Kamino

(KMNO)

Tokenholder Report

Q1 2026

Blockworks Advisory

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Executive Summary

Kamino is the leading lending protocol on Solana and a clear beneficiary of DeFi's next phase. What began as a lending product has evolved into a broader asset scaling platform, with RWA activity in Q1 2026 providing early proof of that shift.

The defining development of Q1 was the growth of RWA markets on the platform. **RWA deposits more than doubled from $570.7M to $1.23B, and RWA markets contributed 28.7% of protocol revenue**, up from 5.9% in Q4 2025. **By March, RWA markets were generating 40.2% of monthly protocol revenue.** Crucially, this growth occurred while crypto-native deposits contracted 44.4%, demonstrating that the protocol's deposit base now draws on real world economic activity including mortgage origination (Figure's PRIME market), institutional credit (Maple market), and reinsurance underwriting (OnRe market), with some of this activity operating independently of crypto market cycles.

The ongoing product developments this quarter slated to launch in Q2 2026 will continue to strengthen Kamino's platform by broadening the addressable deposit base. **Kamino Institutional Yield**, currently in closed beta, enables yield from overcollateralized institutional loans. **Offchain Collatera**l, in partnership with Solana Company (HSDT), lets borrowers post collateral at Anchorage Digital and borrow against it onchain. The **fixed-rate lending** product, also in development with FalconX as their pilot borrower, will allow borrowers to lock in fixed interest rates for a fixed period, a foundation for institutional credit onchain. Taken together, these capabilities extend Kamino's infrastructure into private credit markets, institutional offchain collateral, and fixed rate credit, further progressing themselves as the infrastructure layer for institutional finance and tokenized assets on Solana.

Kamino generated **$2.59M in total revenue** during Q1 2026, comprising **$2.24M in net interest income** and **$145.1K in liquidation fees** on **$19.86M in gross interest** processed across 26 isolated lending markets. Revenue declined 32.8% quarter-over-quarter, reflecting weaker demand for crypto leverage that tracked SOL's 34.1% correction. End-of-quarter deposits stood at $2.89B with $1.14B in outstanding loans, producing a **loan-to-deposit ratio of 39.3%,** up from 33.9% at Q4 end.

The protocol's risk infrastructure was validated during the early February market correction, preserving its track record of $0 in bad debt since inception. Kamino processed $41.7M in collateral liquidations and $41.3M in debt repaid, with virtually zero liquidation activity across any RWA market. Net deposit flow shows that only $29M in capital actually left the protocol during Q1, just 4.3% of the $675M headline decline, with the remainder attributable to mark-to-market repricing. On the borrow side, net outflows totaled just $7.7M against a $72.8M headline decline. The capital base proved materially stickier than top-line figures suggest.

Management Commentary

At Kamino, we recognized early in 2025 that DeFi was entering a structurally different phase. Regulatory clarity was materializing. Institutional allocators were moving past due diligence into active deployment. Real world asset issuance was rapidly accelerating. The question was no longer whether these participants would arrive onchain - it was whether the infrastructure would be ready when they did.

The industry was moving, and we had spent the prior year anticipating it.

Q1 reflects that. Kamino is now in the execution phase of a platform expansion we have been building toward for over a year - extending our core lending infrastructure into fixed rate credit, borrowing against offchain collateral kept in qualified custodians, and private credit markets connecting DeFi liquidity to institutional borrowing demand. Our first institutional offchain borrows have been funded via Kamino Private Credit. Kamino's Offchain Collateral infrastructure has completed custodial integration with Anchorage Digital Bank. Kamino's fixed rates infrastructure - the primitive that makes DeFi credit viable for any institution with a planning cycle longer than 24 hours - is approaching launch.

None of this happened in a quarter. It is the result of sustained, deliberate work through a period where much of the industry was focused elsewhere. We made a bet on where DeFi was heading, and we built accordingly.

As we have over the past 3 years, in Q1 we continued investing heavily in security and infrastructure hardening. The nature of what Kamino is building demands it.

The macro environment has created uncertainty across the industry. From our vantage point, however, the structural forces that matter remain firmly intact - regulatory progress, institutional readiness, and the growth of tokenized assets. Kamino is positioned to serve them, and Q1 brought us materially closer to doing so.

- Marius Ciubotariu, Co-Founder, Kamino

Protocol Financial Performance

Kamino Income Statement

	Q1 2026	Q4 2025	Q3 2025	Q2 2025
Total Revenue	$2.59M	$3.85M	$5.83M	$5.14M
Net Interest Income	$2.24M	$3.48M	$5.19M	$4.16M
Interest Revenue	$19.86M	$28.06M	$39.51M	$33.56M
Interest Expense	($17.62M)	($24.58M)	($34.32M)	($29.4M)
Non-Interest Income	$0.35M	$0.37M	$0.64M	$0.99M
Liquidation Fees	$0.15M	$0.03M	$0.21M	$0.41M
Liquidity Fees	$0.20M	$0.34M	$0.41M	$0.55M
Total Income	$2.59M	$3.85M	$5.83M	$5.14M

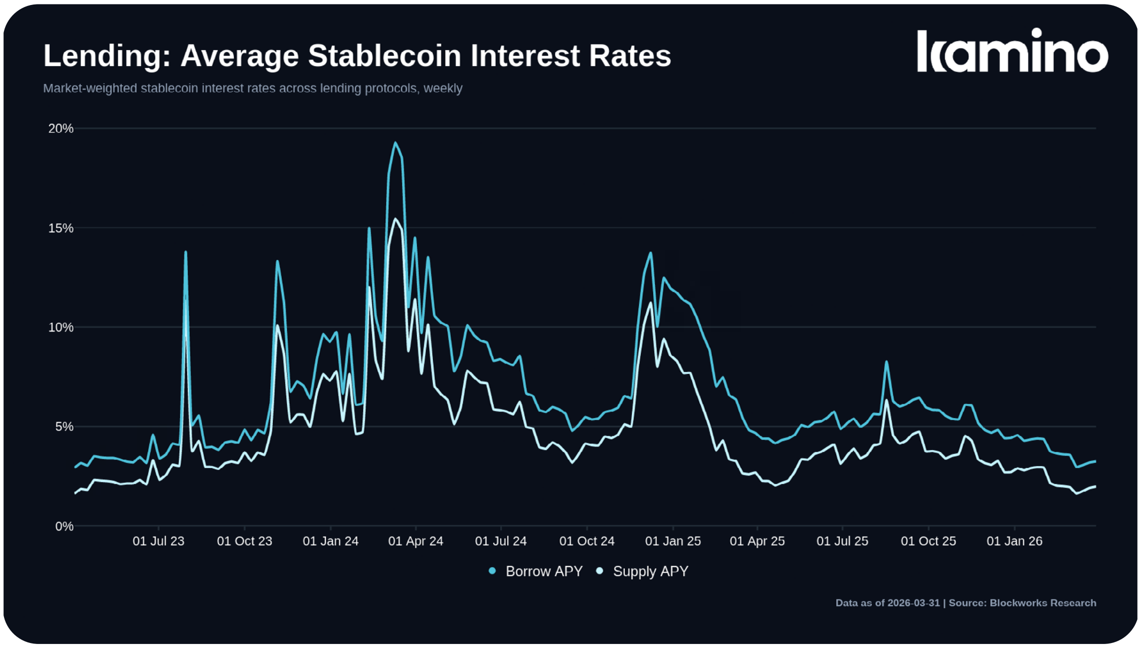
Data as of March 31st, 2026 | Source: Blockworks Research

