INSTITUTIONAL MEMORANDUM AND ORIGINATION REPORT

Kamino Institutional Commodity Yield

An onchain USDC vault providing exposure to income from short-duration commodity trade finance through an offchain lending structure.

REPORTING PERIOD
3 August to 3 November 2026

DATA CUT-OFF
3 November 2026

PUBLICATION DATE
3 November 2026

Executive summary

Kamino Institutional Commodity Yield gives USDC depositors access to income from short-duration loans that finance physical commodity purchases and sales. The strategy targets a 7-8% annualized return from contractual loan interest. Each allocation is tied to a defined transaction, with the trade, borrower, buyer, repayment source, collateral and execution controls assessed before capital is released.

Depositors access the strategy by depositing USDC into an onchain vault. Kamino accepts deposits, manages vault liquidity and processes redemptions. Eligible capital moves through the Institutional Yield SPV to an offchain lending structure, where the lending operation originates and manages the underlying Commodity Loans.

AUM

$48.00M

3 November 2026

Inaugural period and current portfolio

The vault opened on 3 August 2026. Over its first three months, AUM grew from $1.92 million to $48.00 million. The strategy generated a 1.90% net return through 3 November, with estimated annualized return at 8.14%.

The active portfolio comprises a $30.00 million loan financing copper transactions and an $18.00 million loan financing gold and copper transactions. The financing capital remains in controlled accounts at tier-one banks, confirming to suppliers that the capital exists and allowing them to ship while minimizing depositors' direct commodity-price exposure.

TARGET RETURN

7-8%

Annualized

Upcoming originations

Copper opportunity: $45.30 million. The additional allocation completes a $75.30 million round across three signed supplier programmes.

Gold and refined-fuels opportunity: $70.00 million. The allocation includes $20.00 million to expand the active gold programme and $50.00 million for an upcoming refined-fuels transaction. Together, the two opportunities provide $115.30 million of additional capacity. Depositors participate by depositing USDC directly into the vault. Allocation details begin on page 5.

ACTIVE LOAN PRINCIPAL

$48.00M

Across two active loans

Interested in allocating? Deposit USDC directly into the Kamino Institutional Commodity Yield vault. For more information on upcoming originations, contact institutions@kamino.com.

Performance and capital activity

Vault return

PERIOD	NET RETURN
3 to 31 August 2026	**0.60%**
September 2026	**0.62%**
October 2026	**0.63%**
1 to 3 November 2026	**0.03%**
Since launch	**1.90%**

Capital activity

MEASURE	PERIOD TOTAL
Gross subscriptions	**$103.06M**
Gross completed redemptions	**$57.97M**
Transaction-derived net flows	**$45.10M**
Interest generated	**$729,575**

AUM $48.00M



NAV $1.02013



Performance presentation

AUM growth and scale.
AUM grew from $1.92 million to $48.00 million, with deposits currently funding two commodity loans.

Annualized indicators.
Estimated annualized return was 8.14% and the trailing 30-day annualized return was 8.02%, closely tracking the strategy's target range.

Fees.
No management or performance fees are charged at present. Changes to this will be made public in advance.

Drawdown

0%

Maximum drawdown was 0.00% across 93 daily NAV observations from 3 August through 3 November 2026. No observation fell below the preceding high-water mark.

Portfolio summary and active loans

ACTIVE PRINCIPAL

$48.00M

Across two active loans

QUALIFYING COLLATERAL

$48.63M

Against $48.00 million of active principal

PRINCIPAL-WEIGHTED COVERAGE

101.32%

Lowest loan-level coverage 100.00%

ACTIVE LOANS

2

$0 in loan losses

CY-01 accounted for 62.5% of active principal and CY-02 accounted for 37.5%.

Active loan book

LOAN	ORIGINATION	PRINCIPAL	QUALIFYING COLLATERAL	CURRENT COVERAGE	STATUS
CY-01	3 Sep 2026	**$30.00M**	**$30.63M**	**102.11%**	In good standing
CY-02	3 Oct 2026	**$18.00M**	**$18.00M**	**100.00%**	In good standing

What the two loans finance

CY-01 · Core copper

$30.00M principal

The loan finances recurring physical copper purchases and sales across three signed supplier programmes. Initial transactions are underway. The programme can absorb a further $45.30 million, taking one full contracted round to $75.30 million.

