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TREECYCLE

PROSPECTUS DATED 22 JUNE 2026

of

TREECYCLE AG

(incorporated as a joint stock company [Aktiengesellschaft]
under the laws of Switzerland)

for the issue / public offer of

up to 8’900,000 TREE Tokens

ISIN CH1305377918

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This document constitutes a prospectus (the "Prospectus") in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "Prospectus Regulation") in connection with Commission Delegated Regulation (EU) 2019/980 of 14 March 2019. It comprises a summary, information regarding the Issuer and Information regarding the securities which have been issued and are offered to the public in Liechtenstein, Germany, Austria, and Spain (together the "Public Offer Jurisdictions" and each, a "Public Offer Jurisdiction"). The Securities will further be registered for distribution in Switzerland based on article 54 Financial Services Act.

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND ARE BEING SOLD PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE SECURITIES MAY INCLUDE SECURITIES IN BEARER FORM THAT ARE SUBJECT TO US. TAX LAW REQUIREMENTS. TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "COMMODITY EXCHANGE ACT") OR BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED, SOLD OR, IN THE CASE OF BEARER SECURITIES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT.

AN INVESTMENT IN THE SECURITIES DOES NOT CONSTITUTE A PARTICIPATION IN A COLLECTIVE INVESTMENT SCHEME. THEREFORE, THE ISSUER OR THE SECURITIES ARE NOT SUPERVISED OR APPROVED BY ANY FINANCIAL MARKET SUPERVISORY AUTHORITY AND INVESTORS MAY NOT BENEFIT FROM THE SPECIFIC INVESTOR PROTECTION PROVIDED UNDER EEA OR SWISS INVESTMENT FUND REGULATION.

This Prospectus has been prepared on the basis that any offer of the Tokens in any Member State of the EEA in which the Prospectus Regulation is applicable other than offers which are contemplated in this Prospectus in the Public Offer Jurisdictions once the Prospectus has been approved by the Liechtenstein Financial Market Authority and published and notified to the relevant competent authority in accordance with the Prospectus Regulation as implemented in that Member State, will be made pursuant to an exemption under the Prospectus Regulation, as implemented in that Member State, from the requirement to publish a prospectus for offers of Tokens. Accordingly any person making or intending to make an offer in that Member State of Tokens which are the subject of the offering contemplated in this Prospectus, other than the public offerings permitted

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under Applicable Law, may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. The Issuer neither has authorized, nor does it authorize, the making of any offer (other than public offerings permitted under Applicable Law) of Tokens in circumstances in which an obligation arises for the Issuer to publish or supplement a prospectus for such offer.

This Securities Prospectus was approved by the Liechtenstein Financial Market Authority on 22 June 2026 and is valid until 22 June 2027. This Prospectus (incl. supplements, if any) are available for inspection and download at www.treecycle.ch]

In case of significant new factors, material mistakes or material inaccuracies the Issuer is obliged to establish a supplement to the Prospectus. The Issuer's obligation to supplement a prospectus does not apply when a prospectus is no longer valid.

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A. SUMMARY OF THE PROSPECTUS

I. INTRODUCTION AND WARNINGS

1 The Issuer TREECYCLE AG, Rothusstrasse 15, 6331 Hünenberg, Switzerland (the "**Issuer**"; LEI 894500YH69NWY8I0Z836) offers up to 8'900'000 digital tokens ("TREE TOKENS" or "Tokens" and each, a "Token", ISIN CH1305377918) to the public on the basis of this securities prospectus.

2 This Prospectus was approved by the Finanzmarktaufsicht Liechtenstein ("FMA"), Landstrasse 109, Postfach 279, 9490 Vaduz, (info@fma-li.li), on 22 June 2026.

3 This summary contains a description of the main features and risks relating to the Issuer and the Token offered on the basis of this Prospectus. The summary is an introduction to the Prospectus and should always be read together with the full Prospectus. A thorough examination of the entire Prospectus is therefore recommended prior to any decision to purchase or subscribe. Investors have to consider that they are about to purchase a financial product, that is not simple and may be difficult to understand. Also, Investors should be aware that they may lose all or part of the invested capital. The Issuer points out that in the event that claims are brought before a court based on the information contained in this Prospectus, the plaintiff investor may, under national law of the Member States, has to bear the costs of translating the Prospectus prior to the commencement of proceedings.

4 In addition, the Issuer points out that the Issuer, who is responsible for the summary including any translation thereof may be held liable in the event that the summary is misleading, inaccurate or inconsistent when read together with other parts of the Prospectus or where it does not provide, when read together with other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the securities.

II. KEY INFORMATION ON THE ISSUER

1. Who is the Issuer of the Securities?

5 The Issuer TREECYCLE AG is a joint stock company (Aktiengesellschaft) established under Art. 620 seq. of the Swiss Code of Obligations ("CO"). It was incorporated in Switzerland and is subject to the laws of Switzerland. The registered office is at Rothusstrasse 15, 6331 Hünenberg (Switzerland). The Issuer has been registered in the Public Company Register of the Canton of Zug on 13.06.2018 with reg. no. CH-170.3.042.515-8. The Legal Entity Identifier (LEI) of the Issuer LEI 894500YH69NWY8I0Z836.