Kamino Income Statement. Source: Blockworks

Revenue Performance

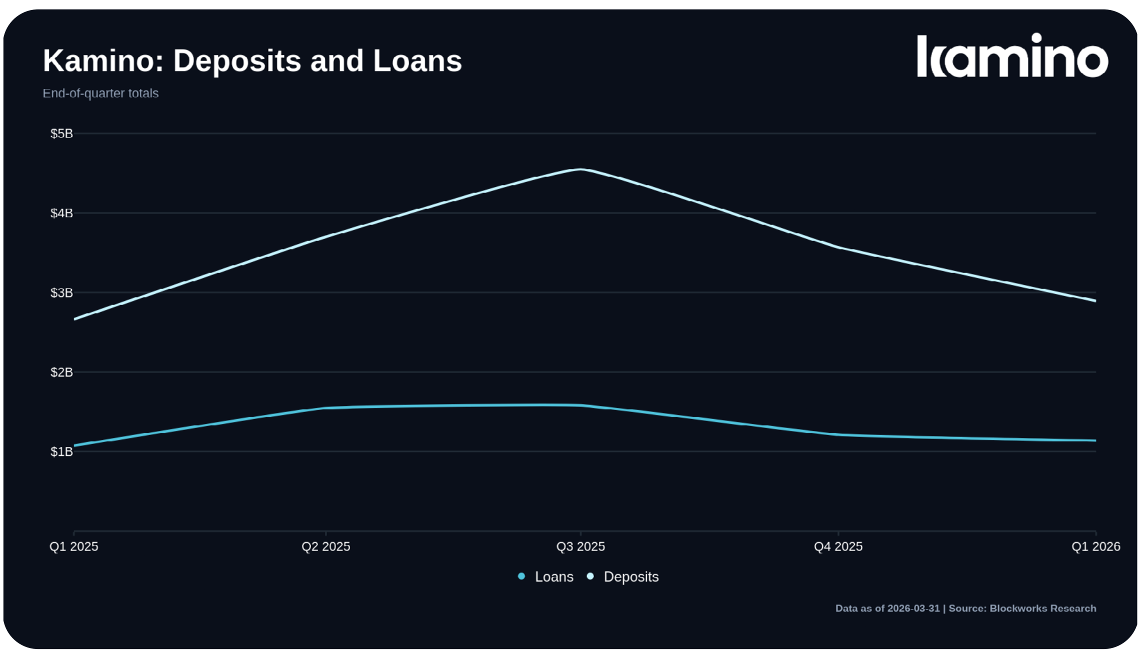
Kamino generated $2.59M in total revenue in Q1 2026, comprising $2.24M in net interest income (NII), $145.1K in liquidation fees, and $203.2K in liquidity fees. A total of $19.86M in gross interest flowed through the protocol, of which $17.62M (88.7%) was distributed to depositors as yield. The remaining $2.24M (11.3%) was retained as NII – the protocol's core revenue stream.

The 32.8% QoQ decline in revenue reflected weaker demand for leverage across crypto markets and modest Net Interest Margin (NIM) compression, with margin declining from 12.4% to 11.3%. From October 2025 through February 2026, Kamino posted five consecutive months of lower gross interest as outstanding loans fell in line with the broader market. DeFi yields moved lower alongside that slowdown, with the market-weighted stablecoin supply rate across major lending protocols compressing to 2.43% by the end of Q1, near three-year lows and roughly 200 basis points below the 10-year U.S. Treasury yield.



Average Stablecoin Interest Rates. Source: [Blockworks]

Deposits and Loans



Deposits and Loans. Source: [Blockworks]

Broad Trends

Kamino's deposit base declined through Q1 2026, driven primarily by SOL asset price depreciation rather than capital outflows. Only $29M in net capital actually left the protocol during the quarter, meaning 95.7% of the headline decline was mark-to-market repricing. End-of-quarter deposits of $2.89B represented a -18.9% decline from Q4 2025's end-quarter figure of $3.57B, while end-of-quarter loans of $1.14B fell -6.0% from $1.21B. Borrowers maintained leverage exposure through the drawdown, producing an end-of-quarter loan to deposit ratio of 39.3%, up from 33.9% at Q4 end.

RWA Growth

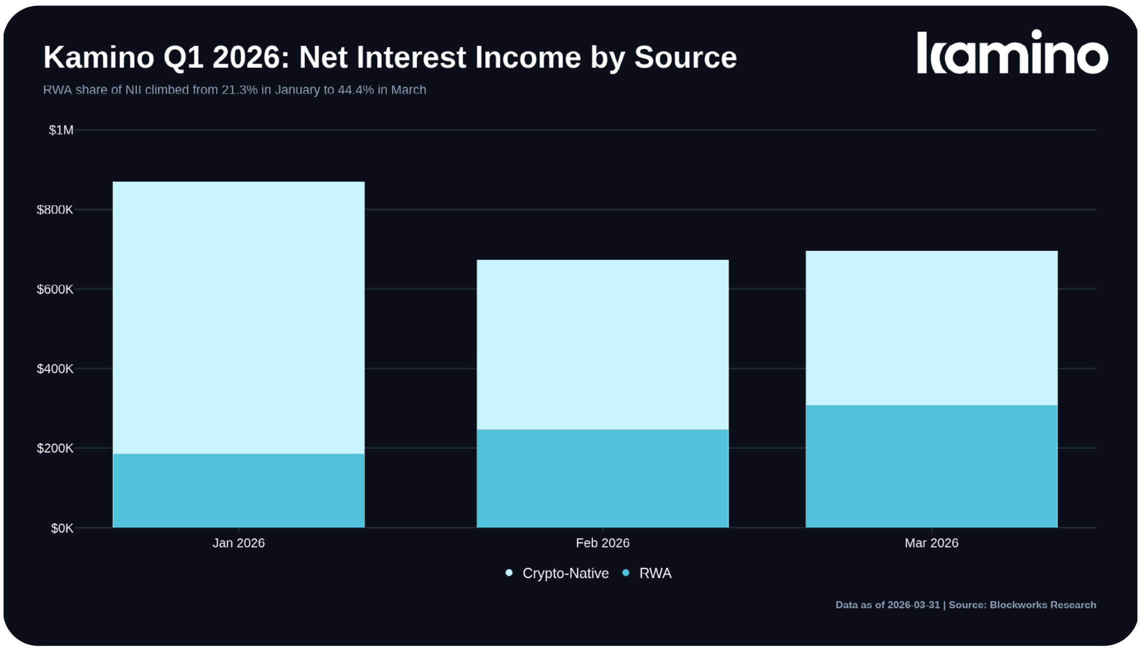
Kamino's RWA markets scaled from zero to $1.23 billion in deposits in under ten months, with the most dramatic acceleration occurring during Q1 2026. RWA deposits more than doubled over the quarter, growing from $570.7M at Q4 end to $1.23B at Q1 end, even as total protocol deposits fell 18.9% over the same period.

Figure led the expansion, adding $346M in net deposits to reach $626M by quarter-end, more than doubling from its $280M base at the start of Q1. Maple grew from $240M to $401M and OnRe scaled from $29M to $105M. Over 40% of Kamino deposits are in RWA markets, up from 15.8% entering the quarter.

RWA Deposit Markets. Source: [Blockworks]

The revenue trajectory tells an even sharper story. RWA markets contributed 21.3% of NII in January, rising to 36.9% in February and 44.4% in March. In absolute terms, RWA monthly NII grew from $185K in January to $309K in March while crypto-native NII declined from $685.2K to $387.1K as compressed rates and lower deposits weighed on the Main Market.

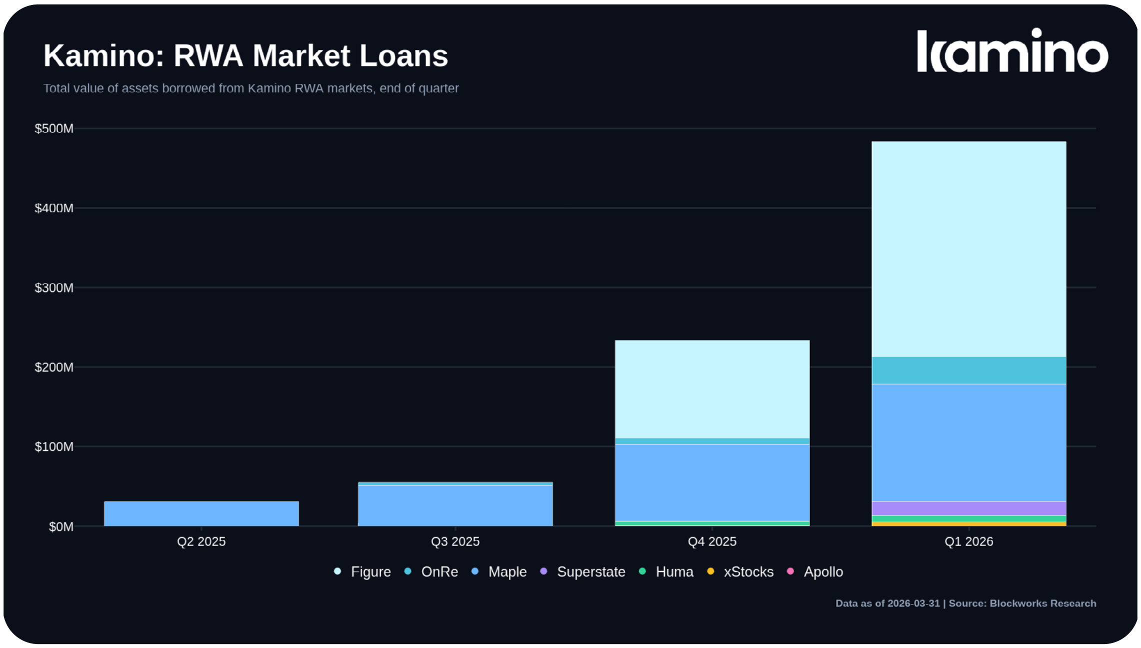
For the full quarter, RWA markets generated $742.5K in NII and $7.43M in gross interest, up from $226K and $2.26M in Q4 2025 respectively. All RWA markets operated at a standardized 10% NII retention rate, including through the early February market correction, validating the lower-risk collateral profiles and conservative parameters applied to these markets.