CY-02 · Diversified commodities

$18.00M principal

The loan allocates $10.00 million to gold financing and $8.00 million to copper financing. The two transactions are held in separate legal compartments, and each allocation can be drawn as its transaction completes closing.

How does 100% coverage work?

Coverage is qualifying collateral divided by outstanding principal. At 100% coverage, every $1.00 of principal is matched at minimum by $1.00 of cash in a controlled account at a tier-one bank. The supplier sees that the financing capital exists and ships the commodity while the money remains untouched.

Cash coverage at inception

The full financing amount remains in the controlled account while the commodity is shipped and inspected multiple times.

Coverage increases

The buyer pays into the controlled account before the supplier is paid. The additional cash takes coverage above 100% before settlement.

Commodity fallback

If the buyer fails to pay, the financing capital buys the commodity below market value. The goods are held in a bonded warehouse, with alternative buyers typically already identified, limiting resale risk.

Counterparty identities and commercially sensitive contract terms are omitted.

Upcoming allocation opportunities

Two upcoming originations provide $115.30 million of additional allocation capacity across the copper, gold and refined-fuels programmes. $45.30 million expands the active copper programme to one full contracted round. $70.00 million expands the gold allocation and provides capacity for the refined-fuels transaction.

ADDITIONAL ALLOCATION CAPACITY

$115.30M

$45.30M to expand the contracted copper programme.

$70.00M across gold and refined fuels within the diversified programme.

Capital allocation

	CURRENT ALLOCATION	ADDITIONAL CAPACITY	
Core copper	$30.00M	$45.30M	One full round across three signed supplier programmes. Fully allocated programme size: $75.30 million.
Diversified commodities	$18.00M	$70.00M	$20.00 million expands gold and $50.00 million provides capacity for refined fuels. Fully allocated programme size: $88.00 million.
Total	$48.00M	$115.30M	**$163.30 million** fully allocated across the two programmes.

How depositors participate

DEPOSITOR ACTION

Depositors access these originations by depositing USDC into Kamino Institutional Commodity Yield. Kamino manages vault liquidity and processes redemptions. As each transaction closes, eligible capital is allocated through the Institutional Yield SPV.

Interested in allocating? Deposit USDC directly into the Kamino Institutional Commodity Yield vault. For more information on upcoming originations, contact institutions@kamino.com.

Opportunity #1 - Core copper programme

ACTIVE LOAN · $30.00M DRAWN · THREE SIGNED SUPPLIER PROGRAMMES

The programme is currently funded with a $30.00 million draw across three signed supplier programmes. An additional $45.30 million expands the programme to a fully allocated $75.30 million round at the contracted consignment sizes.

ADDITIONAL ALLOCATION CAPACITY

$45.30M

$30.00M current draw

$75.30M fully allocated programme size

Allocation capacity by supplier programme

The current $30.00 million allocation supports initial copper purchases across three signed supplier programmes. At full size, each programme can finance one physical purchase and onward sale at a time. The additional $45.30 million completes the allocation from the current draw to the $75.30 million full-round programme size.

SUPPLIER PROGRAMME	FULL TRANSACTION SIZE	ALLOCATION AT FULL SIZE	EXPECTED DURATION
01	1,500 tonnes per transaction	**$19.60M**	**39 days**
02	1,500 tonnes per transaction	**$17.80M**	**54 days**
03	3,000 tonnes per transaction	**$37.80M**	**44 days**

Expected duration runs from transaction funding to buyer payment. The three programmes progress independently, and capital is reused after each completed transaction.

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Opportunity #2 - Gold, copper and refined fuels

FUNDED GOLD AND COPPER COMPARTMENTS · UPCOMING REFINED-FUELS TRANSACTION

This opportunity provides $70.00 million of additional allocation capacity across gold and refined fuels: $20.00 million to expand the funded gold compartment and $50.00 million for an upcoming refined-fuels transaction. The $8.00 million copper compartment is fully allocated.

