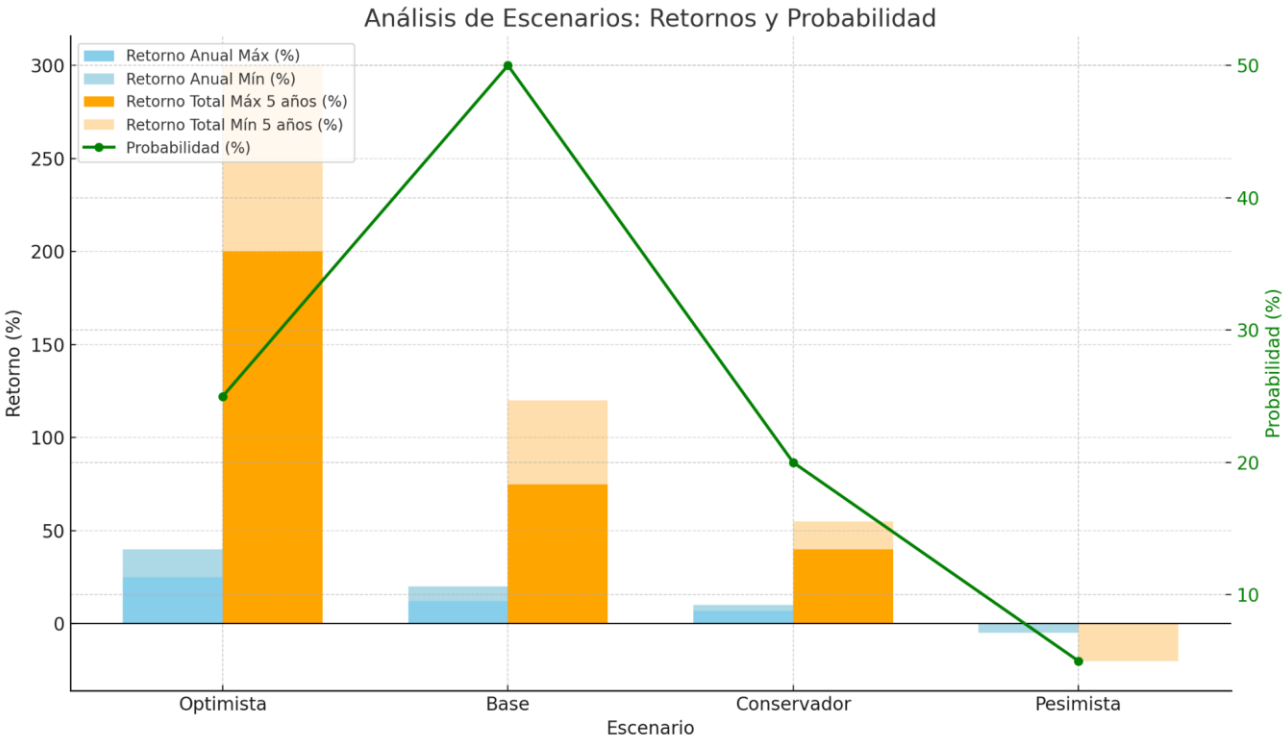
Investors in **ALKN** tokens have a strong value proposition thanks to multiple **sources of return**, allowing them to diversify profit-generating pathways and adjust strategy according to market conditions. The first main source is the **appreciation of the underlying asset**, in this case ultra-high-purity nickel wire. This material has exceptional technical characteristics – such as its purity of 99.99% and a diameter of 25 microns – that make it highly demanded in strategic sectors such as defense, aerospace, green hydrogen and advanced technology. As demand grows in these segments and a limited supply is maintained due to high barriers to entry, a **sustained increase in the value of the asset** is expected, along with a **growing premium for its technical specifications**, which translates directly into an appreciation of the token.

In addition, there is the possibility of receiving **periodic distributions**, derived from the income generated by the **marketing of the backed physical asset** . These distributions can take different forms, such as regular payments linked to the cash flows of the transaction, or **extraordinary distributions** in the event of a partial sale of the underlying asset. Likewise, if the investment vehicle structure were to be liquidated in the future, investors would be entitled to a **return on capital proportional** to the value of the liquidated asset, offering an additional avenue of monetization in the event of closure or structured divestment.

Finally, a key source of return is liquidity **available through the secondary market**, specifically through trading on **Bitfinex Securities El Salvador**. This platform allows investors to **make profits without having to wait for the maturity of the instrument**, offering greater flexibility to adjust positions according to their needs or market conditions. The possibility of active buying and selling also favors dynamic **portfolio management**, where investors can decide when to materialize returns, rotate capital or rebalance their exposure. Together, these sources of return make up an attractive financial instrument, with well-defined growth potential, entry mechanisms and exit options.

7.5.2 Return Projections

Scenario	Expected Annual Return	Total Return 5 Years	Probability
Optimistic	15-25%	100-200%	25%
Base	8-12%	45-75%	50%
Conservative	3-7%	15-40%	20%
Pessimistic	-5% to 0%	-20% to 0%	5%



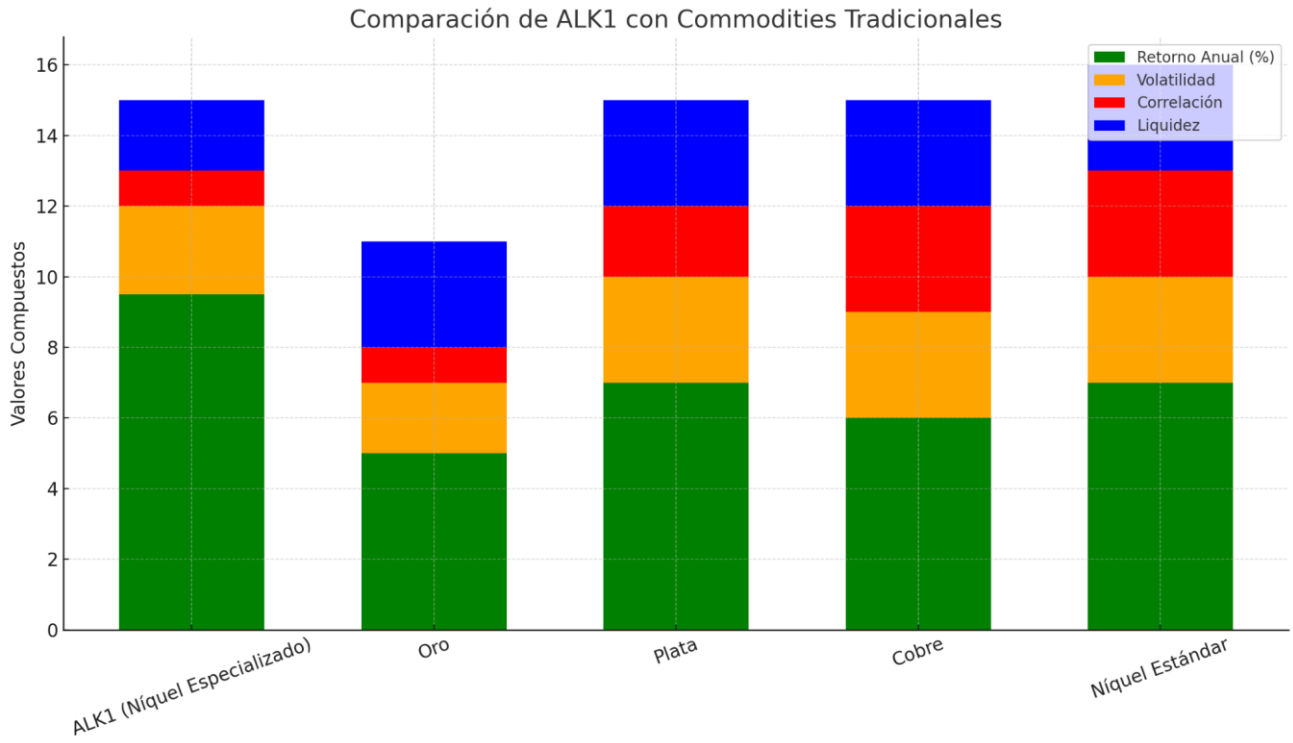
Weighted Expected Return: 9.5% per annum

7.6 Comparison with Investment Alternatives

7.6.1 Comparison with Traditional Commodities

Active	Annual Return Expected	Volatility	Correlation with Markets	Liquidity

ALKN (Nickel Specialized)	9.5%	Medium-High	Low	Medium
Gold	4-6%	Medium	Low	High
Silver	6-8%	High	Medium	High
Copper	5-7%	High	High	High
Standard Nickel	6-8%	High	High	High



✅ **Annual Return** (green)