Net Interest Income by Source. Source: Blockworks

The Q1 divergence between RWA and crypto-native markets highlighted the benefits of diversification. Main Market deposits contracted 42.8% QoQ from $2.56B to $1.47B, tracking SOL's price decline almost exactly, while RWA deposits moved in the opposite direction. The difference is structural: RWA deposit inflows are driven by mortgage origination demand at Figure, institutional lending flows at Maple, and reinsurance underwriting cycles at OnRe. These demand drivers are uncorrelated to crypto market sentiment, producing a deposit base that is meaningfully more resilient than it was a year ago when 100% of Kamino's capital was exposed to crypto cyclicality.

RWA outstanding loans nearly doubled in Q1, growing from $233.7M to $483.1M. The Figure market led, with loans expanding from $122.7M to $270.1M, Maple grew from $96.1M to $147.6M and OnRe scaled from $8.3M to $34.3M. Stablecoin utilization reached 87.9% for Figure and 85.5% for OnRe by quarter-end, reflecting genuine borrowing demand to loop PRIME and ONyc and earn levered yield.

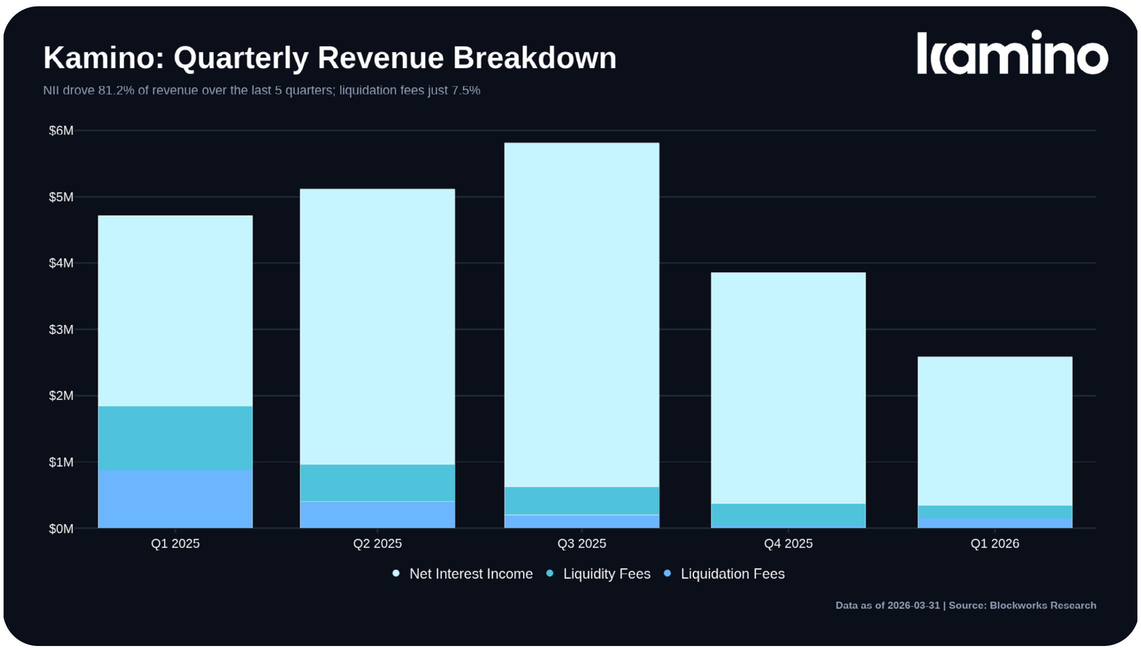


RWA Market Loans. Source: Blockworks

Kamino's composable product architecture was key to scaling these markets at this pace. Multiply enabled one-click leveraged looping of RWA yield-bearing assets, driving the persistently high stablecoin utilization that distinguishes these markets from crypto-native lending. Figure ended Q1 at a 6.73% stablecoin borrow APY and OnRe at 8.18%, both well above the Main Market's 3.58%. The protocol now supports seven RWA markets in total, with Superstate, Huma, xStocks, and Apollo live alongside the three core markets, positioning Kamino as the primary venue for institutional credit on Solana.

Revenue Drivers

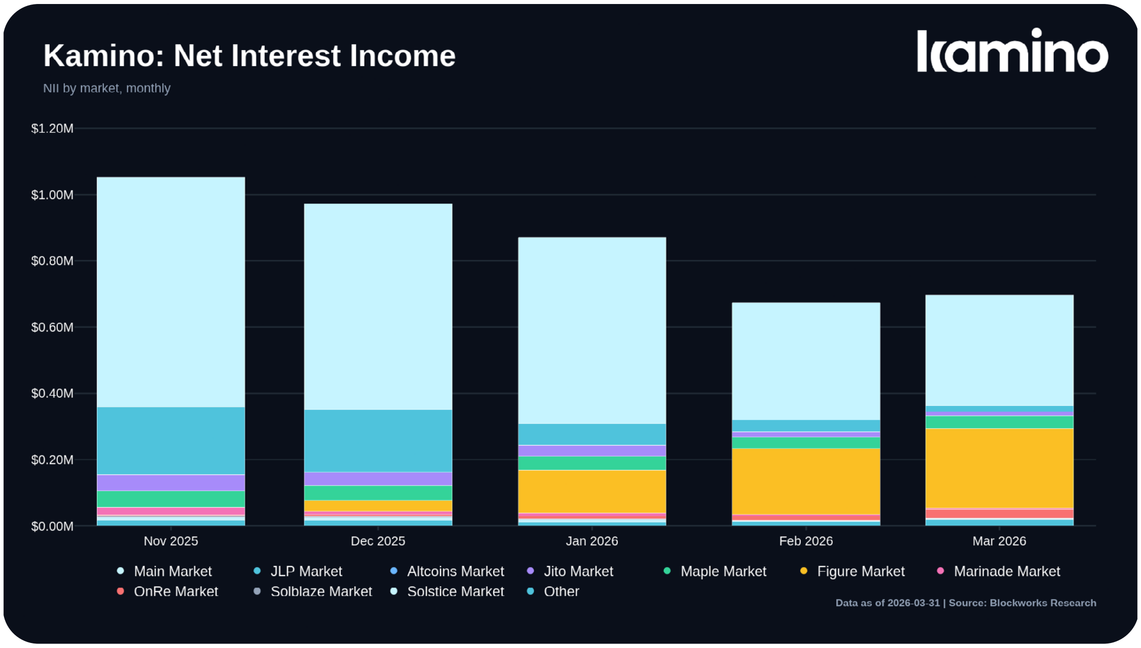
NII continues to drive the bulk of protocol revenue, Q1 NII totaled $2.24M representing 86.5% of total protocol revenue, down -35.7% QoQ from $3.48M in Q4 2025. Liquidity fees contributed $203.2K (7.9% of total revenue), down -40.4% QoQ from Q4 2025. Liquidation fees made up the smallest portion at $145.1K (5.6% of revenue), and have trended lower as a share of revenue over the past year even with this quarter's elevated activity from the February correction.