ADDITIONAL ALLOCATION CAPACITY

$70.00M

$20.00M gold compartment upsize

$50.00M upcoming refined-fuels transaction

TRANSACTION	CURRENT ALLOCATION	ADDITIONAL CAPACITY	FULLY ALLOCATED SIZE
Gold	**$10.00M**	**$20.00M**	**$30.00M**
Copper	**$8.00M**	**$0**	**$8.00M**
Refined fuels	**$0**	**$50.00M**	**$50.00M**
Total	**$18.00M**	**$70.00M**	**$88.00M**

What each allocation funds

Gold · $20.00M expansion capacity
The additional allocation increases the existing compartment from $10.00 million to $30.00 million. The facility supports repeated physical purchases and sales, with individual cycles typically completing within the same day to five business days.

Copper · Fully allocated
The $8.00 million copper transaction is fully allocated and supports an initial trade of approximately 500 tonnes under a matched purchase and onward sale.

Refined fuels · $50.00M allocation opportunity
The allocation finances one cargo at a time, with capital available for redeployment after collection. Allocation is targeted by 30 November. The agreed structure includes independent custody, payment before release, a bank letter of credit and a supplier repurchase arrangement.

Each transaction uses a dedicated compartment within a securitisation vehicle. Assets and liabilities are segregated by compartment.

Interested in allocating? Deposit USDC directly into the Kamino Institutional Commodity Yield vault. For more information on upcoming originations, contact institutions@kamino.com.

Liquidity and redemptions

Redemptions settle first from available vault liquidity. Any amount beyond that liquidity enters the onchain FIFO queue and settles as capital returns from the loan book or new liquidity enters the vault.

Liquidity buffer

5-10%

Target liquidity range. Kamino manages available liquidity toward a 5-10% range, with a 10% target, to support redemptions without waiting for active loans to repay.

More than 99% of redemptions process instantly. Median time to full settlement for a queued redemption is less than 24 hours.

Completed redemption activity

Completed transactions	**3,149**	Gross redeemed	**$57.97M**
Average redemption	**$18,407**	90th percentile	**$20,241**
Largest redemption	**$5.04M**	Processed instantly	**Over 99%**

Settlement sequence

01	**Available liquidity**	A request within available vault liquidity can settle through the vault interface.
02	**FIFO queue**	Any balance beyond available liquidity enters the onchain queue in submission order.
03	**Loan proceeds**	Principal and income returning from active loans can be used to process queued requests.
04	**Subsequent deployment**	After liquidity needs are covered, remaining capital can move into the next eligible origination.

Market opportunity and strategy

Why the opportunity exists

Physical commodity trades create a recurring funding gap. Suppliers require payment before goods are released, while buyers typically pay after delivery, inspection and acceptance. The period between those events requires short-duration working capital.

Global demand for trade finance continues to exceed available funding. Under Basel III, certain commodity-finance exposures carry higher regulatory capital requirements, raising the balance-sheet cost of providing this credit. This constrains the volume banks can supply even where financing demand and lending appetite remain strong. Private capital can provide additional capacity for transactions that meet the strategy's underwriting standards.

GLOBAL TRADE-FINANCE GAP

$2.5T

Asian Development Bank estimate for 2025

EXPECTED DEMAND GROWTH

80%

Share of surveyed banks expecting demand to rise

The strategy

Back-to-back contracts.
The purchase and onward sale are agreed at fixed prices before funds are deployed.

Verification before release.
Independent inspection providers verify shipment quality and quantity. Funds are released after the required invoices, transport documents and other transaction documents are complete.

Contractual financing income.
Returns come from an agreed financing charge for making controlled payment capacity available to matched trades. The mandate excludes speculative inventory, unsecured prepayments and material unhedged commodity-price exposure.

Collateral and downside protection

Controlled cash at inception. Current cash-backed programmes begin with capital in a controlled account, providing at least 1.0x documented coverage.

Buyer payment before supplier payment. Buyer proceeds enter the controlled account before supplier payment, keeping the transaction covered through the payment cycle.