6 The principal activities of the Issuer are the promotion, planning, advisory and realisation of sustainable projects. The Issuer has a minimum capital of CHF 100'000 (fully paid-in). Its principal shareholder is the Global TREE Project AG, company register no. CH-336.378.207 with registered office at Rothusstrasse 15, 6331 Hünenberg (Switzerland). Global TREE Project AG was set up as a holding company and is holding 88% of the Issuer's share capital. Controlling shareholders of Global TREE Project AG and ultimate beneficial owners of the Issuer are Alf Schröter and Jörg Schäfer. The remaining 12% of the Issuer are ultimately owned by Andreas Jelinek. The members of the Board of Directors of the Issuer are Alf Schröter and Jörg Heinrich Schäfer. The Board of Directors has appointed Jörg Heinrich Schäfer as a delegate and CEO with sole signatory powers.

7 Grant Thornton AG, Claridenstrasse 35, 8002 Zürich, reg. no. CH-020.3.902.756-7 ("**Grant Thornton**"), has been appointed as auditor by resolution of the Issuer's Board of Directors as

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the statutory auditor (effective date 10 January 2023). Grant Thornton audited the accounts in accordance with the International Financial Reporting Standards ("IFRS") for the financial year 2023 and provided a qualified audit opinion.

2. What is the operational business of the Issuer?

8 The Issuer's operational business consists of the management of a reforestation project in Paraguay located the region of Guaira Villarrica (the "TREECYCLE Project").

9 The objective of the TREECYCLE Project is to purchase 12'000 or more hectares of land in the Guaira Villarrica and other regions in Paraguay and plant 10 million or more eucalyptus trees. The acquisition of land and execution of the project is made through a subsidiary in Paraguay, Global Tree Project S.A., RUC No. 80101522 DV:7, with registered office at Gregorio Benitez Y Coronel Oviedo, Paraguay ("GTP Paraguay"). GTP Paraguay has a share capital of 300'000'000 Guarani (about CHF 35'000). The Issuer is holding 97% of the shares in GTP Paraguay, the remaining 3% are held on a fiduciary bases by Alf Schröter to comply with statutory domiciliation requirements. All operational work on the project such as the land preparation, the afforestation, the maintenance of the plantation and the harvesting and distribution of harvested wood is performed by local partners.

3. What is the key financial information regarding the Issuer?

10 The summarized financial information is derived from the audited financial statements as per 31 December 2024 and 31 December 2025.

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	12 month	12 month
	31.12.2024	**31.12.2025**
	audited	audited
	CHF	CHF
Cash and Cash Equivalents	354'015	1'317'754
Other current assets	557'848	600'317
Total current assets	**911'863**	**1'918'071**
Reforestration assets	10'144'304	29'996'816
Property, Plant, Equipment and Intangible Assets	3'275'083	3'861'013
Total non current assets	**13'419'387**	**33'857'829**
TOTAL ASSETS	**14'331'250**	**35'775'900**
Short-term liabilities	1'585'418	2'923'976
Deferred Tax	1'190'894	3'489'793
Long-term liabilities	1'028'324	1'111'922
Subordinated liabilities	100'000	0
Total liabilities	**3'904'636**	**7'525'691**
Share Capital	100'000	100'000
Perpetual Instruments	19'497'357	24'141'141
Other Reserves	-15'716	-3'767
Retained Earnings	-9'155'606	4'002'615
Minority Interests	579	10'221
Total Equity	**10'426'614**	**28'250'209**
TOTAL EQUITY AND LIABILITIES	**14'331'250**	**35'775'900**
Net income from harvest	0	21'900
Change in fair value of reforestration assets	5'513'037	19'227'583
Operating expenses	-3'184'853	-6'060'520
Net Profit (+) / Loss (-)	2'328'184	13'167'063
Cash flow from operating activities	-2'794'551	-2'511'869
Cash flow from investing activities	-934'597	-1'525'209
Cash flow from financing activities	3'115'016	5'006'115

11 The audited Financial Statements as of 31.12.2024 and 31.12.2025 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and audited by Grant Thornton. The financial statements are prepared on a going concern basis for at least 12 months from the date the Auditor's report has been issued.

12 The audit opinion contains an emphasis of matters qualification with regard to the internal assessment of the reforestation assets for fair value as required by IAS 41 (Agricultural

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Assets). The auditor emphasizes that it was not able to independently verify certain key assumptions used to determine the fair value of the reforestation assets. Due to the early stage of the reforestation assets and the Issuer's operations, internal information based on historical data was not available and the Issuer had to rely on management expert's data.

4. What are the key risks that are specific to the Issuer?

a) Financial Situation of the Issuer

13 **Capital, assets and income of the Issuer**. The Issuer's statutory capital (equity) is limited to CHF 100'000.00, which is the minimum capital for a joint-stock company under Swiss law. The Issuer has already sold 927'405 (including bonus allocations) TREE TOKENS in private sales from 2019 and prior to 14 February 2024, from which it obtained proceeds in an amount of appr. CHF 13.52mn. During a first public sale from 14 February 2024 until 14 February 2025, the issuer sold further 159'200 (including bonus allocations) TREE Tokens and obtained proceeds in the amount of approx. CHF 3,34mn. During the first year of the second public offering from 11 June 2025 until 10 June 2026, the Issuer sold further 355'000 (including bonus allocations) TREE Tokens and obtained proceeds in the amount of approx. CHF 6.75 mn, The Issuer now wishes to renew its offer in order to obtain further proceeds through the sale of additional TREE TOKENS.

14 As per the date of this Prospectus, the Issuer has invested the issue proceeds in the set-up of the project (including the acquisition of GTP Paraguay and of 1'455 hectares of land, which are currently being afforested). The principle source of income of the Issuer are proceeds from the public sale of TREE Token until a first batch of trees can be harvested and sold.