Quarterly Revenue Breakdown. Source: Blockworks

Net Interest Income

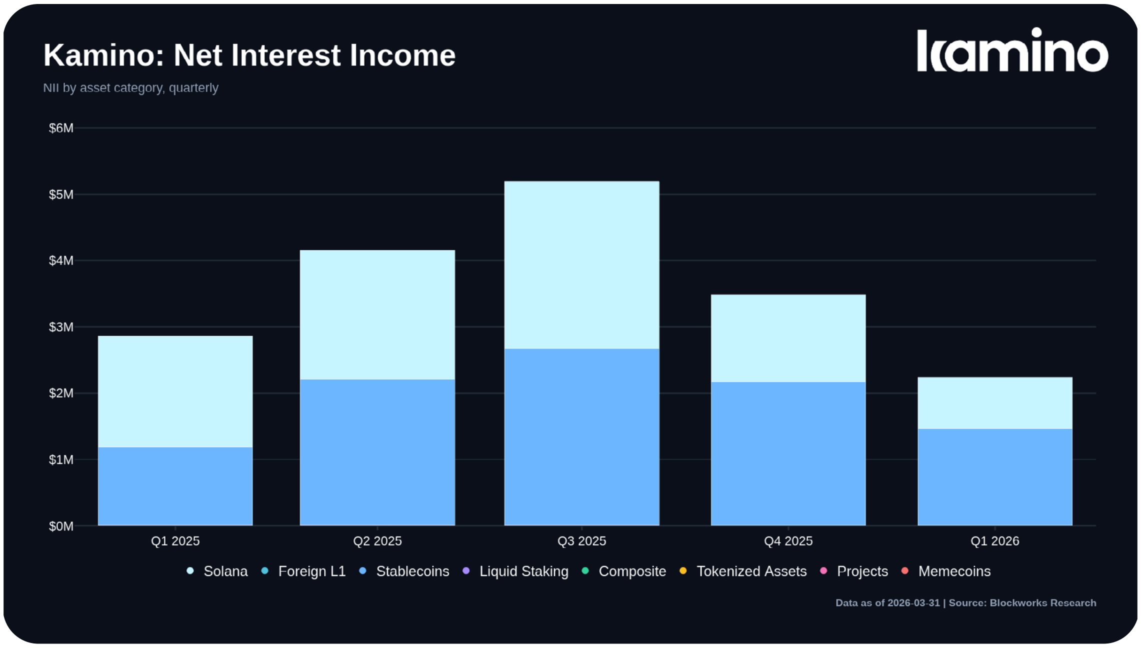
By Market



Net Interest Income by Market. Source: Blockworks

Kamino's Q1 NII of $2.24M was generated across 18 lending markets, but the composition shifted meaningfully from prior quarters. RWA markets contributed $742.5K or 33.2% of total NII, up from 6.5% in Q4 2025, representing the quarter's most significant structural development. Figure was the single largest driver of this shift, contributing $567.9K in NII over the quarter (25.4% of protocol total), up from just $32.2K in Q4 2025. Its monthly contribution rose consistently from $128.7K in January to $198.6K in February to $240.6K in March, while the Main Market moved in the opposite direction. All RWA revenue was pure NII with zero liquidation fees, reflecting the stable collateral profiles of tokenized RWAs.

By Asset Category



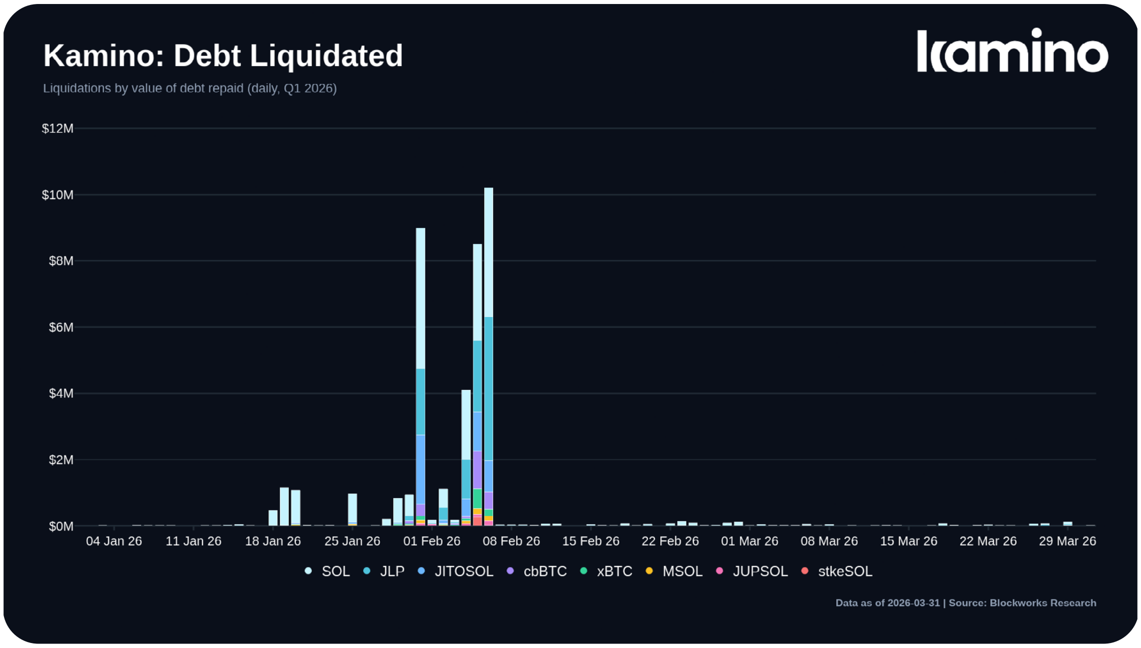
Net Interest Income by Asset Category. Source: Blockworks

On an asset category basis, stablecoins dominated 65.3% of the NII mix at $1.46M, a reflection of persistent demand for stablecoin-denominated borrowing across all major markets. SOL-denominated loans contributed 34.6% at $775.0K, with LST looping remaining a core use case for borrowers to earn levered yield. The remainder was split among composites, liquid staking tokens, foreign L1 assets, and memecoins.

Liquidity Fees

In Q1 2026, gross liquidity fees totaled $821.4K, of which the protocol retained $203.2K (24.7%), representing 7.9% of total protocol revenue. The fee declined 40.4% QoQ from $341.1K in Q4 2025, consistent with lower deposit churn as the market moved into a risk-off posture and withdrawal activity moderated.

Liquidation Fees

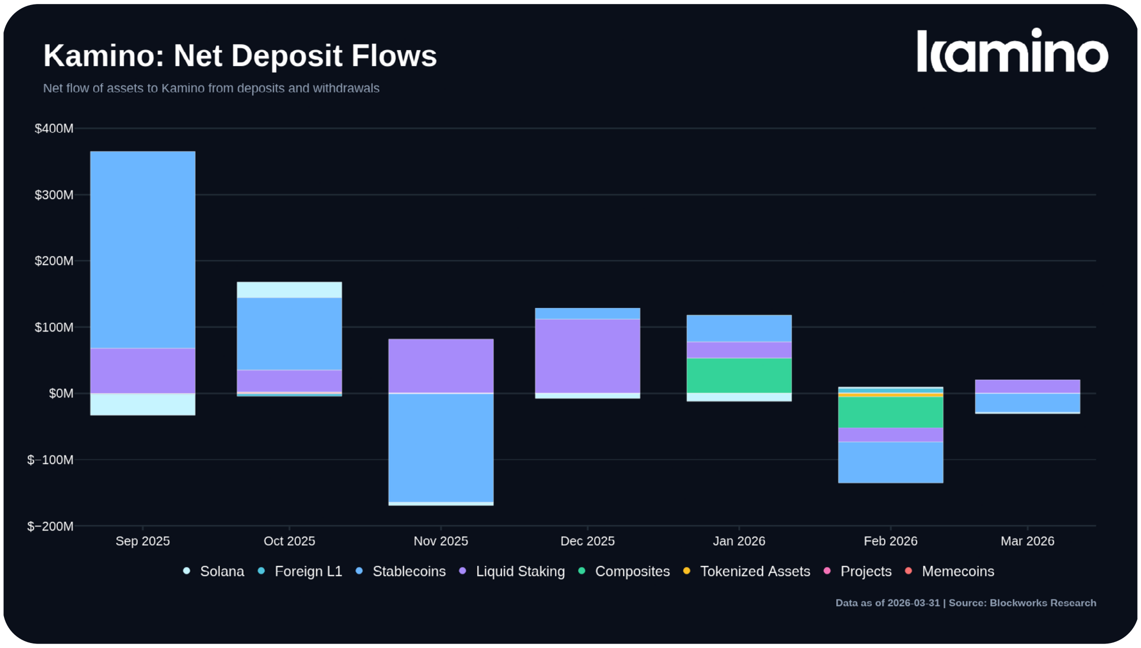


Debt Liquidated. Source: Blockworks

Q1 liquidation fees increased to $145.1K from $29.2K, representing 5.6% of total revenue in Q1 2026. The February 5-6 SOL correction accounted for 47% of collateral seized and 76% of liquidation fees collected ($110.9K) during the quarter. The two main markets contributing to liquidations fees were the Main Market, generating $108.1K in liquidation fees (75% of total) and JLP Market, generating $36.0K (25%). The modest contribution from this revenue line reflects Kamino's explicit effort to keep liquidation fees to a minimum with the posture that liquidations should function first and foremost as a solvency safeguard rather than a punitive measure or revenue source.