Coverage strengthens through the cycle. Retained cash and receivables increase the collateral buffer. The trader can withdraw surplus only after the agreed coverage threshold is reached.

Physical collateral route. If a buyer does not perform, inspected goods become collateral and are valued at the lower of spot or contracted resale price. Cargo insurance and alternative buyers support recovery.

Transparency and oversight

Per-loan reporting. Principal, collateral type, contractual coverage and expected duration are shown in the vault interface.

Counterparty verification. Trade counterparties complete AML/KYC, beneficial-owner, source-of-funds and source-of-wealth checks before approval.

Offchain asset separation. The cash, receivables and physical commodities supporting the transactions remain in offchain accounts and custody arrangements, outside the vault smart contracts.

Monthly independent attestation. An independent accounting firm verifies principal outstanding and collateral coverage.

Sources: Asian Development Bank, Global Trade Finance Gap Survey and January 2026 survey release; Basel Committee on Banking Supervision, Basel III final reforms.

Legal and operating structure

PARTY	ROLE
Kamino	Provides the onchain vault, accepts deposits, manages vault liquidity and processes redemptions.
Institutional Yield SPV	Receives capital from the vault and allocates it under the governing agreements.
Offchain lending structure	Structure through which the lending operation is implemented.
Transaction compartments	Segregated compartments within a securitisation vehicle can hold dedicated assets and liabilities for diversified commodity transactions.
Lending operation	Sources, underwrites, originates, services and manages Commodity Loans, including transaction-specific collateral and enforcement.
Depositor	Deposits USDC and receives vault shares. The depositor's claim is against the SPV's available assets under the loan agreement.

Capital flow

Depositor Deposits USDC and receives vault shares.	→	**Institutional Yield SPV** Receives capital from the vault.	→	**Offchain lending structure** Allocates capital to approved loans and transaction compartments.	→	**Trader and buyer** Trade settlement returns principal and income through controlled accounts.

Typical transaction lifecycle

01	**Underwriting**	The lending operation approves the counterparties, contracts, economics, route, security package and operating parties. Trade counterparties complete AML/KYC and beneficial-owner and source-of-funds checks.
02	**Controlled account**	Financing capital enters a controlled account and demonstrates the capacity to pay the supplier when the documented conditions are met.
03	**Delivery and inspection**	The commodity is delivered and an independent inspection provider confirms quantity and quality. Cargo insurance applies subject to policy terms.
04	**Buyer payment**	For the current cash-backed programmes, buyer proceeds enter the controlled account before the supplier is paid, maintaining documented coverage of at least 1.0x.
05	**Settlement and reuse**	The supplier is paid from controlled funds. Principal and income return through the structure, retained surplus strengthens the collateral buffer, and eligible capital can support the next transaction.

> **Limited recourse**
> Depositor capital is advanced to the Institutional Yield SPV through an unsecured loan. Depositors do not hold a direct security interest in collateral supporting the underlying Commodity Loans. Their recourse is limited to the SPV's available assets under the governing agreement.

Material risks

The strategy combines offchain credit, physical trade, legal enforcement, stablecoin and smart-contract exposure. The controls below are transaction-specific and do not eliminate the possibility of loss.

RISK	EXPOSURE	APPLICABLE CONTROL	RESIDUAL RISK
Structural and limited recourse	Depositors have no direct claim over collateral supporting the underlying Commodity Loans.	Governing agreements define the SPV's obligations and cash flows.	Recovery is limited to available SPV assets.
Borrower and buyer performance	Trader or end-buyer failure can delay repayment or cause loss.	Underwriting, contracted sales, controlled receivables and performance protection where applicable.	Counterparties may still default or dispute obligations.
Collateral, title and valuation	Documentation, ownership, control or valuation may be defective.	Escrow, inspection, title retention and security over goods where applicable.	Collateral value and enforceability may decline or be contested.
Shipping and insurance	Cargo may be delayed, damaged, stolen or affected by sanctions or conflict.	Inspection and cargo insurance subject to the approved transaction terms.	Exclusions, limits and claims performance can reduce recovery.
Liquidity and maturity	Active loans cannot be recalled on demand. Redemptions can exceed available liquidity.	FIFO queue and assessment of liquidity before subsequent deployment.	Settlement depends on loan repayment or new liquidity.
Operations and enforcement	Errors in underwriting, documentation, monitoring, settlement or recovery may cause loss.	Defined operating parties, controlled accounts and transaction documentation.	Cross-border enforcement may be slow, costly or uncertain.
USDC and onchain systems	USDC, issuer, transfer, smart-contract, oracle, network and wallet risks can affect access, transfers or redemptions.	Underlying cash, receivables and physical collateral remain in offchain accounts and custody arrangements, outside the vault smart contracts.	Onchain, issuer and operational risks remain and can delay or impair access.
Regulatory and legal change	Changes affecting the offchain lending structure, SPV, vault, stablecoins or counterparties may restrict activity.	Legal structuring and ongoing compliance by the relevant parties.	Rules and interpretations can change across jurisdictions.