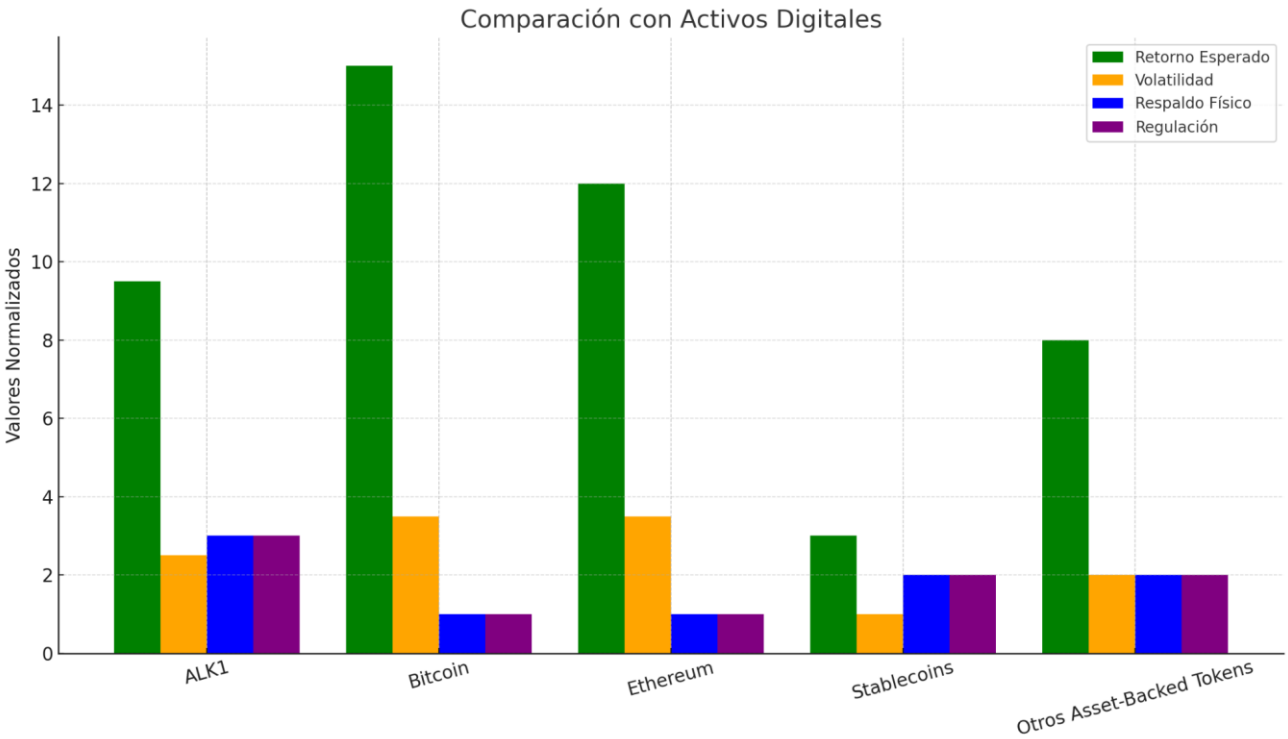
⚠️ **Volatility** (orange)

🔁 **Correlation with markets** (red)

💧 **Liquidity** (blue)

7.6.2 Comparison with Digital Assets

Active	Return Expected	Volatility	Collateral Physical	Regulation
ALKN	9.5%	Medium-High	Yes	Regulated
Bitcoin	Variable	Very High	No	Partial
Ethereum	Variable	Very High	No	Partial
Stablecoins	2-4%	Low	Partial	Increasing
Other Asset-Backed Tokens	Variable	Variable	Variable	Variable



7.7 Cost Structure and Efficiency

7.7.1 Structure Costs

Concept	Annual Cost	% on Assets	Justification
Physical Custody	800,000	0.057%	Institutional security

Insurance	600,000	0.043%	Comprehensive coverage
Administration	400,000	0.029%	Professional management
Regulatory	300,000	0.021%	Compliance
Total	**2,100,000**	**0.15%**	**Competitive Cost**

7.7.2 Comparative Efficiency

ALKN's cost structure is one of the most efficient within the universe of investment instruments linked to commodities or specialized physical assets. With an annual commission of **0.15% on the value of the asset**, ALKN offers a highly competitive alternative to other traditional vehicles on the market. In comparison, **commodity funds** typically apply annual fees ranging from **0.5% to 1.5%,** while **precious metals ETFs** handle somewhat lower costs, but still in the range of **0.25% to 0.75%.** On the other hand, **traditional mutual funds**, which may include diversified or actively managed instruments, impose much higher fees, with figures ranging from **1.0% to 2.5% per year**.

ALKN's competitive advantage in this regard is not accidental, but the result of a **structure designed to maximise operational efficiency**. One of the key factors is the existence of **economies of scale**, derived from the size and scope of the issue. The higher the volume managed, the fixed costs are diluted, which allows you to offer a low commission without sacrificing quality in management. In addition, an **optimized operating structure has been implemented**, which eliminates redundant functions and automates key processes. This is complemented by the intensive use of **technology**, particularly in administrative and compliance areas, which allows for a significant reduction in operating costs compared to more traditional structures.

Another differentiating element is the **absence of multiple intermediaries**, which reduces the aggregate margins that are usually applied in products managed by various entities. In the case of ALKN, the value chain is more direct, which translates into a lower total cost for the final investor. This combination of scale, automation, structural simplification and smart use of technology makes ALKN not only cost-competitive, but also represents an **efficient and modern solution** for those seeking exposure to specialist assets with minimal commission burden.

8. DETAILED TECHNICAL ANALYSIS

The technical analysis of the ALKN issuance encompasses both the specialized evaluation of the underlying physical asset and the technological infrastructure used for the tokenization, digital custody, and operation of digital assets. This analysis is essential to understand the technical value proposition of the issuance and the robustness of the technological platform.

8.1 Technical Analysis of the Underlying Asset

The **25 micron nickel wire** featured in the ALKN issue stands out for its **highly specialized technical specifications**, which justify both its **premium valuation** and its suitability for applications in critical sectors such as defense, aerospace, hydrogen technologies and advanced electronics. Its chemical composition is extremely pure, with a minimum content **of 99.99% nickel**, and minute levels of impurities such as **carbon (0.02%), sulfur and phosphorus (0.001%),** and **iron or copper (0.005%),** which guarantees high chemical stability and compatibility with extreme environments. This purity directly contributes to its superior performance in applications where the presence of trace elements could compromise the efficiency or durability of the system.

Physically, the wire has a nominal diameter of **0.025 mm** with a dimensional tolerance well above the industry standard (±4% vs. ±10%), ensuring **dimensional consistency in high-precision processes**. Its density of **8,908 g/cm³**, combined with a **melting point of 1455°C** and an **FCC crystal structure**, gives it excellent thermal and mechanical stability. In terms of mechanical properties, it shows a **tensile strength of 400–600 MPa** and an **elongation between 30–50%,** which makes it **resistant yet flexible**, ideal for applications where complex geometries are required. In addition, its **modulus of elasticity of 200 GPa** and Vickers hardness of up to 120 HV position it as a reliable material in demanding conditions.

In electrical and magnetic terms, the wire has a **conductivity of 14.3% IACS** and a **resistivity of 6.84 μΩ·cm**, with a temperature coefficient of 0.0069/°C, which allows it to maintain a predictable behavior under thermal changes. Magnetically, it is **ferromagnetic**, with a **relative permeability between 100 and 600**, and a **Curie temperature of 358°C**, characteristics that favor its use in shielding and components sensitive to magnetic fields.

Technical Advantages of 25 Micron Diameter

The ultra-thin diameter of the wire, fixed at **25 microns**, is not only a dimensional feature, but a source of **fundamental technical advantages**. First, it provides a **surface-to-volume ratio of 160,000 m²/m³**, which is **four times higher** than that of 100-micron wire. This attribute significantly improves performance in **electrochemical and catalytic** applications, as it increases the active surface area available for reactions such as **oxygen evolution (OER)** in electrolysis processes. It also translates into **superior efficiency in electromagnetic shielding**, allowing for greater wave absorption and dissipation, essential in military and aerospace environments.

The 25-micron wire also offers **a dramatic weight reduction**, weighing just **0.044g per linear meter**, versus **0.70g/m on 100-micron wires**, representing a **94% reduction**. This feature is especially relevant in aerospace applications, where weight savings not only improve efficiency, but can reduce operating costs and increase system performance.

Finally, the reduced diameter offers **superior forming flexibility**, allowing the manufacture of **meshes with high spacing accuracy** , as well as integration into **complex geometries** or composite materials without altering their structural properties. This ability to adapt to sophisticated configurations without sacrificing mechanical or electrical performance consolidates ALKN wire as a **technical material with very high added value**, difficult to replace in critical applications.

8.2 Specialized Technical Applications

The **25 micron nickel wire** used in ALKN emission stands out as a highly effective material for **electromagnetic shielding** applications and **stealth systems**, thanks to its intrinsic physical, electrical and magnetic properties. One of the key principles behind its effectiveness is the **skin effect**, which describes how currents induced by electromagnetic waves tend to concentrate on the surface of the conductor. Since the diameter of the wire is extremely thin, the electromagnetic penetration depth is close to the physical limit, which maximizes the efficiency in signal attenuation. This phenomenon is reinforced by the **absorption capacity of** nickel, a **ferromagnetic** material that not only reflects, but also **absorbs electromagnetic energy**, thus reducing the propagation of interference or radar detection.