Protocol Analysis

Net Deposit Flows



Net Deposit Flows. Source: [Blockworks]

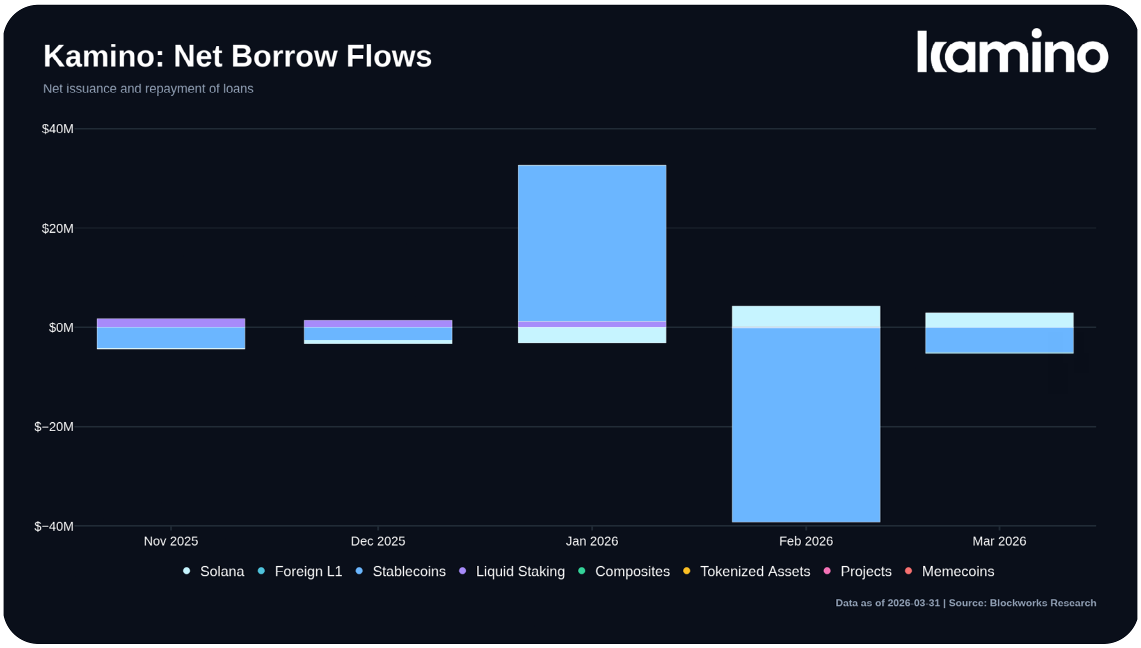
As noted earlier, Q1's $675M headline deposit decline obscures the fact that only $29M in net capital left the protocol, or 4.3% of the reported decline. The remaining 95.7% reflected mark-to-market revaluation of SOL-denominated balances, indicating that Kamino's capital base exhibited materially lower sensitivity to the drawdown than headline deposit totals suggest.

The Main Market remains the protocol's largest at $1.47B in end-deposits, representing 50.7% of total deposits. Its $1.10B QoQ decline from $2.56B was the largest in absolute terms due to its heavy concentration in SOL and liquid staking token collateral. Net deposit flows however show that only $111M left in actual net outflows, just 10.1% of the decline. The monthly trajectory shows the correction's impact: $1.97B at January end, dropping to $1.66B at February end, then continuing to $1.47B by March end. Despite the deposit contraction, loan to deposit ratio improved to 39.5% from 32.3% at Q4 end, as borrowers maintained leverage positions through the drawdown. This produced $3M in net positive borrow inflows even as the collateral base shrank.

At the protocol level, crypto-native markets saw $160M in net outflows during

Q1 while RWA markets attracted $131M in net inflows, reinforcing the deposit resilience discussed in the RWA Growth section.

Net Borrow Flows



Net Borrow Flows. Source: Blockworks

The same flow-versus-price decomposition applies on the borrow side. Outstanding loans fell $72.8M during Q1, from $1.21B to $1.14B, but net borrow flow data shows only $7.7M in actual capital repayment over the quarter, 10.5% of the raw figure decline. The remaining 89.5% was mark-to-market repricing on SOL-denominated loan balances, mirroring the dynamic on the deposit side.

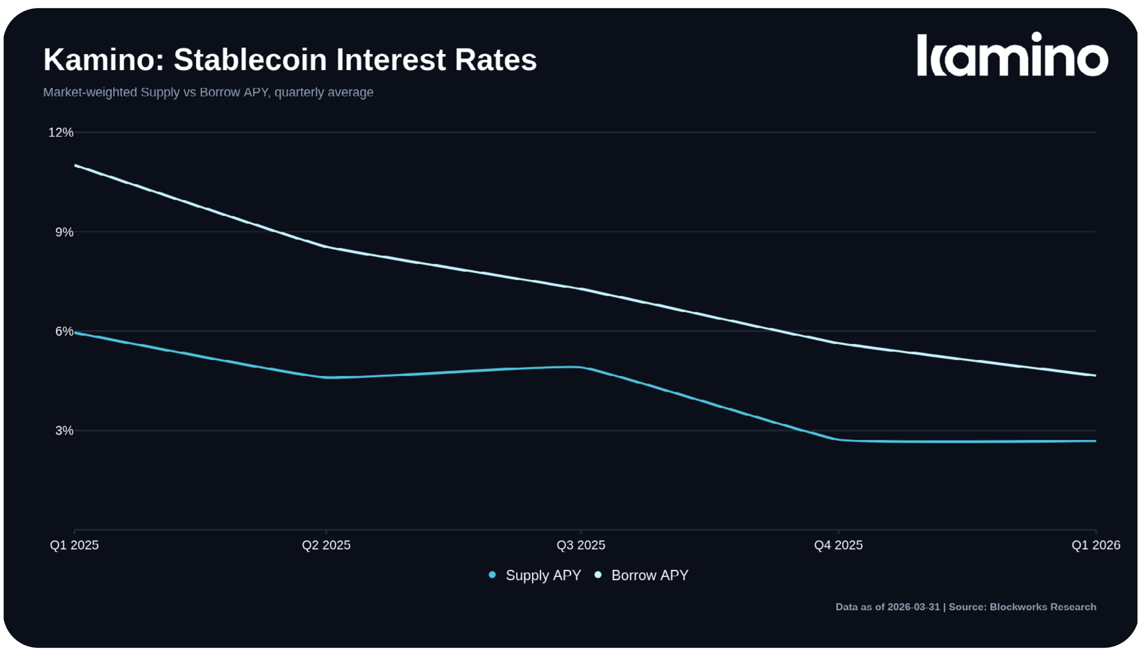
The Main Market illustrates this most clearly. Its outstanding loans fell $247.5M from $827M to $580M, but net borrow flows were actually positive at $3M. Borrowers added to positions even as the USD value of their SOL-denominated loans declined. Similarly, JLP Market loans fell $27M and Jito Market loans fell $31M, with near-zero net flows in both cases. Borrower behavior through the drawdown was remarkably stable as leverage positions were maintained rather than unwound, and the liquidation engine handled the repricing orderly rather than through forced deleveraging.

The monthly pattern reveals February as the only period of meaningful borrow outflows. January saw $29.5M in net new borrowing as markets were still active, February produced $34.9M in net repayments as the SOL correction triggered deleveraging and liquidations, and March stabilized at just $2.3M in net outflows. The February swing was concentrated in stablecoins, where $40M in USDC loans were repaid, consistent with borrowers closing leveraged positions during the correction. SOL borrowing moved in the opposite direction, adding $4.2M in February.