This summary should be read with the full Kamino Institutional Yield risk disclosure and the vault's governing agreements.

Important information

This document is provided for informational purposes only. It does not constitute an offer to sell, a solicitation to buy, or a recommendation concerning any security, token, digital asset or financial instrument. It is not financial, legal, tax, accounting or regulatory advice.

Participation involves substantial risk, including possible partial or total loss of deposited capital. Historical performance, current annualized indicators and target returns do not guarantee future results. Returns and NAV may rise or fall.

The origination information reflects funded positions, contracted programmes and the upcoming transactions described in this document as of 3 November 2026. Planned allocation amounts and expected transaction dates depend on documentation, closing, delivery, payment, transaction performance and continuing access to capital.

Depositor capital is provided to the Institutional Yield SPV under the applicable loan agreement. Depositors do not hold a direct security interest in collateral supporting the underlying Commodity Loans. Recourse is limited to the SPV's available assets under that agreement.

Kamino's onchain protocol, the Institutional Yield SPV and the vault are not licensed, approved or supervised as regulated financial services or products by any regulatory authority.

Deposits are not bank deposits and are not protected by a deposit insurance scheme. Redemptions within available liquidity may settle immediately. Larger redemptions can enter an onchain FIFO queue and depend on loan repayments or new liquidity.

Commodity finance carries borrower, buyer, documentary, title, collateral, valuation, shipping, insurance, sanctions, settlement, legal and enforcement risk. Digital-asset participation adds USDC, smart-contract, oracle, network, wallet and operational risk.

This document may be shared only in complete and unmodified form. The governing agreements and full Kamino Institutional Yield risk disclosure take precedence over this summary.

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Kamino Institutional Commodity Yield
institutions@kamino.com

INDEPENDENT INSPECTION

Annex

Public redacted Andersen (Mauritius) Ltd letter

Issued 19 October 2026
Figures referenced as of 30 September 2026

ANDERSEN

[redacted]

Andersen (Mauritius) Ltd
Level 4
Alexander House
35 Cybercity
Ebene 72201
Republic of Mauritius

19 October 2026

Re: Collateral Deposits, Loan Balances and Loan-to-Value Ratio as of 30 September 2026

To the Directors of [redacted]

At the request of [redacted] Andersen (Mauritius) Ltd (referred herein as "we" or "us") have inspected the relevant documentation pertaining to [redacted] as at 30 September 2026 and set out below the findings as reported to us by [redacted] "the Fund Administrator". All values are expressed in US Dollars.

As at 30 September 2026, [redacted] held the following:

i) Loan receivables of USD 30,000,000
ii) Total collateral deposit of USD 30,633,639

Loan-to-Value (LTV) ratio: 97.93%

This report has been prepared for the information of [redacted] and does not constitute an audit, review, or any form of assurance engagement. The loan receivables and collateral deposit figures have been reported to us by [redacted]

Neither [redacted] any of its segregated portfolios, [redacted] nor any other [redacted] entity makes any representation as to this letter or accepts any liability to any person who receives it.

We accept no liability or responsibility for any use, interpretation, or reliance placed upon this letter by any party other than our client.

Yours faithfully,

Andersen (Mauritius) Ltd

For and on behalf of Andersen (Mauritius) Ltd

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