15 **The Issuer may assume additional debt.** The Token Terms do not limit the amount of additional indebtedness that the Issuer can create, incur, assume or guarantee. Should the Issuer assume third-party financing it would assume refinancing risks (the risk that the debt could not be rolled-over at maturity) as well as interest-rate risks (the risk that interest rates would increase in case of a roll-over).

b) Risk of illiquidity and insolvability of the Issuer.

16 The cash-flow predictions are based on a number of key assumptions, which may or may not realize. This may result in the Issuer's illiquidity and/or its insolvency. Insolvency risks are exacerbated by the Issuer's investments in land in Paraguay, which is a highly illiquid asset in an emerging economy.

c) Risk Factors Relating to the Business of the Issuer

17 The TREECYCLE Project is subject to business risks which may prevent the generation of any, or sufficient, Net Operating Cash Flow to make payments to Tokenholders. These risks include operational, market, political, legal and regulatory, and financial risks.

18 **Operational risks** include force majeure events (such as fires, explosions, earthquakes, cyclones, hurricanes, floods, droughts or such other extreme weather or environmental conditions), plant diseases, climate changes, temporarily or permanently insufficient workforce, temporary or permanent unavailability of proper infrastructure, theft of machinery, equipment and/or wood.

19 **Market related risks** include volatility of wood prices, collapse of the wood market, lack of demand for the timber produced and harvested.

20 The TREECYCLE Project is subject to **political risks**, including, but not limited to, political turmoil, unrest, war, hostilities (whether war be declared or not), invasion, act of foreign

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enemies, mobilisation, requisition, embargo, rebellion, revolution, insurrection, or military or usurped power, civil war, and any acts or threats of terrorism.

21 The TREECYCLE Project is subject to **legal and regulatory risks**, including, but not limited to, the change or different interpretation of laws and regulations concerning land ownership, forestation, environmental protection and timber trade. Such an event might adversely affect the business of the Issuer (including forcing the Issuer to change its business strategy) and negatively impact the generation of Net Operating Cash Flow.

22 The TREECYCLE Project is also subject to **foreign exchange risks** since the currency of the Bond is Swiss Francs, whereas profits are generated and acquired land is accounted for in the local currencies of the countries where the afforestation projects are being undertaken (currently Paraguay).

III. KEY INFORMATION ON THE SECURITIES

1. What are the main features of the securities?

a) Type and Form of Securities.

23 The TREE Token ("TREE", ISIN CH1305377918) is a digital representation of a perpetual contractual claim to a fraction of the Issuer's Net Operating Cash Flow (as defined below) resulting from the TREECYCLE Project (the "**Profit Participation Rights**", as defined below). The TREE are perpetual debt securities in respect of which there is no fixed redemption date, but Tokenholders have a right of early termination to be exercised twelve years after the initial Prospectus Date for the first time under certain conditions.

24 The entirety of the Tokens issued during the public offering is issued in the form of register securities (Registerwertrechte) in accordance with article 973d seq. Swiss Code of Obligations ("CO"). The transfer of ownership rights in Tokens from one Tokenholder to another Tokenholder will need to be registered on the distributed ledger used for the issuance of the TREE as well as on the Issuer's website (www.treecycle.ch).

25 International Securities identification Number (ISIN): CH1305377918.

b) Payments and Repayments at Maturity Date.

26 The TREE Tokens are perpetual securities in respect of which there is no fixed redemption or maturity date. Tokenholders have the right, but not the obligation, to terminate their investment in TREE Tokens in accordance with the terms and conditions set out in Cl. 8 of the Token Terms. This Right of Termination can be exercised for the first time twelve (12) years after the Initial Prospectus Date (14 February 2024, i.e. on 14 February 2036), and thereafter every four (4) years (i.e. on 14 February 2040, on 14 February 2044 etc). The Maturity of the TREE Tokens is therefore not less than twelve (12) years after the initial Prospectus Date. If a Tokenholder elects to exercise its Right of Termination, a Notice Period of 12 months will be triggered after which the Issuer will repay the Redemption Amount per Token, multiplied by the number of TREE Tokens for which the Tokenholder has exercised the Right of Termination, in CHF or EUR. By serving a notice of termination, the Tokenholder will forfeit all further Distributions.

27 The Issuer has no right to redeem the Token. It may at any time purchase TREE Tokens in the open market or otherwise at any price in accordance with applicable law, provided that no such purchase shall be made unless sufficient free reserves are available (which will not be the case in the foreseeable future due to the distribution scheme under the Terms). The Issuer may, at its option, retain such purchased TREE Tokens for its own account and/or resell or cancel or otherwise deal with them at its discretion.

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c) Rights attached to the Securities.

28 The TREE Token is a digital representation of a perpetual contractual claim of Tokenholders to a fraction of the Issuer's Net Operating Cash Flow resulting from the TREECYCLE Project (the "Profit Participation Rights", as defined below). The pro-rata share allocated for distribution to Tokenholders is **forty percent (40%) of Net Operating Cash Flow**, defined to mean the net cash flow from Operating Activities as shown in the Cash Flow Statement prepared in accordance with the IFRS Accounting Standard and audited by the Auditor. Net Operating Cash Flow suitable for distribution to Tokenholders can be expected only when trees can be harvested and sold (i.e. in the years 6 (at earliest), 10 and 13 of a harvesting cycle) and proceeds exceed costs of operations. Tokenholders are eligible to receive Distributions if they are duly registered as a Tokenholder on the Issuer's Website.