RWA borrow growth told a different story entirely. Figure's outstanding loans grew from $122.7M to $270.1M and Maple's from $96.1M to $147.6M, but the net token-level borrow flows for both markets were negligible, $12K and $43K respectively. The loan growth was driven almost entirely by new stablecoin origination flowing through the deposit side and subsequent utilization with interest accrual compounding the balances over time. OnRe was the exception, showing $1.2M in net borrow outflows against $26M in headline loan growth from $8M to $34M.

Interest Rates

Rate Compression



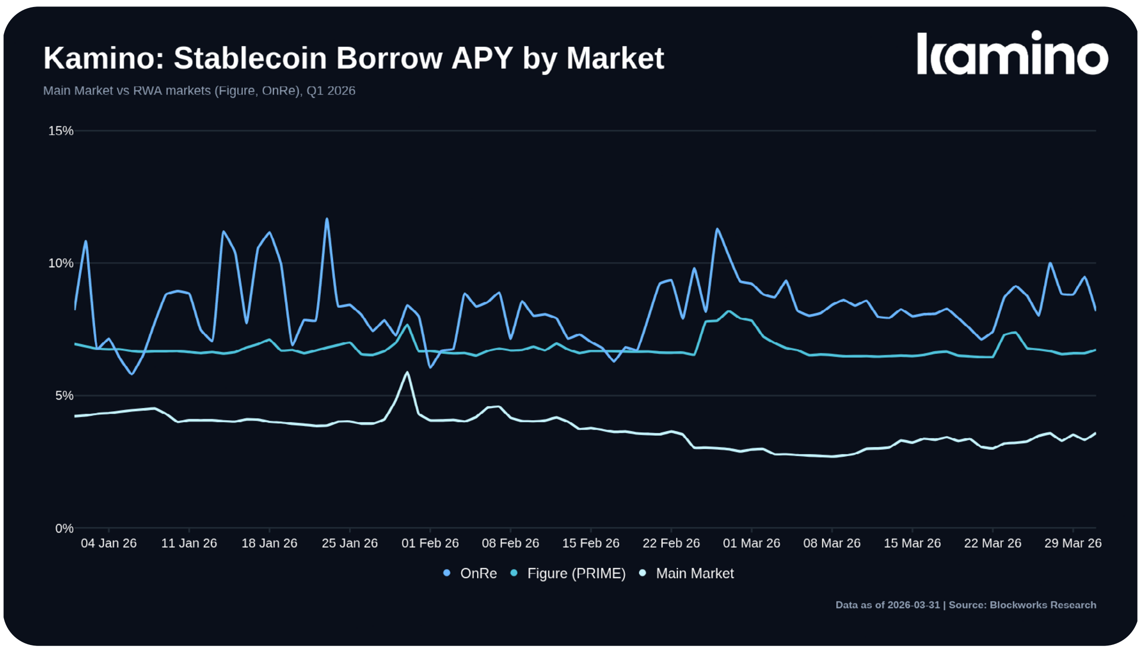
Stablecoin Interest Rates. Source: [Blockworks]

Kamino's Q1 rate environment reflected the broader risk-off posture across DeFi lending markets. End-of-quarter stablecoin borrow APY stood at 4.64%, down from 5.26% at Q4 end and 7.59% at Q3 end, extending a multi-quarter compression that began after the November 2025 cycle peak. Stablecoin supply APY moved in the opposite direction, closing at 3.16% versus 2.81% at Q4 end.

The result was a sharp narrowing of the borrow-supply spread from 245 bps at Q4 end to 148 bps at Q1 end, the tightest level in this period.

The monthly path through the quarter tells a more nuanced story than the endpoint comparison suggests. January ended with a 173 bps spread as borrow rates eased to 4.98% and supply rates rose to 3.25%. The February correction briefly widened the spread to 200 bps as supply rates fell faster than borrow rates, with Main Market supply APY dropping to 1.13% while borrow demand from liquidation-driven refinancing temporarily held rates at 2.89%. By March end, the spread compressed again to 148 bps as both sides of the market settled into a lower equilibrium.

RWA Spread Advantage



Stablecoin Borrow APY by Market. Source: Blockworks

The rate divergence between crypto-native and RWA markets widened meaningfully during the quarter. Main Market stablecoin borrow APY fell from 4.81% at Q4 end to 3.58% at Q1 end, a 123 basis point decline. RWA markets were far more stable: Figure's borrow APY moved from 6.86% to 6.73%, just 13 basis points lower, and actually rose to 8.19% during the February correction before settling back. OnRe's borrow APY moved from 9.90% to 8.18%, with rate movements appearing tied to reinsurance operations rather than crypto sentiment. Maple declined from 4.30% to 3.10% as private credit demand moderated.

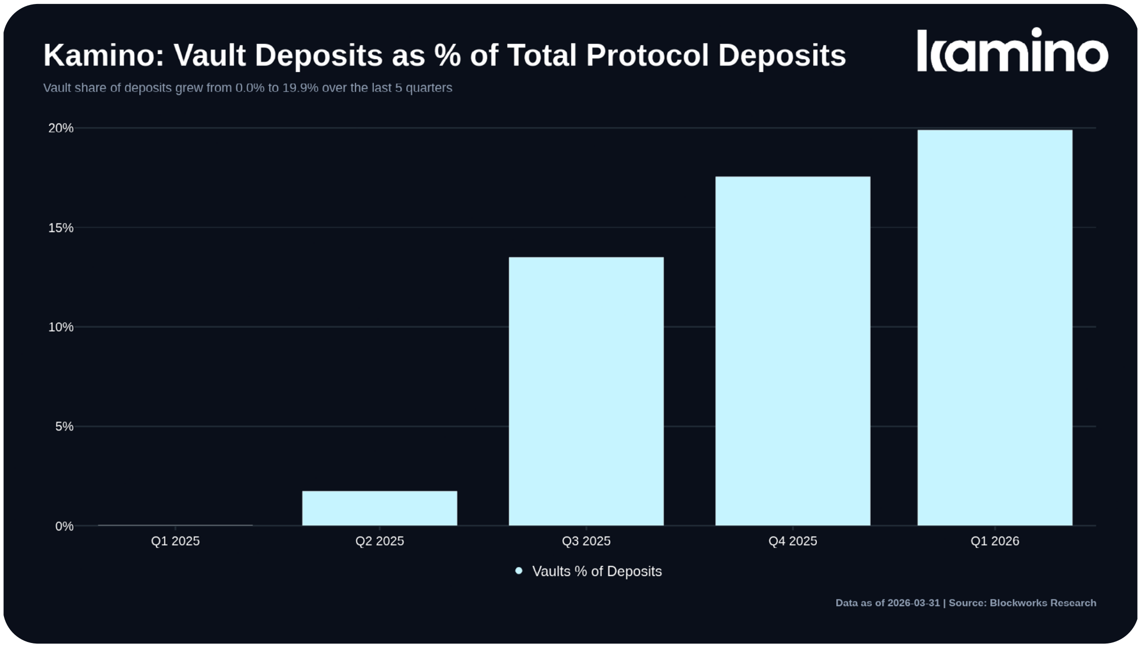
Spread stability followed the same pattern. Main Market's borrow-supply spread collapsed from 254 bps to 147 bps over the quarter, nearly halving. Figure's spread held in a narrow range, moving from 121 bps to 123 bps across the same period. OnRe's spread widened slightly from 168 bps to 173 bps. The practical implication is that crypto-native lending margin is increasingly compressed and cyclical, while RWA spreads have remained anchored to the offchain credit markets that set their baseline rates.