Surface **reflection** is another key mechanism, driven by nickel's high conductivity, which acts as a barrier against electromagnetic waves of different frequencies. This property is complemented by the physical design: the ultra-thin diameter allows **meshes of optimized geometry** to be manufactured, with carefully controlled openings that ensure precise shielding without compromising weight or flexibility. These technical characteristics make the ALKN wire a high-performance solution, suitable for environments that demand both stealth and protection from external interference.

In terms of its **specific applications**, the 25-micron wire has been identified as an ideal component in **stealth aircraft** such as the **F-22 Raptor** and **F-35 Lightning II,** where the need to reduce the radar signature is critical. It is also used in **radar systems** where partial signal absorption can optimize accuracy and prevent interference. In the civil and military spheres, it is used in **sensitive electronic equipment** that requires effective shielding against EMI (electromagnetic interference), and in the construction of **secure facilities**, such as **SCIF (Sensitive Compartmented Information Facilities),** designed to protect classified information from electronic interception.

Compared to **traditional** alternatives, nickel wire offers significant technical advantages. Compared to **copper mesh**, it features **higher corrosion resistance**, making it more suitable for demanding or exposed environments. Compared to **carbon fiber**, nickel provides magnetic properties essential for active wave absorption, something that non-metallic materials cannot replicate. And relative to **common metal alloys**,

ALKN wire offers superior **purity**, ensuring **predictable and homogeneous properties**, critical in critical applications where material variability is not tolerable. Together, these advantages cement nickel wire as an **elite technical solution** for advanced electromagnetic shielding needs.

8.2.2 Electrolysis for Green Hydrogen Production

The **production of green hydrogen** through **water electrolysis** depends on a series of electrochemical conditions that must be met to ensure efficiency, durability and economic viability. In this process, the performance of the **electrodes**, especially the anode where the **oxygen evolution reaction (OER) occurs**, is decisive. This key reaction—described by the equation $4OH^- \rightarrow O_2 + 2H_2O + 4e^-$—requires electrodes with **high active surface area**, excellent **corrosion resistance**, good **electrical conductivity,** and **dimensional stability** during repeated cycles of operation. Nickel, particularly when oxidized to **nickel hydroxide ($Ni(OH)_2$),** acts as an **effective catalyst** to facilitate OER, offering a more accessible and sustainable solution to noble metals.

The **25 micron nickel wire** used in the ALKN emission presents notable technical advantages for these applications. Its **specific surface area is four times larger** than that of a standard 100-micron wire, which directly translates into the **highest possible current density** per unit volume. In addition, its controlled behavior in oxidation processes allows the **formation of a surface layer of $Ni(OH)_2$,** which acts as a **catalytically active phase**. Thanks to its **ultra-thin diameter**, it is possible to design **meshes with controlled porosity**, which optimizes the flow of the electrolyte and improves the efficiency of the reaction by allowing a homogeneous distribution of the reactants. Added to this is its **durability**, as nickel maintains its structural integrity even after multiple oxidation-reduction cycles, which is critical in continuous industrial processes.

In comparative terms, the catalyst derived from nickel wire ALKN is positioned as an attractive alternative to traditional options such as **IrO_2** and **RuO_2**. Although these materials exhibit higher **electrochemical activity** (with values of 100–1000 mA/cm²), they also imply **significantly higher costs**, ranging from **USD 50 to USD 150 per gram**. In contrast, **$Ni(OH)_2$ formed from ALKN wire** offers moderate **activity (50–200 mA/cm²),** sufficient for industrial applications, **costing as little as USD 0.1–0.5 per gram**, and with durability **comparable to that of premium catalysts**. This combination of **low cost, good activity and high service life** makes ALKN's nickel wire a competitive solution to drive the economic and technological expansion of **electrolysis in the context of green hydrogen**.

8.2.3 Applications in Defense and Aerospace

Defense **applications** represent one of the most demanding environments in terms of technical specifications, as the materials used must demonstrate **operational reliability under extreme conditions** and meet rigorous safety and performance standards. The 25 micron nickel wire used in the ALKN emission has been designed to meet these **specific technical requirements**, making it a component suitable for critical missions both on the ground and in space.

One of the main criteria is **thermal resistance**, as many military and aerospace systems operate in **the**

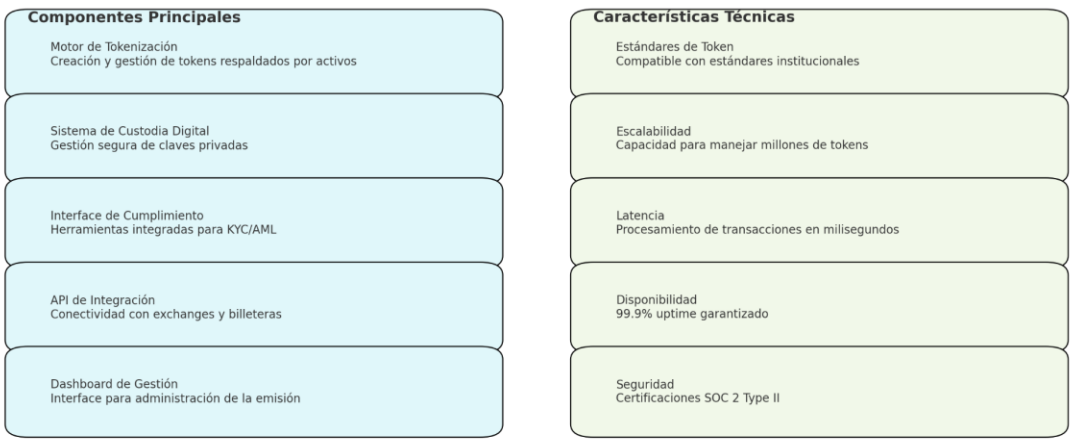
temperature range of -55°C to +125°C, where conventional materials can fail due to thermal fatigue or structural alteration. Added to this is the **vibration resistance of up to 20G**, necessary in space launches, supersonic flights or tactical deployments, where the physical integrity of the component is essential. For applications in orbit or in proximity to radiation sources, high **radiation resistance** is also required, a characteristic that nickel can offer more reliably than organic materials or non-metallic composites. Finally, all materials destined for defense systems must have **full traceability**, including detailed documentation on the **origin of the material, the drawing and heat treatment processes**, as well as the production batches and validation tests.

ALKN wire has been verified in a variety of **critical applications**, such as shielding **military communication equipment**, where it protects sensitive circuits from electromagnetic interference. It has also been used in **satellites**, not only for its thermal and mechanical resistance, but also for its ability to reduce radiation exposure. In **armored vehicles**, it is part of **electronic countermeasure systems** that require conductive meshes with precise geometry. In addition, it is employed in the infrastructure of **command centers and critical facilities**, where protection against electromagnetic espionage and digital sabotage is vital for information security.

For these applications, compliance with highly demanding regulations such as **MIL-STD-461**, which regulates **electromagnetic compatibility** in military equipment; **RTCA DO-160**, which sets the environmental criteria for aeronautical systems, and **NASA-STD-4003**, the technical standard used by NASA for materials operating in space environments. Compliance with these standards not only validates ALKN wire's suitability for extreme environments, but also strengthens its position as a **strategic material** for advanced defense solutions.

8.3 Tokenization Technology Infrastructure

8.3.1 Architecture of the Hadron by Tether Platform



8.3.2 Liquid Network

The **Liquid Network** is an advanced blockchain infrastructure designed specifically for institutional applications that require **security, speed, privacy, and flexibility**, operating as a **federated Bitcoin sidechain**. Its technical design allows it to offer functionalities that go beyond the capabilities of the Bitcoin mainnet, while maintaining a direct and secure connection to it.

At its core, the network operates through a **federated consensus** system, where the validation process is carried out by **15 recognized financial institutions**, which act as trusted nodes. This scheme ensures a balance between decentralization and efficiency, with a **fixed block time of 1 minute** and immediate **finality**, meaning that transactions are not subject to block reorganizations, as is the case with Bitcoin. In addition, the network offers a **throughput of more than 1000 transactions per second**, which makes it suitable for high volumes and use in financial markets.

One of the most prominent components of the Liquid Network is its focus on **transaction privacy**. Thanks to **Confidential Transactions**, amounts transferred between addresses remain hidden, protecting the sensitive information of the parties involved. In addition, using **Confidential Assets**, it is possible to hide the specific type of asset being sent, maintaining fungibility without compromising transparency at the network level. Added to this is the **pseudonymity** inherent in the design of addresses, which are not directly linked to personal identities, which is especially relevant for institutions that seek to protect their commercial activity.

In terms of **interoperability**, Liquid Network facilitates seamless integration with Bitcoin through the **peg-in/peg-out mechanism**, which allows for the secure transfer of BTC between both networks. It also supports **atomic swaps**, a technology that allows **atomic swaps between different assets** without intermediaries, which favors the development of decentralized markets. Finally, the network supports **the Lightning Network**, which opens up the possibility of establishing **fast and low-cost payment channels**, combining the liquidity of Liquid with the scalability of Lightning. Together, these elements cement the Liquid Network as a robust and adaptable infrastructure, ideal for digital issuances such as ALKN tokens that require **privacy, speed, and connectivity to the crypto-institutional financial ecosystem**.