29 Tokenholders acknowledge, understand and accept that (i) due to the nature of the TREECYCLE Project Net Operating Cash Flow will be generated only if and when the afforestation and the sale of harvested wood can be successfully completed; (ii) any claim under these Terms is subject to, and conditional upon, a successful afforestation; (iii) Net Operating Cash Flow will be generated and become available for Distribution only in some, but not all financial years; (iv) the earliest financial year for which Net Operating Cash Flow may be generated is six (6) years after the first afforestation has been completed, and (vi) Tokenholders therefore have no right or entitlement to regular payments.

30 The Issuer has also undertaken to make use of the remaining sixty percent (60%) of the operating profit as follows:

- to reinvest fifty percent (50%) of Net Operating Cash Flow in the TREECYCLE Project, including, but not limited to, for the acquisition of land and afforestation; and
- to use ten percent (10%) of Net Operating Cash Flow to support projects for the protection of jungle and natural forests as well as social projects designated by the Issuer's Board of Directors.

31 The Issuer will meet this undertaking on a best-efforts basis, but it does not qualify as a contractual or legal right enforceable by a Tokenholder or any other person in a court of law.

32 If, for any reason, the Issuer is unable to acquire new land or to afforest existing or new land, the Issuer has the right, but not the obligation, to allocate an additional fraction of Net Operating Cash Flow to Tokenholders. The Issuer's Board of Directors shall have full discretion regarding the decision to acquire and/or afforest land and to adjust the fractions of Net Operating Cash Flow reserved for reinvestment and to be distributed to Tokenholders.

d) Ranking

33 The Tokens constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank pari passu among themselves. The rights and claims of Tokenholders are subordinated, which means that they are junior to all unsubordinated outstanding liabilities of the Issuer in respect of the Issuer.

34 In the event that the Issuer's Board of Directors determines that the requirements pursuant to article 725a Para. 1 CO (capital loss) or article 725b Para. 2 CO (overindebtness) are met, Tokenholders irrevocably agree that any claim Tokenholders may have against the Issuer under the Terms (including, but not limited to, any claim for profit participation) shall rank subordinate and junior to the claims of (i) all unsubordinated creditors of the Issuer and (ii) the holders of other subordinated instruments or other obligations issued, entered into, or guaranteed by the Issuer, and any other instrument or other obligation issued, entered into, or guaranteed by the Issuer that ranks or is expressed to rank senior to the TREE by operation

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of law or contract. In this event, all payments in relation to subordinated claims, including any claims for profit participation, shall be deferred (Stundung) for the duration of the subordination.

e) Repayment at the option of the Tokenholders.

35 Tokenholders have the right to request early repayment, for the first time 12 years after the Initial Prospectus Date (i.e. 14 February 2024) and thereafter every 4 years.

5. Where will the securities be traded?

36 TREE Tokens are freely transferable in accordance with the Terms and the rules and procedures of the distributed ledger. TREE Tokens are not admitted to trading on a regulated market. However, the Issuer plans, and will undertake best efforts, to apply for a listing of the TREE Tokens on a Trading Venue. Until and unless such listing or arrangement is in place (if ever), Tokens can only be sold and purchased on a bilateral basis. In the absence of sufficient demand this will result in the TREE Tokens being highly illiquid investments.

6. What are the key risks specific to the securities?

37 The Issuer is in its early stage of developing its business operations. It has a capital (equity) of only CHF 100'000,00. It has currently, and until the harvesting starts, no regular operating income. A positive cash-flow (if any) is to be expected not before 2028 (operating year 6). Until a positive cash-flow is realized, the Issuer will fully rely on the proceeds from the public offering to finance the acquisition and preparation of land, the afforestation and all ongoing operational costs and expenses to run the Issuer. A lack of sufficient investments could result in the illiquidity or insolvency of the Issuer and thus lead to a partial or complete loss of the investment of a Tokenholder.

38 The success of the TREECYCLE Project, including the number of hectares to be acquired and the number of trees to be planted, depends on the success of the public offering. If the numbers of tokens sold to investors is lower than assumed in the financial model, the Issuer will not be able to acquire and afforest sufficient land. In such a scenario, the cash-flow (if any) and consequently the Net Operating Cash Flow to be distributed to Tokenholders will be lower than assumed in the financial model. The success of the public offering is therefore critical for the long-term success of the Issuer's business.

39 The TREE Tokens are perpetual securities in respect of which there is no fixed redemption or maturity date. Tokenholders have the right, but not the obligation, to terminate their investment in TREE Tokens for the first time twelve (12) years after the Initial Prospectus Date (14 February 2024, i.e. on 14 February 2036), and thereafter every four (4) years. The Issuer has no right to redeem TREE Tokens. While the Issuer plans to have the TREE Tokens listed on a trading venue or an alternative trading platform, it cannot guarantee if and when such listing will take place. As a result, the Tokenholder's investment therefore is highly illiquid.

40 The pay-out of Net Operating Cash Flow is a function of the tree harvest cycle and other factors. Net Operating Cash Flow which permits a Distribution to Tokenholders will vary considerably from year to year, and in some years the Issuer will not generate any Net Operating Cash Flow at all. Other factors which may impact Net Operating Cash Flow include natural disasters like hurricanes and wildfires and general economic conditions which may influence the demand for wood.