Vaults

Vault Retention

Vault Deposits. Source: [Blockworks]

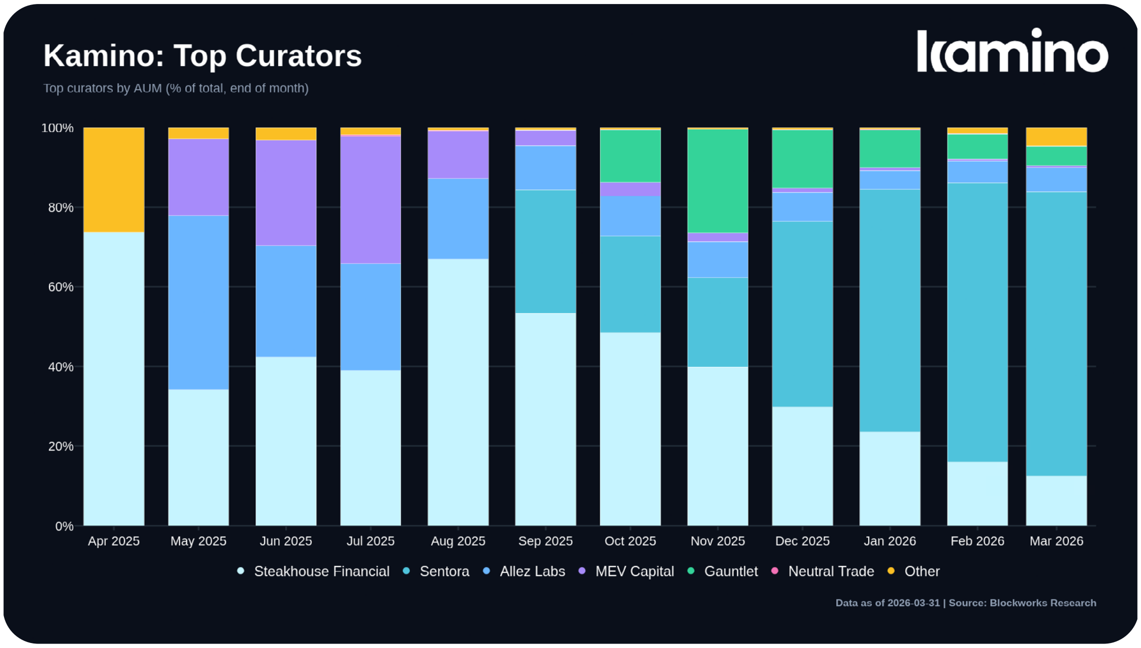
Vaults serve as Kamino's managed allocation layer, where professional curators optimize deposit placement across the protocol's isolated markets. Ending Q1 vault deposits of $575.9M were down from $626.2M at Q4 end, but the contraction was shallower than the 18.9% decline in total protocol deposits. As a result, vault share of total protocol deposits rose from 17.5% at Q4 end to 19.9% at Q1 end, a 2.4 percentage point increase quarter-over-quarter that reflects curated positions retaining capital more effectively than direct deposits through the drawdown.



Vault Controlled Assets. Source: [Blockworks]

The monthly trajectory reinforces that point. Vault deposits grew to $659.8M at January end before the SOL correction pulled them to $550.7M in February, then recovered to $575.9M by March end. The 4.6% rebound from the February trough contrasts with protocol-wide deposits, which remained flat between February and March.

Curator Mix



Top Curators. Source: [Blockworks]

Sentora's growth: PYUSD incentives

Sentora drove the bulk of the growth, scaling from $289.2M to $399.1M (+38%) on continued inflows into its single PYUSD vault. The growth was incentive-driven: Sentora's PYUSD vault carried approximately $290K in weekly PYUSD reward distributions on top of base lending yield, producing a blended APY above 8% that significantly exceeded comparable stablecoin vaults on the platform, driving $1.71M in gross interest to PYUSD reserves (8.6% of protocol total). That growth reshaped vault asset composition, with PYUSD rising from 46.2% to 69.3% of total vault assets over the quarter while USDC declined from 39.0% to 22.4%.

Broader curator landscape

Outside Sentora, the curator landscape diverged sharply. Steakhouse fell from $185M to $69.3M (-62.6%), Gauntlet from $91.4M to $27.5M (-69.9%), and Allez Labs from $45.3M to $33.8M (-25.3%), as USDC-denominated vaults contracted alongside the broader market. On the growth side, Elemental scaled from $5.5M to $17.4M across three vaults, making it the fastest-growing curator by percentage. RockawayX launched its RWA USDC vault during the quarter, reaching $14.9M by quarter-end with allocations across four markets, and separately deployed Kamino's BuildKit infrastructure to power the Marinade USDC Vault, the first third-party application to embed Kamino yield natively.

BuildKit allows external protocols and apps to route deposits into Kamino's lending markets through their own interfaces without building custom smart contract integrations. For an allocator, this is meaningful because it demonstrates distribution leverage beyond direct deposits: Kamino's credit infrastructure is becoming an embedded layer that third parties can plug into, expanding the protocol's addressable deposit surface without requiring users to interact with Kamino directly.

Competitive Position

Scale and Resilience

Kamino ended Q1 2026 as Solana's largest lending protocol with $2.89B in end-deposits and $1.14B in outstanding loans. The protocol's deposit base contracted 18.9% during the quarter, from $3.57B at Q4 end, driven primarily by the mark-to-market impact of SOL's price correction on non-stablecoin collateral. Stablecoin deposits, which represented 44.6% of end-Q1 deposits, were largely insulated from the correction, with the decline concentrated in SOL and liquid staking token categories, which fell from a combined $1.62B at Q4 end to $926M at Q1 end.

Despite the contraction, the protocol's competitive position strengthened through asset class expansion. In Q1, GLXY became the first NASDAQ-registered public equity listed as onchain collateral on Solana, introduced through the Superstate Market alongside tokenized fund shares (USCC, CASH) and synthetic equity products (QQQx, SPYx). The collateral universe now spans stablecoins, crypto-native tokens, liquid staking derivatives, institutional credit, reinsurance, tokenized fund shares, and public equities, a breadth of coverage that no other lending protocol currently matches.

The protocol's risk infrastructure was validated during the quarter. Kamino processed $41.7M in collateral liquidated and $41.3M in debt repaid, with 62.7% concentrated in February's SOL correction. The protocol's 10% close factor framework allowed positions to unwind in controlled increments rather than cascading into forced selling, with zero bad debt across any market. Kamino's isolated market architecture ensured that crypto-native volatility did not propagate into tokenized asset markets, reinforcing the institutional trust required to attract the next wave of tokenized asset issuers to the platform.

Product & Ecosystem Updates

What Shipped in Q1

Institutional Infrastructure

The PRIME Market scaled to become the largest RWA lending market in DeFi, with Figure Technologies institutional staking backed by BlackRock and Franklin Templeton.

Distribution Beyond DeFi

Two distribution integrations expanded Kamino's footprint beyond DeFi-native users. Privy began routing fintech app deposits into Kamino vaults, creating a pipeline for non-crypto-native capital to access Kamino's yield infrastructure through familiar app interfaces. OneKey embedded Kamino borrowing directly into its self-custody wallet, enabling hardware wallet users to borrow against their holdings without leaving the wallet experience. These integrations represent a shift in Kamino's growth model: rather than relying solely on users navigating to kamino.com, the protocol's credit infrastructure is increasingly embedded as a backend service within third-party products, expanding the total addressable deposit market beyond the existing DeFi user base.

Expanding the Collateral Universe and Tools

The quarter's broadest development was the expansion of Kamino's collateral universe. The Superstate Market went live with USCC (tokenized treasury fund shares), CASH, and GLXY, the first NASDAQ-registered public equity available as onchain collateral on Solana. The xStocks Market introduced QQQx and SPYx, synthetic equity products that allow borrowers to take leveraged exposure to U.S. equity indices through Kamino's lending infrastructure. fBTC was added to the Main Market, bringing Bitcoin yield products into the protocol's collateral universe, and USD1 (World Liberty Financial) was onboarded as a new stablecoin collateral type.

Q2 and Beyond Roadmap

Upcoming Product Launches

As referenced in the executive summary, Kamino has three major institutional-facing products expected to launch this coming quarter. Fixed-Rate lending will allow borrowers to lock in borrowing costs for defined terms with FalconX as the initial launch partner. Offchain Collateral, in partnership with Solana Company (HSDT) will let borrowers post collateral held in Anchorage and borrow against it onchain. Kamino Private Credit, currently in closed beta, opens yield on BTC-backed loans to Kamino depositors. Additional institutional products are in the pipeline.

V2 Market Expansion

Kamino plans to increase RWA penetration, extending Kamino's RWA footprint beyond the current Figure, Maple, and OnRe core offerings while expanding and investing across key geographies.