8.3.3 Security and Audits

The security framework implemented for the issuance and management of ALKN tokens is designed under the highest international standards, with multiple layers of protection both at the level of **technical infrastructure** and **operational processes**. This security architecture aims to mitigate technological risks, prevent unauthorized access, and ensure the integrity of operations.

When it comes to **key security**, one of the most critical pillars in any digital asset environment, **Hardware Security Modules (HSMs) are used** for the secure storage of private keys, ensuring that they are never exposed to vulnerable environments. Added to this is the implementation of **multi-signature schemes**, especially in critical transactions, which prevents a single party from authorizing movements without the consensus of multiple signatories. In addition, a **segregation of operational roles** is applied , which means that key functions are distributed among different managers, reducing the likelihood of internal fraud. This system is reinforced by a **periodic rotation of keys**, which makes it difficult to use the same credential for a

long time, reducing the risk of compromise.

In the field of **network security**, application firewalls **are used** to protect systems against web attacks, such as injections or improper access. There are also **intrusion detection systems**, which monitor activity within the infrastructure in real time to identify anomalous behavior. All communication is **end-to-end encrypted**, protecting both data in transit and at rest. In addition, network **segregation is practiced**, where the most critical systems operate in isolated environments, minimizing the risk of threat propagation in the event of breaches.

The environment is subjected to **regular security audits** at different layers. Code **audits are conducted**, reviewing smart contracts and applications for vulnerabilities before deployment. Penetration testing is also carried out by external experts, simulating real attacks to assess the robustness of the system. At the infrastructure level, periodic assessments are conducted to ensure that servers, networks, and services operate under secure conditions. This entire system is backed by **internationally recognized certifications**, such as **SOC 2** and **ISO 27001**, ensuring that procedures meet the strictest standards of information security and risk management. Together, these measures make the ALKN environment a robust, reliable and resilient framework against internal and external threats.

8.3.4 Tokenization Process

ALKN tokens legally and economically represent the **LP Interests** in Alkemya Metacore SCSp. The tokenization process is structured as follows:

1. **Company Incorporation:** Alkemya Metacore SCSp is incorporated in Luxembourg, a recognized legal structure that allows the issuance of shares (LP Interests) to investors.
2. **Contribution of the Asset:** Alkemya Luxembourg S.À R.L. contributes the nickel wire asset to the company in exchange for LP Interests.
3. **Token Issuance:** 800 million ALKN tokens are issued on the Liquid Network, representing the entirety of the company's LP Interests.
4. **Registration and Transfer:** Transfers of ALKN tokens on the exchange platform (Bitfinex Securities) are reflected in the company's LP Interests registry in Luxembourg, ensuring the legal validity of investors' ownership.

8.4 Monitoring and Technical Maintenance

8.4.1 Physical Asset Monitoring

The 25-micron nickel wire is under **permanent environmental monitoring**, under controlled conditions that guarantee its long-term integrity. Temperature **sensors with automatic alerts** are used to detect any deviations outside the permitted range, as well as **relative humidity control** systems, essential to prevent

corrosion processes that could affect the properties of the material. **Air quality monitoring** is also carried out, seeking to identify atmospheric pollutants that could alter the surface composition of the wire. The **detection of vibrations or unauthorized movements** acts as an additional physical security mechanism, alerting to any attempt at improper manipulation.

In addition, **regular technical inspections are applied** that include monthly reviews of the physical condition of the material (**visual inspection**), along with **quarterly electrical conductivity tests** that validate that the performance of the wire is maintained within optimal parameters. A dimensional analysis is carried out annually, verifying critical millimeter tolerances, and biannually, **chemical analyses** are carried out to certify that the purity of the nickel continues to comply with the minimum standard of 99.99%. This discipline in physical control ensures that the underlying asset does not lose functional or technical value over time.

Issuance security is approached from two perspectives: the custody of the physical asset and the security of digital assets.

- **Custody of the Physical Asset:** The 7 million linear meters of nickel wire are guarded in the high-security vaults of **Helvetic Securgest** in Lugano, Switzerland. This measure ensures that the underlying asset is protected from theft, damage, or loss.

- **Security of Digital Assets:** The choice of the Liquid Network and the Hadron by Tether platform provides a high level of security for ALKN tokens. Best practices in cybersecurity, private key management, and data protection are implemented to mitigate the risks of cyberattacks and unauthorized access.

8.4.2 Technology Platform Maintenance

In parallel, the technological platform that supports the digital issuance is maintained through a **continuous preventive maintenance** program. This includes **the regular application of software updates and security patches**, as well as **the daily performance of data backups**, with systematic verification of its integrity. To ensure operational resilience, **periodic disaster recovery drills are executed**, in addition to **constant monitoring of the performance** of the systems, in order to detect and resolve bottlenecks or incidents before they impact the operation.

In addition, robust **contingency plans** have been established , which include **redundant systems with automatic failover** to ensure continuity of service in the event of any failure. There are also **documented procedures for disaster recovery**, accompanied by **crisis communication protocols** that allow for transparency and effectiveness in the event of incidents. All this is supported by a clear technical **escalation structure**, which ensures a rapid and hierarchical response to critical problems.

8.5 Technical Innovations and Future Development

Beyond the present operation, ALKN is committed to an active **research and development strategy**, consolidating collaborations with prestigious academic institutions such as Nanyang **Technological University**, the **Indian Institute of Technology**, and **European innovation centers**, aimed at advancing green hydrogen applications, new industrial processes and emerging technologies. The **areas of research**

range from the **identification of new applications of specialized wire**, through the **optimization of existing processes**, to the **integration of composite materials and developments in nanotechnology**, which positions the active as an element in constant technological evolution.

The **technological roadmap** contemplates differentiated stages. In the **short term (1–2 years**), priority is given to improving **hydrogen electrolysis applications** and new mesh configurations, along with manufacturing improvements. In the **medium term (3–5 years),** entry into quantum technologies**,** energy storage systems**, and** biomedicine **is anticipated**. Finally, in the **long term (more than 5 years),** the focus shifts to areas of **quantum computing**, **carbon capture**, and **advanced space applications**, sectors that require materials with the level of sophistication that ALKN offers.

Together, this combination of **rigorous environmental monitoring**, **robust digital infrastructure** and **a vision of sustained innovation**, not only protects the value of the underlying asset, but also consolidates ALKN as an investment platform backed by a highly demanding technical and institutional approach.

9. COMPREHENSIVE MARKET ANALYSIS

The market analysis for ALKN emission focuses on the specialized segment of ultra-high purity nickel wire, a niche market characterized by critical applications, significant barriers to entry, and unique supply and demand dynamics. This analysis provides the context needed to understand the appreciation potential of the underlying asset and the factors driving its long-term value.

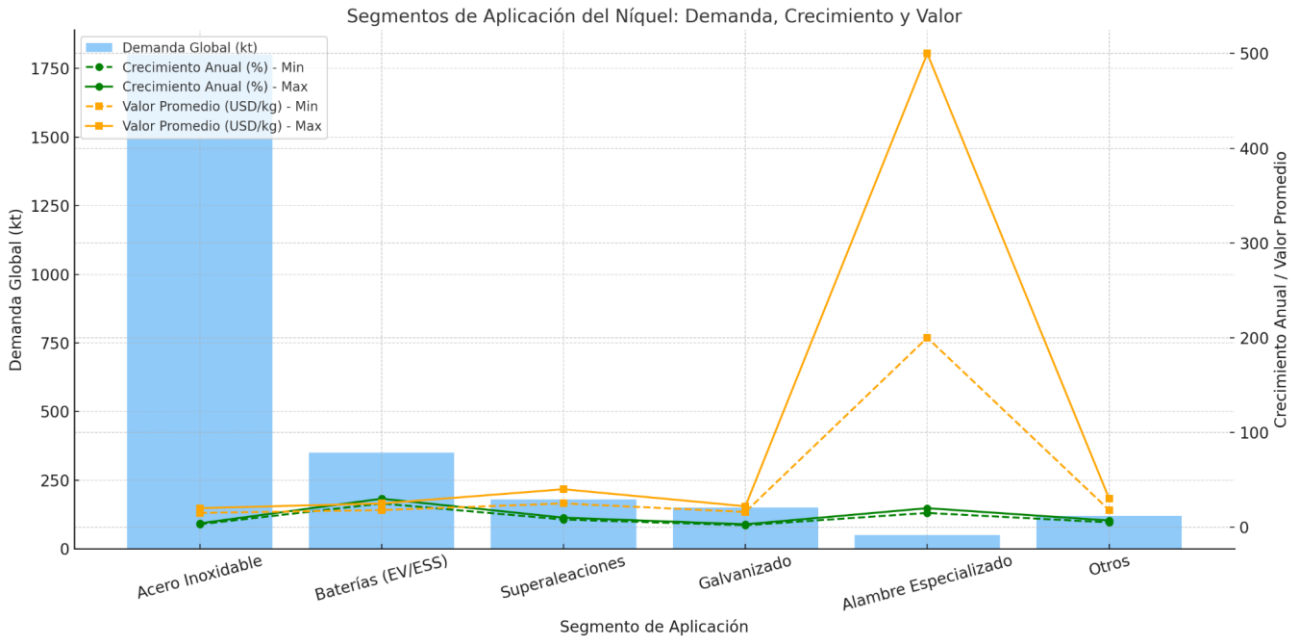
9.1 Global Nickel Market Overview

9.1.1 Global Market Structure

The global nickel market presents a diversified structure with multiple application segments:

Segment Application	Demand Global (kt)	Participation	Growth Annual	Average Value (USD/kg)
Stainless Steel	1,800	68%	3-4%	15-20
Batteries (EV/ESS)	350	13%	25-30%	18-25
Superalloys	180	7%	8-10%	25-40
Galvanized	150	6%	2-3%	16-22

Wire Specialized	**50**	**2%**	**15-20%**	**200-500**
Other	120	4%	5-7%	18-30
Total	**2,650**	**100%**	**6-8%**	**17-23**



The **specialized wire segment**, such as that represented by the 25-micron nickel wire used in the LKN issuance, is distinguished by a number of characteristics that clearly separate it from the general raw material market. Firstly, it is a product with high **added value**, whose price can reach between **10 and 25 times the value of the nickel commodity**. This difference is justified by the strict purification processes, high-precision wire drawing, dimensional control and technical validation that it requires, as well as by the scarcity of producers capable of meeting these specifications.

The **demand for this type of wire is highly inelastic**, as it is intended for **critical applications** where there are no viable substitutes without compromising the safety or performance of the system. Industries such as defense, aerospace, advanced electronics, or green hydrogen production depend on materials that not only meet chemical and mechanical requirements, but also have a proven track record of reliability. This specific need makes buyers willing to pay a considerable premium, keeping demand stable even in contexts of economic volatility.

In addition to the above, there are **high barriers to entry**, both due to **technical requirements** and the **specialized certifications** required to operate in these markets. The manufacture of ultra-fine wire of purity greater than 99.99% involves significant investments in infrastructure, machinery and qualified personnel, in

addition to complying with regulations such as MIL-STD, ISO, or space agency standards. This combination limits competition and strengthens the position of established producers.

Finally, the segment benefits from **structural growth**, driven by the expansion of high-tech industries that require advanced materials to innovate and scale. The energy transition, the adoption of clean technologies, the growth of the aerospace sector and the needs of modern electronic defense generate a **sustained and growing demand**, consolidating this niche as one of the most attractive within the strategic materials market.

9.2 Supply and Demand Dynamics

9.2.1 Offer Analysis

Global Producers of Specialized Nickel Wire:

Producer	Country	Capacity (kt/year)	Specialization	Market Share
BOPP Group	Switzerland	15	Meshes precision	30%
Producers Asian	China/Japan	20	Medium volume	40%
Producers American	USA/Canada	10	Applications defense	20%
Other	**Several**	**5**	**Niche**	**10%**
Total		**50**		**100%**

Supply constraints in the ultra-high-purity nickel wire segment are the result of a combination of technical, financial, regulatory and logistical factors that significantly restrict global production capacity. First, the **technical complexity** of the manufacturing process represents a considerable barrier. Wire drawing with a diameter of only 25 microns, under controlled electromagnetic conditions, requires **highly specialized expertise** in addition to extremely precise production environments. The slightest variation in tension, temperature, or purity can compromise the integrity of the final product, preventing the participation of inexperienced producers.

Second, considerable **capital investment** is required to develop and maintain facilities capable of producing this type of wire. Specialized equipment—including drawing chambers, heat treatment furnaces, and high-precision measurement systems—is not only expensive, but also requires constant maintenance and trained technical personnel. This cost structure means that very few players can scale or enter this market without taking significant financial risks.

Another restrictive factor is related to **certification processes**, especially in applications aimed at defense, aerospace, or advanced electronics. Obtaining approvals such as **MIL-STD, NASA-STD or RTCA DO-160** involves going through long, complex and expensive processes that demand technical testing, full traceability of the material and strict compliance with international standards. Finally, there is a **direct limitation on access to the raw material**, as **nickel of purity greater than 99.99%** is scarce and available only in limited volumes through selected producers. This shortage directly impacts global supply capacity, generating a constrained supply even in the face of growing demand.

9.2.2 Demand Analysis

Main Demand Sectors:

1. Defense and Aerospace (35% of demand)

This segment represents approximately **USD 875 million of the market**, with a projected annual growth between **8% and 12%,** driven by the **modernization of military fleets**, the expansion of **both commercial and government space programs, and the development** of next-generation stealth technologies. The sustained increase **in defense spending globally**, particularly in economies such as the United States, China, and NATO members, consolidates this trend.

Specific **applications** reflect the strategic value of specialized wire. For example, a single **F-22 Raptor** requires about **50 kg of wire**, while the **F-35 Lightning II** uses about **35 kg** per unit. In the case of **commercial satellites**, it is estimated that between **5 and 15 kg** of wire will be used per unit, depending on the type of mission and systems on board. For **advanced radar systems**, particularly those integrated into military or aerospace infrastructures, consumption can reach between **100 and 500 kg per installation**, which shows the relevance of this input in large-scale projects.

2. Energy Transition (30% of demand)

The energy transition drives a significant portion of the market, with an estimated value of **USD 750 million** and projected growth of **15% to 20% per year**. This momentum comes from a number of factors, including **government decarbonization policies**, the continued **cost reduction of renewable technologies**, and the accelerated development of **green hydrogen infrastructure**. Added to this is a growing **corporate investment in sustainability**, which is promoting the adoption of cleaner solutions in sectors such as transport, heavy industry and electricity generation.

A concrete example is the projected growth in **electrolysis capacity**: from **2 GW in 2023** to **25 GW in 2030**, which represents more than **12 times the current market size**. Given that an average **of 10 kg of specialized**

wire is required per MW installed, this translates into a **projected demand of 250 tons per year by 2030**, just for this technology. This level of growth poses significant supply challenges, but also clear opportunities for issuers with on-hand inventory and technical certification.

3. Green Hydrogen Electrolysis (20% of demand)

With an estimated market size of **USD 500 million** and an even faster pace of expansion – between **25% and 30% per year** – this segment is directly linked to the development of a more efficient, sustainable and scalable hydrogen economy. The reduction in electrolyzer manufacturing costs, supportive public policies and the growing demand for **clean hydrogen in industries such as steel, chemicals and heavy transport** are the main drivers of this trend.

The most relevant electrolysis technologies also determine the type of wire required. **Alkaline electrolysis**, which accounts for **60% of the market**, uses nickel wire as the **active electrode**; **PEM electrolysis**, with **a 35% share**, uses the wire as **a catalyst support**; and **solid oxide electrolysis (5%)**, although less common, benefits from nickel's properties in high-temperature environments. In all cases, the **purity, corrosion resistance, and active surface** of ALKN wire offer clear competitive advantages over alternative materials.

Together, these three sectors not only support the current demand for specialty wire, but also set the tone for its future growth, underpinning the technical, economic, and strategic rationale behind its premium valorization in the global market.

9.3 Competitive Analysis

9.3.1 Competitive Positioning of the ALKN Asset

Competitive Advantages:

Competitive Factor	ALKN	Competitors	Advantage
Purity	99.99+%	99.9-99.95%	Superior
Diameter	25 microns	50-100 microns	Unique
Certifications	5 laboratories Independent	1-2 certifications	Multiple
Inventory Available	7M linear meters	Low production order	Immediate

Location	Switzerland (neutral)	Different	Strategic
Traceability	Complete	Partial	Superior

SWOT analysis:

9.4 Market Trends and Growth Drivers

9.4.1 Megatrends Driving Demand

One of the main ones is the **global energy transition**, which concentrates a projected investment of **USD 4 trillion until 2030**. This transformation is strongly linked to the development of **green hydrogen technologies**, the adoption of which could generate **a growth of between 300% and 500% in the demand for** materials such as nickel wire, used in electrodes and critical electrolyzer components. More than **40 countries** have already adopted **national hydrogen strategies**, consolidating a policy and financial framework that ensures long-term expansion.

At the same time, the **electrification of transport** is profoundly changing the industrial landscape. The

number of **electric vehicles is projected** to increase from **10 million in 2022 to 100 million in 2030**, with a correlative need **for charging infrastructure** demanding **reliable and lightweight electromagnetic shielding materials**, such as ALKN wire. Stationary batteries are also projected to grow from **10 GWh in 2022 to 120 GWh in 2030**, many of which require conductive materials and resistance to extreme environments.