41 The TREE Tokens represent contractual claims against the Issuer which are unsecured. They do not represent any ownership rights in trees or land acquired with the proceeds of the TREE Tokens. The contractual claims represented by the TREE Tokens rank subordinate and junior

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in right of payment to, and of all claims of all unsubordinated creditors of the Issuer. This means that in an insolvency of the Issuer Tokenholders would be satisfied only after general creditors have been fully paid.

7. Under which conditions and timetable can I invest in this security?

42 **Offer Period**. The offer started in the Principality of Liechtenstein, Germany and Austria on 14 February 2024 and has since been renewed and / or continued on the basis of succeeding Prospectus. The Issuer now wishes to offer additional TREE TOKEN on the basis of this Prospectus for which the offer period starts on 22 June 2026.

43 For other Member States of the EEA the Offer Period will not commence in the relevant Member State until the day following the banking day in that Member State on which the registration office or other competent authority of the relevant Member State has been notified of the intended offer to the public. The Issuer also registered the Prospectus in Switzerland. Offer Period means the period during which the Prospectus is valid, i.e. one year after approval has been granted by FMA or the Registration in Switzerland.

44 **Subscription Price**. The initial Subscription Price for the sale of TREE Tokens under this Prospectus is CHF 25. In order to avoid dilution for existing Tokenholders, the Issuer reserves the right to increase (but not decrease) the Subscription Price when the total proceeds from the sale of TREE Tokens under this Prospectus and from the Private Sale (N 47) and the First Public Offering (see N 48) exceeds the aggregate total amount of CHF 25mn. In setting the new Subscription Price the Issuer will take into account the net-asset value (NAV) of the TREE Token and the time proximity to the next following harvesting events.

45 **Details of the method for paying up and delivering the Tokens**. The Issuer will issue Tokens to subscribers within 14 days after receipt of payment and send the Tokens to the wallet designated by the subscriber.

46 Subscribers shall arrange for payment of the Subscription Price in Swiss Franc ("CHF") or in Euro ("EUR"). Payments in CHF or EUR shall be made to the Issuer's bank accounts as disclosed during the subscription process. The Issuer reserves the right to accept, at any time during the Offer Period, payments in Bitcoin (BTC) or Ether (ETH).

47 **Private Sales**. Prior to the first Public Sale (see below N 48) the Issuer has sold 863’614 TREE Tokens in private sales (based on article 1(4)(b) Prospectus Regulation) between 18 June and 31 October 2019 and between 1 November 2019 and 30 September 2023 and raised approx. CHF 17.31mn during this period. Reflecting the early stage of the project Tokens issued between 2018 and 31 October 2019 were sold at a discount of 40%; Tokens issued between 1 November 2019 and 31 December 2020 were sold at a discount of 25%. Tokens issued in the course of private sales, including tokens sold at a discount, rank pari passu with tokens sold in the course of this public offering.

48 **First Public Offer**. The Issuer has offered the Token to the public from 15 February 2024 until 14 February 2025 on the basis of a prospectus approved by the FMA on 14 February 2024 and notified in Austria and Germany. The prospectus was also registered in Switzerland on 15. February 2024. The Issuer has sold 174’111 (including bonus allocations) Tokens in the course of the First Public Offer, resulting in total proceeds of CHF 3,34mn.

49 **Second Public Offer**. The Issuer has offered the Token to the public from 11 June 2025 until 10 June 2026 on the basis of a prospectus approved by the FMA on 11 June 2026 and notified in Austria and Germany. The prospectus was also registered in Switzerland. The Issuer has

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sold 355’000 (including bonus allocations) Tokens in the course of the Second Public Offer, resulting in total proceeds of CHF 6.75 mn.

8. Why is this Prospectus being produced?

50 The Prospectus is being produced in order for the Issuer to be able to offer up to 8’900’00 TREE Tokens to the public. The proceeds from the public offering will be used by the Issuer to finance the TREECYCLE Project, including the acquisition of 12’000 or more hectares of land, the planting, maintenance and subsequent harvesting of 12 million or more trees. The Issuer finances the acquisition of land through loans (including unsecured and subordinated loans) and/or equity contributions to GTP Paraguay, its subsidiary in Paraguay which is the legal owner of the land.

51 Net proceeds from the offer to the public will also be used to cover costs and expenses incurred for the public offering, including costs in connection with the issuance and distribution of Tokens, the project development as such and additional costs for the establishment and operation of the TREECYCLE project. In addition, the Issuer will retain a portion of the proceeds as a liquidity reserve.

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B. RISK FACTORS

I. GENERAL

52 The following is a disclosure of risk factors relating to the Issuer and the TREE Tokens. These factors include risks relating to the Issuer (Section II.) and its business (Section III.) as well as to the instrument itself (Section IV.) and the markets and infrastructure supporting the issuance and the custody of the TREE Tokens as well as the trading, the clearing and settlement of transactions with tokens (Section V). It must be stressed that the TREE Tokens are a novel and structured financial instrument that is highly illiquid. An investment in Tokens is therefore suitable only for experienced and financially sophisticated investors who are in a position to evaluate the risks and who have sufficient resources to be able to bear any losses which may result from such investment.

53 Prospective purchasers of the TREE Tokens should consider these risk factors and consult with their own professional advisers before deciding to invest in TREE Tokens. The risk warnings set out below cannot serve as a substitute for individual advice and information which is tailored to the individual requirements, objectives, experience, knowledge and circumstances of each prospective purchaser. If any of the risks described in the following materializes, the market price of the Tokens may be materially adversely affected, and an investor could lose all or part of its original investment.