Closing Summary & Outlook

Q1 2026 reinforced Kamino's position as the core credit infrastructure on Solana, with the protocol demonstrating resilience through a volatile market backdrop while advancing key areas of long-term growth. The quarter saw a meaningful shift in activity toward RWA markets, which scaled rapidly and contributed an increasing share of deposits and revenue, supported by demand drivers that are less tied to crypto market cycles. Kamino's risk architecture performed as designed, including through the worst intraday shock of the quarter with zero cascading failures. Net flow dynamics highlighted a capital base that remains significantly more durable than headline figures suggest. With institutional rails now in place across private credit, offchain collateral, and fixed-rate lending, the platform is well positioned to build on this foundation in the quarters ahead.

Appendix

What Is Kamino?

Kamino is the largest decentralized finance (DeFi) protocol on Solana, that integrates lending, borrowing, liquidity, and leverage into a single platform. At its core, Kamino is a lending protocol: users deposit assets into onchain markets to earn yield, while borrowers post collateral to take out overcollateralized loans, with interest rates set algorithmically by utilization and every position secured by smart contracts rather than counterparties. Rather than pooling all assets into a single risk bucket, Kamino operates a suite of isolated lending markets (ex. Main Market, Prime Market) each with its own risk parameters and liquidity profile, so volatility in one market cannot contaminate the others.

Beyond basic lending, Kamino offers integrated leverage products like Multiply and Stable Loops that abstract away complex looped positions into one-click strategies, and Kamino Vaults, which allow third-party curators to deploy managed lending strategies on top of the protocol's infrastructure. Protocol revenue is driven by borrow-supply spreads and liquidation fees — positioning Kamino as both the default credit layer for Solana and a growing bridge between traditional capital and onchain markets.

Core Differentiators

- **Isolated multi-market architecture** — The Main, JLP, Jito, and Altcoins markets each have independent risk parameters, collateral sets, and liquidation engines, so tail risk in one market cannot contaminate the others.
- **Integrated leverage products** — Multiply and Stable Loops abstract recursive borrow/deposit strategies into one-click positions, giving users professional leverage tooling without manual looping.
- **Curated Vaults and BuildKit** — Third-party curators (professional risk managers, DAOs, and institutions) deploy managed lending strategies on top of Kamino's infrastructure, and BuildKit lets developers launch bespoke markets and tokenized credit products on Kamino rails.
- **Institutional and RWA integration** — Kamino is the leading Solana venue for tokenized real-world assets, with live markets for equities, Treasuries, private credit, reinsurance, and mortgage-backed assets, supported by qualified custodians like Anchorage Digital.

Ecosystem Role

Kamino is the default credit and leverage layer for Solana DeFi. It serves as the primary venue where SOL, LSTs, stablecoins, and tokenized RWAs are deposited for yield, borrowed against for leverage, and recycled through looped strategies. Its curator and BuildKit frameworks position it as infrastructure for other protocols, institutions, and RWA issuers.

Business Model Overview

Revenue Model

Kamino generates protocol revenue from two primary streams:

1. **Borrow-Supply Spread (Net Interest Income)** — The dominant revenue source. For every dollar borrowed, Kamino captures the spread between the interest paid by borrowers and the interest distributed to suppliers. A protocol reserve factor skims a share of each market's interest income, and this spread scales linearly with borrow volume and utilization.
2. **Liquidation Fees** — When a borrower's position falls below its required collateralization threshold, liquidators repay a portion of the debt in exchange for discounted collateral. A share of the liquidation penalty accrues to the protocol.

Protocol revenue is measured in USD terms across all markets and asset types, with stablecoin lending representing the largest contributor.

Products

Multiply

Multiply is Kamino's one-click leveraged staking and yield product. Users deposit a yield-bearing asset (for example, JitoSOL or JLP), and the protocol automatically executes a recursive borrow-and-redeposit loop to amplify exposure. Users see a single position with a target leverage ratio, while the protocol manages the underlying loops, oracle updates, and unwinds.

Stable Loops

Stable Loops apply the same looping mechanics to stablecoin strategies. By supplying one stablecoin and borrowing another, users can compound yield differentials and incentive emissions across stablecoin markets without manually executing dozens of transactions.

Vaults and Curators

Kamino Vaults are managed lending strategies deployed by third-party curators. Curators define deposit criteria, asset allocations, and risk limits, while depositors retain onchain custody and can enter or exit positions at any time. Vaults effectively turn Kamino into a platform for professional credit management, with curators acting as the equivalent of asset managers in traditional fixed income.

BuildKit and Kamino Private Credit

BuildKit is the developer toolkit that lets external teams launch their own lending markets, tokenized products, and bespoke credit facilities on Kamino's infrastructure. Kamino Private Credit extends this to institutional issuers, supporting onchain markets for private credit, reinsurance, mortgage-backed assets, and other real-world credit instruments — typically paired with qualified custodians and KYC'd participants.

Lending Mechanics

Interest Rate Model

Every Kamino market uses a utilization-based interest rate curve. As the share of supplied capital being borrowed rises, both the Supply APY and Borrow APY increase along a predefined curve with a "kink" at a target utilization level, above which rates steepen sharply to attract new supply and disincentivize further borrowing. This creates a self-balancing mechanism that prevents markets from running out of withdrawable liquidity.

Loan-to-Value and Liquidation

Each collateral asset is assigned a loan-to-value (LTV) ratio that caps how much can be borrowed against it, and a higher liquidation threshold at which the position becomes eligible for liquidation. When a position crosses the liquidation threshold — typically due to collateral price declines or accrued interest — liquidators repay a portion of the debt and receive the corresponding collateral at a discount (the liquidation penalty). This process is executed permissionlessly onchain and is the protocol's primary defense against bad debt.

Oracles and Mark-to-Market

All collateral and debt values on Kamino are marked to market in real time using onchain price oracles (primarily Pyth and Switchboard). Oracle feeds determine utilization calculations, liquidation eligibility, and interest accrual, making oracle quality a core risk input for every market.

Net Interest Margin (NIM)

NIM is the spread between the weighted-average rate Kamino earns from borrowers and the weighted-average rate it pays to suppliers, expressed as a percentage of interest-earning assets. It is the DeFi analogue of a traditional bank's net interest margin and is the single most important measure of the protocol's earning power per dollar of deposits.

Key Terminology

Lending Protocol — An onchain smart-contract system that matches depositors (suppliers of capital) with borrowers, setting interest rates algorithmically based on utilization rather than through intermediaries.

Isolated Market — A self-contained lending pool with its own collateral set, risk parameters, and liquidation engine. Losses in one isolated market cannot spill over into another.

Supply APY / Borrow APY — The annualized interest rates earned by suppliers and paid by borrowers, respectively, on a given asset. Both rates are functions of market utilization.

Utilization Rate — The share of supplied capital currently being borrowed in a market. Higher utilization drives higher Supply and Borrow APYs along the market's interest rate curve.

Loan-to-Value (LTV) — The maximum ratio of borrowed value to collateral value a user may carry. Exceeding the LTV-linked liquidation threshold puts a position at risk of liquidation.

Liquidation — The forced partial (or full) repayment of an undercollateralized loan by a third-party liquidator, in exchange for discounted collateral. Liquidations protect the protocol from bad debt.

Liquidation Penalty — The discount applied to seized collateral during a liquidation. A share of the penalty goes to the liquidator and a share to the protocol.

Bad Debt — Outstanding borrower liabilities that cannot be recovered through liquidation, typically because collateral value fell below debt value faster than liquidators could act.

Net Interest Income (NII) / Net Interest Margin (NIM) — The spread between interest earned from borrowers and interest paid to suppliers; NIM expresses this spread as a percentage of earning assets.

Looping / Leveraged Staking — Repeatedly supplying a yield-bearing asset, borrowing a correlated asset against it, and redepositing to amplify yield exposure. Kamino's Multiply and Stable Loops automate this.

Liquid Staking Token (LST) — A transferable token (e.g., JitoSOL, mSOL) representing staked SOL plus accrued staking rewards, used as collateral across

Kamino's markets.

Real-World Asset (RWA) — Tokenized traditional financial instruments (equities, Treasuries, private credit, reinsurance, mortgages) brought onchain as programmable collateral.

Curator — A third party that designs and manages a Kamino Vault, defining allocation strategy, risk parameters, and fee structure on behalf of depositors.

Oracle — An offchain data source (e.g., Pyth, Switchboard) that supplies onchain price feeds used to compute collateral values, utilization, and liquidation eligibility.

KMNO — Kamino's native token, used for governance, and protocol incentives.