Another key driver is **military and space modernization**, with **global defense spending growing by 3% to 5% annually** and a projected investment of **USD 400 billion annually in space programs** by 2030. The development of **stealth technologies**, including sixth-generation aircraft and advanced radar systems, depends on the use of specialized materials such as nickel wire, thanks to their electromagnetic absorption capacity, lightness and adaptability to extreme environments.

The fourth major trend is the **digitization and expansion of the Internet of Things (IoT).** It is estimated that by 2025 there will be **75 billion connected devices**, which significantly increases the requirements for **electromagnetic protection**, especially in **data centers** and critical infrastructure. In addition, the deployment of **5G and soon 6G networks** requires materials with specific properties to avoid interference, which opens a window of opportunity for solutions such as ALKN's 25-micron wire.

9.4.2 Specific Demand Factors

At the sectoral level, the **defence sector** represents a specific source of demand with initiatives underway. The **F-35 Lightning II program**, for example, includes more than **3,000 aircraft**, each with technical requirements that include the use of up to **35 kg of specialized wire**. At the same time, **military modernization programs** mobilize a volume of **USD 200 billion annually globally**, with a strong emphasis on **stealth systems, protected communication, and electronic countermeasures**, all of which depend on materials with high technical specifications.

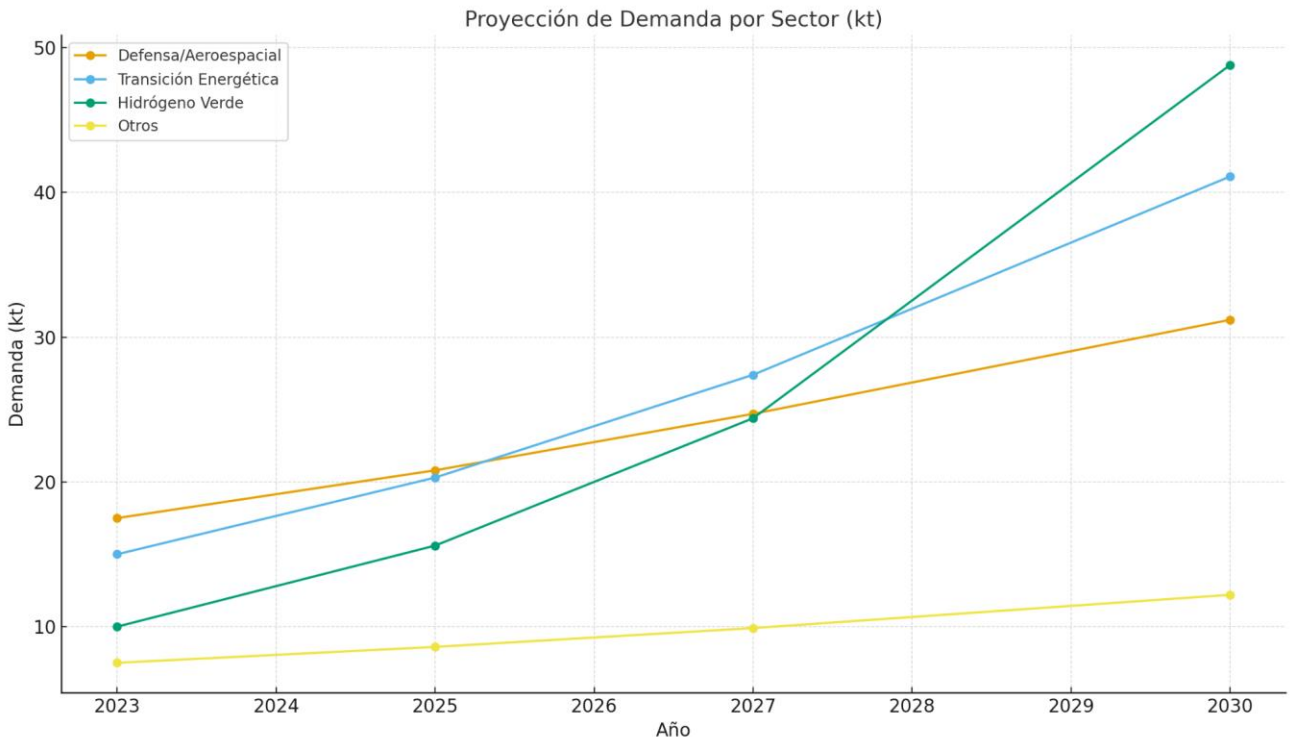
In the **energy sector**, the projected growth in **electrolyzers** – from **2 GW to 25 GW** between 2023 and 2030 – marks a tangible demand for **250 tons per year of specialized wire**, in line with current requirements per MW installed. Added to this is the development of the **fuel cell market**, estimated at **USD 5 billion by 2030**, and the need **for energy storage**, with a projected capacity of **120 GWh new per year**, which will require durable, efficient components with excellent conductivity.

These megatrends and sectoral factors not only legitimize the growth in demand for specialized nickel wire, but also reinforce its role as an **essential material** in the economies of the future, consolidating the technical and strategic support of ALKN issuance.

9.5 Market Projections9.5.1 Demand Projections by Sector

Sector	2023	2025	2027	2030	CAGR
Defense/Aerospace	17.5 kt	20.8 kt	24.7 kt	31.2 kt	8.5%
Energy Transition	15.0 kt	20.3 kt	27.4 kt	41.1 kt	15.4%
Green Hydrogen	10.0 kt	15.6 kt	24.4 kt	48.8 kt	25.6%

Other	7.5 kt	8.6 kt	9.9 kt	12.2 kt	7.1%
Total	**50.0 kt**	**65.3 kt**	**86.4 kt**	**133.3 kt**	**14.9%**



9.5.2 Price Projections

The future price development of ultra-high purity nickel wire is driven by a number of **structural market factors** that indicate a **sustained upward trend** in the coming years. These elements reflect a **growing imbalance between supply and demand**, as well as conditions that reinforce the technical and strategic value of the product.

First, demand growth is projected **to far exceed current supply capacity**. Sectors such as defense, energy transition, and green hydrogen are expanding at a rapid pace, while the number of producers qualified to supply wire with purities above 99.99% remains limited. This relative scarcity not only sustains prices, but drives **additional premiums for compliance with superior technical specifications**, such as tight dimensional tolerances, resistance to extreme environments, or aerospace certifications.

Added to these factors is an **inflation in production costs**, associated with the global increase in prices of industrial inputs, energy, qualified technical labor and certification processes. The **raw material itself – ultra-high-purity nickel – is also scarce**, as it requires additional refinement over conventional nickel, which reduces its availability globally and further raises its value.

Price Projection (USD/kg)

The combination of these factors is reflected in a projected price curve trending upwards:

- **2023:** USD **200** per kg — benchmark as base price.
- **2025:** USD **240–260** per kg — an increase of **20% to 30%,** driven by hydrogen market expansion and early supply bottlenecks.
- **2027:** USD **290–320** per kg — cumulative increase of **45% to 60%,** with greater pressure from institutional demand (defense, aerospace, clean energy).
- **2030:** USD **350–400** per kg — cumulative growth of **75% to 100%** from baseline, reflecting both emerging market consolidation and persistent structural shortages of qualified supply.

Taken together, this projected behavior supports the valuation thesis of the asset underlying ALKN tokens, and suggests attractive potential for investors seeking exposure to **strategic materials with strong growth fundamentals and well-defined supply constraints**.

9.6 Market Risks and Opportunities

9.6.1 Market Risks

Demand Risks: - Delays in energy transition due to political changes - Development of more efficient alternative technologies - Economic recession affecting investment in key sectors - Changes in government spending priorities

Supply Risks: - Entry of new producers with significant capacity - Technological improvements that reduce production costs - Vertical integration of end users - Limited availability of ultra-high purity nickel

9.6.2 Market Opportunities

New Applications:

- **Quantum Computing:** Shielding Superconducting Qubits
- **Nuclear Medicine:** Shielding for radiotherapy equipment
- **Space Exploration:** Missions to Mars and the Moon
- **6G Technology:** Next-Generation Infrastructure

Geographical Expansion:

- **Asia-Pacific:** Growth in space programs

- **Europe:** Aggressive green hydrogen policies
- **North America:** Defense Modernization
- **Emerging Markets:** Industrialization and electrification

9.7 Market Analysis Conclusions

9.7.1 Favorable outlook

Comprehensive market analysis confirms a highly favorable scenario for **ultra-high purity nickel wire**, both in the short and long term. This optimism is based on **solid structural growth**, driven by global megatrends such as the **energy transition**, **military and aerospace modernization**, the **electrification of transportation**, and the advancement of **digital infrastructure and IoT**. These sectors show a sustained expansion that is not cyclical, but linked to profound transformations in the world economy and technology.

Along with this growing demand, there is a **persistent shortage of supply** due to **technical, capital and certification barriers**. The difficulty in increasing production capacity – especially with the required quality levels – generates a restricted market structure, where few producers are able to meet the required standards. This imbalance allows for **the sustainability of premium prices**, justified by the critical nature of the applications and the impossibility of easily replacing the material without compromising performance or safety.