54 Investors must consider that they are about to purchase a financial product, that is not simple and may be difficult to understand. Investors should be aware that they may lose all or part of the invested capital. The risk information below does not purport to be an extensive and comprehensive list of all possible risks associated with an investment in TREE Tokens. The risk factors discussed below are focused on risks which are specific to the Issuer and the TREE Tokens; risks affecting financial instruments or the economy in general are not specifically discussed. Nor are risks being discussed which may affect any business operation, including operational risks and fraud. The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences. Additional risks currently not known or currently not deemed to be material may also impair the Issuer's business operations.

II. RISKS RELATING TO THE ISSUER

1. Issuer is a startup company with minimal capital and no operating income

55 The Issuer is in its early stage of development. It has a capital (equity) of only CHF 100’000.00, which is the minimum capital required under Swiss law. It has currently, and until the harvesting starts, no regular operating income. A positive cash-flow (if any) is to be expected not before 2028 (operating year 6). Until a positive cash-flow is realized, the Issuer will fully rely on the proceeds from the public offering in order to finance ongoing operational costs. A lack of sufficient investments could result in the illiquidity or insolvency of the Issuer and thus lead to a partial or complete loss of the investment of Tokenholders.

2. Issuer’s operations depend on success of Public Offering

56 The success of the TREECYCLE Project, including the number of hectares to be acquired and the number of trees to be planted, depends on the success of the public offering. If the numbers of tokens sold to investors is lower than assumed in the financial model, the Issuer will not be able to acquire and afforest sufficient land. In such a scenario, the net cash-flow from operating

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activities (if any) and consequently the Net Operating Cash Flow to be distributed to Tokenholders will be lower than assumed in the financial model. The success of the public offering is therefore critical for the long-term success of the Issuer's business.

3. Risk of illiquidity or insolvability of the Issuer

57 The cash-flow predictions are based on a number of key assumptions, which may or may not realize. The key assumptions are (i) the growth pattern of the trees, which determines the timeline for harvesting, (ii) the prices for the various qualities and use forms of harvested timber that can be realized and (iii)) the operational costs of the issuer. A severe crisis in timber markets and/or natural disasters which adversely affects growth of the trees and other factors outside the control of the Issuer could severely impact the expected quantity and timeline of cash flows. This may result in the Issuer's illiquidity and/or its insolvency. Insolvency risks are exacerbated by the Issuer's investments in forestall land in Paraguay, which is a highly illiquid asset in emerging economy.

4. The Issuer may assume additional debt

58 The Terms and Conditions of the Tokens do not limit the amount of additional indebtedness that the Issuer can create, incur, assume or guarantee. The Issuer reserves the right to seek additional third-party financing, including financing from banks, for the acquisition of land. Such financing would likely be secured by security interests in the land. If at the term of a financing arrangement with a third-party financier it is not possible to agree on a roll-over in a timely manner or at reasonable conditions, the Issuer may be forced to sell the land. Depending on the terms of such third-party financing, third party financiers may also have the right of early termination of such arrangements.

5. Amendment to laws or regulations

59 Existing laws, regulations and financial oversight practice relating to Tokens and digital assets are subject to intense political and jurisdictional debate in all jurisdictions where Tokens are offered for subscription. Changes in applicable laws and regulations may be implemented and enter into force without warning and with immediate or even retrospective effect leading to impacts on the Issuer's operational results and the ability to offer, distribute and trade the Tokens as well as to distribute profits to the Tokenholders. In very severe circumstances, jurisdictions may enforce a cancellation of the Offering or a closing of the platform and the Issuer respectively. This could lead to losses incurred by the subscribers or Tokenholders.

60 Further, laws, regulations and requirements regarding identification of the Tokenholder, anti-money laundering, use of distributed ledger technology, consideration as collective investment scheme, securities trading are at all times subject to change leading to amended requirements and / or new procedures required. Tokenholders are strictly reminded to observe legal and regulatory developments at all times and to consider their own position vis-à-vis those requirements.

61 The Issuer has institutionalized internal processes to ensure compliance with the laws and regulations of Switzerland and all other jurisdictions where TREE Tokens will be offered to the public. If, despite these precautions, breaches of statutory or regulatory provisions occur, this could adversely affect the Issuer's business activities and/or the price of the Tokens.

62 Changes to data protection laws or regulations may force the Issuer to disclose any kind of additional information to authorities in the future.

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III. RISK FACTORS RELATING TO THE BUSINESS OF THE ISSUER

1. Operational Risks

63 The TREECYCLE Project is subject to operational risks which may prevent the generation of Net Operating Cash Flow. This includes, but is not limited to, force majeure events (such as fires, explosions, earthquakes, cyclones, hurricanes, floods, droughts or such other extreme weather or environmental conditions), plant diseases, climate changes, temporarily or permanently insufficient workforce, temporary or permanent unavailability of proper infrastructure, theft of machinery, equipment and/or wood.

64 Adverse weather conditions (long periods of rain or drought) may damage the new plantings and make replanting necessary, which would result in considerable additional costs and would have a negative impact on the value of the TREE Token.

65 It cannot be ruled out that despite ecological reforestation and management, the trees on parts or the entire Estate will be damaged and destroyed by significant pest infestation or tree diseases. Such an event would require pest control measures and replanting of trees, which would result in additional costs and delay the subsequent timber harvest. It might also negatively affect product quality and/or profitability of operations.

66 The success of the project depends also on the availability of resources like fertilizer, lime and sufficient trained workforce. Yields and hence profitability will be negatively affected if these and other resources were not available, or available only at increased prices.