Another key element is the **sectoral diversification** of demand. Unlike other specialized materials whose use depends on a single segment, 25-micron nickel wire is applied in **defense, aerospace, energy, hydrogen, advanced electronics, and more**, significantly reducing the risk of concentration and improving the resilience of its value over time.

9.7.2 ALKN's Strategic Positioning

In this context, **ALKN's underlying asset** is strategically placed to **capture the value derived from these structural trends**. Superior **technical specifications** – 25 microns in diameter and a purity equal to or greater than 99.99% – place it among the most technically sophisticated materials available on the market, suitable for applications that require minimum tolerances and stable properties in extreme environments.

The **immediate availability of inventory**, with **7 million linear meters ready for delivery**, represents a significant advantage in a market with limited supply and long production times. This condition not only allows industrial demands to be met quickly, but also positions the instrument as a liquid asset within its category.

The **inventory's location in Switzerland**, a country with strong political neutrality, legal certainty and smooth access to international markets, provides a strategic geographic platform for global distribution. Finally, the technical support is consolidated with **verification by independent laboratories**, which provides additional credibility in terms of quality and traceability of the asset.

In sum, the combination **of strong market fundamentals**, **superior competitive positioning** and **alignment**

with long-term megatrends establishes a clear basis for the **appreciation of the value of the ALKN asset**, and reinforces its attractiveness as an investment vehicle anchored in a fully strategic material

10. ADVANCED LEGAL AND REGULATORY FRAMEWORK

The legal and regulatory framework for ALKN issuance spans multiple jurisdictions and areas of law, including digital asset regulation, corporate law, financial regulation, and specific regulations for assets backed by physical commodities. This detailed analysis provides the basis for confirming the comprehensive regulatory compliance of the proposed structure.

10.1 Regulatory Framework in El Salvador

10.1.1 Digital Asset Issuance Act (LEAD)

The LEAD constitutes the main regulatory framework for the issuance of ALKN in El Salvador, establishing the legal basis for the issuance, marketing, and supervision of digital assets:

Specific Applicable Items:

Article 4

-Definitions:

- **Digital Asset:** ALKN qualifies as a digital asset under the legal definition

- **Issuer:** Alkemya Metacore SCSp. meets issuer requirements

Underlying Asset: Nickel wire qualifies as a physical underlying asset

Article 7

- Register of Issuers:

- Compliance with the CNAD registration obligation

- Apostilled corporate documentation submitted

- Appropriate legal representation established

Article 12

- Relevant Information Document (DIR): - Complete DIR submitted with all material information - Technical certifications of the asset included - Financial projections and detailed risk analysis

Article 36 – Tax Regime: The ALKN issue benefits from the tax regime established in Article 36:

Paragraph b) - Exempt Activities: "Capital gains obtained from the sale of digital assets issued by issuers registered with the National Digital Assets Commission"

Applicability to ALKN: - ALKN tokens qualify as digital assets issued by registered issuer - Capital gains from appreciation are exempt from income tax - The exemption applies to both resident and non-resident investors

Paragraph c) - Exchange Operations: "Digital asset exchange operations carried out through authorized digital asset service providers"

Applicability: - Trading ALKN on Bitfinex Securities is exempt - Transfers between investors are exempt - Conversions to other cryptocurrencies are exempt

10.2 Regulation of the National Digital Asset Commission (CNAD)

10.2.1 Issuer and Issuance Registration Regulations (RREEPP) Chapter III - Issues Backed by Physical Assets:

Article 25 - Specific Requirements:

- **Asset Certification:** Independent verification by accredited laboratories ✓

- **Independent Valuation:** Report by ASACERT UK Ltd ✓

- **Proper Custody:** Facilities in Lugano, Switzerland ✓

- **Comprehensive Insurance:** Comprehensive coverage ✓

Article 28 - Reporting Obligations:

- **Quarterly Reports:** Asset Status and Operations

- **Annual Audits:** Independent Asset Verification

- **Communication of Material Events:** Immediate notification of significant changes

10.3 Legal Framework in Luxembourg

10.3.1 Luxembourg Companies Act

Alkemya Metacore SCSp has been incorporated as a special limited partnership (SCSp) under the laws of the Grand Duchy of Luxembourg. This structure is recognized for its flexibility and tax transparency. For tax purposes in Luxembourg, the SCSp is treated as a transparent entity, which means that it is not subject to corporate income tax (CIT) or net wealth tax (NWT). Income and losses are directly attributed to the partners.

However, the company could be subject to municipal business tax (MBT) if it is considered to be conducting a business activity. Since the company is expected to engage in passive holding activities, it is not anticipated to be subject to this tax. Distributions from the company to its partners are not subject to withholding tax in Luxembourg.

It is important to highlight the implementation of the Anti-Tax Evasion Directive 2 (ATAD 2) in Luxembourg legislation. This directive seeks to neutralise hybrid mismatches in cross-border transactions. Depending on how foreign investors treat the SCSp fiscally in their jurisdictions, ATAD 2 rules could be triggered, which could have tax implications for the structure.

10.3.2 Financial Regulation

Commission de Surveillance du Secteur Financier (CSSF): Although ALKEMY LUXEMBOURG does not require a CSSF license for its specific activities, it maintains compliance with applicable regulations:

AML/CFT Law: Compliance with the Law of November 12, 2004

Beneficial Ownership Registry: Compliance with EU directives

Suspicious Transaction Reporting: Established Procedures

10.4 Tax Treatment in El Salvador

Income Tax:

- **Issuer:** ALKEMY LUXEMBOURG is not a taxpayer in El Salvador

- **Resident Investors:** Capital gains exempt under Article 36 LEAD

- **Non-Resident Investors:** Applicable Exemption

VAT/Transfer Tax:

- **Token Issuance:** Not subject to VAT

- **Secondary Trading:** Exempt under the digital asset regime

- **Related Services:** Case-by-Case Analysis

10.5 AML/CFT Compliance

The issuer and all parties involved in the ALKN token offering are committed to complying with Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) regulations. Detailed verification of the identity of investors and the origin of funds will be required. The issuer reserves the right to request additional information to comply with these obligations and to reject investors who do not provide the required documentation or who are considered to be high risk.

Investors consent to the disclosure of their information to government agencies and regulatory bodies upon request as part of AML/CFT-related investigations.

10.6 Considerations for International Investors

The ALKN token offering is not directed at individuals or entities in jurisdictions where such offering is illegal. In particular, the tokens have not been and will not be registered under the U.S. Securities Act of 1933, and may not be offered or sold in the United States or to U.S. Persons.

For investors in the European Economic Area (EEA), the offering is made under the exemption of the obligation to publish a prospectus under the EU Prospectus Regulation, as the tokens are offered only to qualified investors. The tokens are not intended to be offered to retail investors in the EEA.

All potential investors are advised to consult with their own legal and tax advisors to understand the implications of investing in ALKN tokens in their particular jurisdiction.

10.7 Investor Protection and Dispute Resolution

10.7.1 Protection Mechanisms

Structural Protections:

- **Asset Segregation:** Underlying asset separate from issuer assets

- **Independent Custody:** Independent custodian for the physical asset

- **Insurance:** Comprehensive coverage against risks

- **Audits:** Regular independent verifications

Investor Rights:

- **Information:** Right to regular information about the asset

- **Inspection:** Right to inspect the asset (subject to procedures)

- **Transferability: Right** to transfer tokens freely

- **Liquidation:** Rights in the event of liquidation of the structure

10.7.2 Dispute Resolution

Jurisdiction and Applicable Law:

- **Primary Jurisdiction:** Courts of El Salvador

- **Applicable Law:** Salvadoran Law for Digital Asset Aspects -

Arbitration: International Arbitration Option for Commercial Disputes

Resolution Procedures: -

Mediation: Mediation procedures as a first step

- **Arbitration:** Chamber of Commerce Arbitration Center - **Litigation:** Competent Courts of Last Resort

10.8 Ongoing Regulatory Compliance

10.8.1 Reporting Obligations

Reports to CNAD:

- **Quarterly:** Financial and operational status

- **Annual:** Independent audit of the asset

- **Material Events:** Immediate communication of significant changes

- **Compliance:** Regulatory Compliance Report

Tax Reports:

- **El Salvador:** Returns according to fiscal calendar

- **Luxembourg:** Annual accounts and tax returns

- **FATCA/CRS:** Information Exchange Reports

10.8.2 Monitoring Regulatory Changes

Monitoring System: - **Subscriptions:** Regulatory Update Services - **Legal Advice:** Specialized Advisors in each Jurisdiction - **Participation:** Participation in Public Consultations - **Implementation:** Procedures to implement changes

ALKN's legal and regulatory structure has been designed to meet the highest standards of compliance in all relevant jurisdictions, providing legal certainty for both the issuer and investors.

11. REASONED TECHNICAL OPINION AND CONCLUSION

Based on the exhaustive analysis carried out by Digital Assets Solutions, S.A. de C.V., which has covered all the material aspects of the ALKN issuance, including the technical evaluation of the underlying asset, the financial structure, the regulatory framework, the associated risks, and the market outlook, we proceed to formulate the reasoned technical opinion and the final conclusion on the certification of this issuance.