67 Improper set-up and maintenance of the plantation such as inadequate drainage or irrigation, insufficient or mal-mixed pre-plantation soil fertilization, wrong ploughing, missing removal of fast-growing weed, non-removal of branches in early-stage growth and any other practices in default of best practice may significantly impair the growth and/or the quality of the wood. This would negatively impact the prices achievable in sales and may result in additional costs and/or negatively impact Net Operating Cash Flow and the value of the TREE Token.

68 Improper execution of logging, transport and interim storage of harvested timber could negatively affect the sales price and can even result in the loss of sales. This would reduce the revenues and thus the profitability of the project. Due to the contractually agreed fluctuation reserve of twelve months, the respective timber harvest can take place before or after the originally agreed date. Natural fluctuations in the growth of the trees means that different quantities and qualities of valuable wood and fuel wood are produced at the respective times of the wood harvest, and thus different revenues from the marketing of the wood harvest can occur. Currency and wood price fluctuations at the time of harvest also result in varying sales revenues.

69 Since the Issuer acquires larger plots of land in single transactions, full scale and scientifically based due diligence on soil quality and other factors that may adversely impact its ability to achieve benchmark performance may not be feasible. Additionally, there may be other factors like past levies or legacy issues of any kind relating to a plot of land, that may lead to either reduced potential for afforestation or to additional costs of remediation. All may lead to delayed or reduced afforestation, additional costs, reduced Net Operating Cash Flow or value per TREE Token.

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2. Market related project risks

70 The TREECYCLE Project is subject to market related risks which may prevent realization of its full potential or the generation of Net Proceeds from the TREECYCLE Project. These risks include, but are not limited to, volatility of wood prices, collapse of the wood market, or the lack of demand for the timber produced and harvested. Demand for timber products might also be adversely affected by adverse economic developments like a recession in main markets.

3. Political project risks

71 The TREECYCLE Project is subject to political risks, including, but not limited to, political turmoil, unrest, war, hostilities (whether war be declared or not), invasion, act of foreign enemies, mobilisation, requisition, embargo, rebellion, revolution, insurrection, or military or usurped power, civil war, and any acts or threats of terrorism. These and other events could result in the expropriation of land, products, or proceeds from the sale of products. This could severely impact the profitability of the project or result in its unviability.

4. Legal and regulatory project risks

72 The Issuer is not required to be licensed or authorised under any current securities, commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. There is no assurance, however, that regulatory authorities in one or more jurisdictions would not take a contrary view regarding the applicability of any such laws to the Issuer. The taking of a contrary view by such regulatory authority could have an adverse impact on the Issuer or the holders of TREE Tokens.

73 The TREECYCLE Project is subject to legal and regulatory risks, including, but not limited to, the change or different interpretation of laws and regulations concerning land ownership, forestation, environmental protection and timber trade. Such an event might adversely affect the business of Issuer (including forcing the Issuer to change its business strategy) and negatively impact the generation of Net Operating Cash Flow.

5. Foreign exchange risk

74 The currency of the Bond is Swiss Francs, whereas profits are generated and acquired land is accounted for in the local currencies of the country where the afforestation project is being undertaken. Changes in the exchange rate between the currency of the Bond and local currencies can have a substantial negative or positive effect on the Issuer's performance and the value of the investments (foreign exchange risk). In particular, if the value of the CHF vis-à-vis a local currency raises, income from the operation and proceeds from the project shown in CHF will decrease and may, under adverse scenario, negatively affect the Issuer's capability to fully service the obligations under the Terms.

6. Inflation

75 The TREECYCLE Project is located in Paraguay, and operating income as well as expenses will be generated in the local currency, the Guarani (PGY). Likewise, the land is owned by GTP Paraguay (i.e. three plots of land with a total of 1'190 hectares with a total of approx. 383'000 trees having already been planted) with its value being accounted for in the local currency. Paraguay has historically seen a comparatively high level of inflation. It is therefore currently difficult to predict future product and resource prices (including wages). A comparatively high inflation will likely result in a deprecation of the local currency against the Swiss Franc.

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7. Liquidity risks

76 The cash-flow predictions are based on assumptions, which may or may not realize. A severe crisis in timber markets and/or natural disasters and other factors outside the control of the Issuer could severely impact the expected cash flows and result in the Issuer's illiquidity and/or insolvency. Insolvency risks are exacerbated by the Issuer's investments in forestall land and timber, which are highly illiquid assets. This could result, under adverse circumstances, the insolvency of the Issuer.

IV. TOKEN-RELATED RISKS

1. No fixed repayment date and amount

77 The TREE Tokens are perpetual securities in respect of which there is no fixed redemption or maturity date. Tokenholders have the right, but not the obligation, to terminate their investment in TREE Tokens which can be exercised for the first time twelve (12) years after the Initial Prospectus Date (14 February 2024), and thereafter every four (4) years. The Issuer has no right to redeem TREE Tokens.

2. Illiquid investment

78 While the Issuer is considering having TREE Tokens listed on a regulated market or trading facility, such trading venues are currently not widely available, and the Issuer therefore cannot guarantee that a listing will actually take place within the foreseeable future. The Tokenholder's investment is therefore highly illiquid. TREE Tokens can only be sold and purchased on a bilateral basis.