11.1 Comprehensive Emission Evaluation

11.1.1 Identified Fundamental Strengths

Underlying Asset of Exceptional Value: The ALKN issuance is backed by a physical asset with exceptional technical characteristics that fully justify its premium valuation. The 7.0 million linear meters of ultra-high purity nickel wire (99.99+%) with a diameter of 25 microns represent an asset of unique technical specialization, verified by multiple independent laboratories of recognized international prestige.

The asset's specific technical advantages, including a surface area-to-volume ratio 4 times higher than standard wire, 94% reduced weight, and properties

Its superior electromagnetic capabilities position this asset as critical for applications in high-tech sectors with projected structural growth.

Conservative Valuation and Robust Safety Margin: The independent valuation of EUR 1.4 billion carried out by ASACERT UK Ltd, using multiple methodologies and verified by independent technical certifications, provides a solid basis for the structuring of the issuance. The 75% (USD 600 million) margin of safety on the issue amount offers significant protection against market volatility.

Institutional Technology Structure: Utilizing Hadron by Tether and Liquid Network provides institutional-grade technology infrastructure, with features specifically designed for digital assets backed by physical assets. The built-in security, scalability, and regulatory compliance of this platform ensure professional broadcast operation.

Robust Regulatory Framework: The structure is fully compliant with El Salvador's Digital Asset Issuance Law (LEAD) and CNAD regulations, benefiting from the favorable tax regime established in Article 36. Cross-border compliance with Luxembourg regulations and international standards provides comprehensive legal certainty.

11.1.2 Favorable Market Outlook

Structural Demand Growth: Market analysis reveals fundamentally favorable prospects for ultra-high-purity nickel wire, driven by long-term megatrends:

Energy Transition: Projected growth of 15-20% per year in green hydrogen applications

Military Modernization: Continued Expansion in Defense and Aerospace Programs

Electrification: Growth in electromagnetic shielding requirements

Emerging Technologies: New Applications in Quantum Computing and Advanced Technologies

Relative Supply Shortage: Technical and capital barriers to the production of 25-micron nickel wire significantly limit supply, while the

demand shows accelerated growth. This favorable supply and demand dynamic underpins asset appreciation projections.

11.1.3 Comprehensive Risk Management

Comprehensive Identification: The analysis has comprehensively identified all material risks associated with the issuance, including market, operational, technological, regulatory, and liquidity risks. This comprehensive identification allows for proactive risk management.

Effective Mitigation Measures: For each identified risk category, specific mitigation measures have been implemented that significantly reduce the probability of occurrence or potential impact. Measures include comprehensive insurance, advanced security protocols, application diversification, and continuous monitoring.

Transparency and Communication: The issuer's commitment to transparency and regular communication provides appropriate mechanisms for investors to maintain visibility on the asset's status and evolving risks.

11.2 Considerations and Limitations

11.2.1 Specialized Nature of the Asset

The technical specialization of the underlying asset, while constituting a competitive advantage, also presents specific considerations:

Limited Market: The market for 25-micron nickel wire is relatively small compared to major commodities

Marketing Complexity: Direct marketing requires specialized technical knowledge

Sector Dependence: Although diversified, the asset depends on specific high-tech sectors

11.2.2 Risks inherent in commodities

As an asset backed by a physical commodity, ALKN is subject to risks inherent in this asset class:

Price Volatility: Commodity prices are subject to fluctuations based on supply and demand factors

Geopolitical Risks: Geopolitical Factors Can Affect International Trade in Metals

Technological Changes: Technological developments could affect the demand for specific applications

11.2.3 Liquidity Considerations

The liquidity of ALKN tokens on the secondary market will depend on factors such as:

Trading Activity: Level of Participation in Bitfinex Securities El Salvador

Investor Education: Understanding the Value of the Underlying Asset

Market Making: Effectiveness of Market Creation Programs

11.3 Appropriate Investor Profile

11.3.1 Characteristics of the Target Investor

The ALKN issue is suitable for investors with the following characteristics:

Institutional Investors:

- Investment funds with a mandate in specialized commodities
- Family offices with an interest in alternative diversification
- Corporations with exposure to nickel application sectors

Qualified Investors:

- High-net-worth individuals with experience in alternative assets
- Investors with an understanding of commodity markets
- Investors with moderate to high risk tolerance

Risk Profile and Investment Horizon:

- **Risk Tolerance:** Moderate to high
- **Investment Horizon:** Medium to long term (3-7 years)
- **Understanding:** Knowledge of commodity and digital asset risks
- **Diversification:** As part of a diversified portfolio

11.3.2 Unsuitable Investors

The ALKN emission is NOT suitable for:

Investors with low risk tolerance

Investors who require immediate liquidity

Investors with no understanding of commodity markets

Investors looking for guaranteed regular income

Investors without the financial capacity to absorb potential losses

11.4 Specific Recommendations

11.4.1 For the Issuer

Operational Management: - Maintain strict custody and security protocols of the physical asset - Implement a robust risk monitoring and proactive communication system - Develop strategic relationships with end users of the asset - Explore partial marketing opportunities to optimize value

Regulatory Compliance: - Maintain strict compliance with all regulatory obligations - Monitor changes in regulatory frameworks and adapt procedures as necessary - Strengthen AML/CFT procedures and maintain regular updates

11.4.2 For Potential Investors

Due Diligence: - Conduct independent analysis of the nickel market outlook - Evaluate the issuance in the context of investment objectives and risk tolerance - Consider the issuance as part of a portfolio diversification strategy - Consult with professional advisors specialized in commodities

Risk Management: - Limit exposure to ALKN according to individual risk tolerance - Regularly monitor the information provided by the issuer - Maintain a long-term perspective consistent with the nature of the asset

11.4.3 For Regulators

Continuous Monitoring:

- Maintain appropriate oversight of the issuer's compliance with obligations

- Monitor the development of the secondary market and liquidity of the tokens

- Evaluate the effectiveness of investor protection measures implemented

11.5 Final Conclusion and Certification Opinion

After a thorough analysis of the submitted documentation, the structure of the issuance, the underlying asset and the applicable legal and regulatory frameworks, Digital Assets Solutions, S.A. de C.V. issues the following reasoned technical opinion on the issuance of ALKN tokens by Alkemya Metacore SCSp.

11.5.1 Fundamentals of Favorable Certification

The decision to grant a favorable certification to the issuance of ALKN tokens is based on the following key points:

1 Quality and Value of the Underlying Asset: The asset supporting the issuance, an inventory of 7 million linear meters of high-purity (99.99%) nickel wire and 0.025 mm in diameter, is of exceptional quality and possesses significant intrinsic value, estimated at USD 1.6 billion. This value provides tangible and

substantial support to the issued tokens, with an intrinsic value per token ($2.05) more than doubling the issue price ($1.00).

2 Scientific Validation and Market Potential: The asset has been validated by internationally renowned laboratories, confirming its unique properties and suitability for high-growth industrial applications, such as green hydrogen production, EMI shielding and aerospace technology. The go-to-market plan, through subsidiary GTX and in collaboration with strategic partners such as BOPP Switzerland, presents a clear path for revenue generation and value creation.

3 Sound Legal and Technological Structure: The issuance is structured through a special limited partnership (SCSp) in Luxembourg, a recognized and flexible investment vehicle. The tokenization of LP Interests on the Liquid Network, a Bitcoin sidechain, through the Hadron by Tether platform, provides a secure, transparent, and efficient technological framework for the issuance and transfer of the tokens.

4 Regulatory Compliance and Transparency: The issuer has demonstrated a commitment to compliance with applicable regulations in both Luxembourg and El Salvador. The filing of the Relevant Information Document (RID) and the registration of the issue with the CNAD are signs of transparency and the effort to provide investors with all the information necessary to make an informed decision.

11.5.2 Considerations and Recommendations

While the issuance has significant strengths, it is important for investors to consider the inherent risks, primarily the volatility of the commodity market and the operational risks associated with trading the asset. The mitigation measures proposed by the issuer, such as safe custody of the asset and diversification of applications, are adequate to manage these risks. Potential investors are advised to read the Relevant Information Document (RID) carefully and evaluate the investment based on their own risk profile, investment horizon, and knowledge of the digital asset and commodity markets.

11.5.3 Conclusion In conclusion, Digital Assets Solutions, S.A. de C.V. considers the issuance of ALKN tokens by Alkemya Metacore SCSp to be an innovative and well-structured investment opportunity, offering investors unique exposure to a high-value industrial asset with significant growth potential. The combination of a superior quality physical asset, a solid marketing strategy and a robust legal and technological framework justifies this favourable certification.

Digital Assets Solutions, S.A. de C.V. (CERT-0004)César Augusto Castillo

Legal Representative

Digital Assets Solutions, S.A. de C.V.

Authorized Certifier CERT-0004

National Digital Assets Commission

This report has been prepared in accordance with the highest professional and regulatory standards, providing an independent and objective assessment of the ALKN issuance for the benefit of investors, regulators, and the market at large.