3. Unregular pay-out of Net Operating Cash Flow

79 The pay-out of Net Operating Cash Flow is a function of the tree harvest cycle and other factors. Net Operating Cash Flow suitable for Distribution to Tokenholders can be expected only when trees can be harvested and sold (i.e. in the years 6, 10 and 13 of a harvesting cycle). Other factors which may impact Net Operating Cash Flow include natural disasters like hurricanes and wildfires and general economic conditions which may influence the demand for wood. Net Operating Cash Flow which permit a Distribution to Tokenholders, will therefore vary considerably from year to year, and in some years the Issuer will not generate any Net Operating Cash Flow at all.

4. Unsecured and subordinated contractual claims

80 The TREE Tokens constitute unsecured obligations of the Issuer. The Issuer has not created any security interest to secure its obligations in respect of the Tokens and no such security interests exist for the benefit of the Tokenholders. They do not represent any ownership claims in trees or land acquired with the proceeds of the TREE Tokens.

81 The contractual claims represented by the TREE Tokens rank subordinate and junior in right of payment to, and of all claims of all unsubordinated creditors of the Issuer. This means that in an insolvency of the Issuer Tokenholders would be satisfied only after general creditors have been fully paid.

82 The contractual claims represented by the TREE Tokens are in particular subordinated in relation to all other unsubordinated creditors as well as holders of other subordinated instruments ranking senior to the TREE Tokens if the Issuer's Board of Directors determines that the requirements pursuant to article 725a Para. 1 (capital loss) or article 725b Para. 2 CO (overindebtness) are met. In this event all payments in relation to subordinated claims,

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including any claims for profit participation, shall be deferred (Stundung) for the duration of the subordination.

5. Tax risks

83 The TREECYCLE Project is subject to taxation in Paraguay. The Issuer is subject to taxation in Switzerland. Tax legislation in both jurisdictions may change over the course of the project. An increased tax burden may substantially affect the profitability of the Project and may reduce the profit share to be distributed to Tokenholders.

6. Country Risks

84 Since the Issuer's operational business will be concentrated in Paraguay, Tokenholders will be exposed to the country risk of Paraguay. This risk category includes, but is not limited to, restrictions in the right to transfer profits, the impossibility of converting currencies, the risk of expropriation, the risk of war or political violence and sovereign risk.

85 While Switzerland and Paraguay have entered into a bilateral investment agreement (Abkommen vom 31. Januar 1992 zwischen der Schweizerischen Eidgenossenschaft und der Republik Paraguay über die Förderung und den gegenseitigen Schutz von Investitionen) there is no guarantee that such an agreement will continue to be in force over the full lifecycle of the TREECYCLE Project, or that remedies available under the Agreement will be available or effective.

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C. PROSPECTUS RESPONSIBILITY AND APPROVAL

I. RESPONSIBLE PERSONS

86 Responsibility for the contents of this prospectus lies with the Issuer, TREECYCLE AG, Rothusstrasse 15, 6331 Hünenberg (Switzerland).

87 The senior management body of TREECYCLE AG is the Board of Directors. The members of the Board of Directors are Alf Schröter and Jörg Heinrich Schäfer (see p. 32 ff). The Board of Directors has appointed Jörg Heinrich Schäfer as a delegate and CEO with sole signatory powers.

88 TREECYLCE AG and the members of the Board of Directors hereby declare that, to the best of their knowledge, the information and data contained in this prospectus are accurate and in accordance with the facts and no facts have been omitted that are likely to affect the materiality of this prospectus.

89 To the extent that data in this prospectus has been obtained or quoted from third parties, it is hereby confirmed that said data has been faithfully reproduced, to the best knowledge of the Issuer as can be ascertained from the data published by any such third party, has not been presented in an inaccurate or misleading manner. Where data from third-party sources is used, this is indicated at the appropriate location and the source identified.

II. APPROVAL

90 This Prospectus was approved on 22 June 2026 by the Financial Market Authority of Liechtenstein as the competent authority under Regulation (EU) 2017/1129.

91 Prospectuses are approved by the Financial Market Authority of Liechtenstein after verification of the completeness, comprehensibility, clarity and consistency of the prospectuses imposed by Regulation (EU) 2017/1129 and should not be considered as an endorsement of the Issuer that is the subject of this prospectus nor confirmation of the quality of the securities covered by said prospectus.

92 Investors are required to independently verify the appropriateness of the security offered against their own investment objectives.

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D. INFORMATION ON THE ISSUER

I. GENERAL INFORMATION

1. Legal and commercial name of the Issuer

93 The legal and commercial name of the Issuer is TREECYCLE AG (TREECYCLE SA, TREECYCLE Ltd).

2. Place of registration and register number and legal entity identifier

94 The Issuer is registered with the Swiss Registry of Commerce (Handelsregister) of the Canton of Zug under reg. no. CH-170.3.042.515-8 and UID CHE-326.153.517.

3. Legal Entity Identifyer (LEI)

The Issuer's Legal Entity Identifyer is 894500YH69NWY8I0Z836.

4. Date of Incorporation and Duration

95 The Issuer has been incorporated by way of registration in the Registry of Commerce on 13 June 2018 in the name of Global TREE Project AG and has been renamed to TREECYCLE AG in December 2024. It has an unlimited duration.

5. Registered Office, Legal Form and Applicable Law of the Issuer

96 The registered office of the Issuer is at Rothusstrasse 15, 6331 Hünenberg (Switzerland). The management can be contacted by phone at +41 41 588 13 08 or by email at info@gtp.ch.

97 The Issuer was incorporated as a joint-stock company (Aktiengesellschaft) in accordance with articles 620 seq. Code of Obligations and is therefore governed by Swiss law.

98 Further information on the Issuer is available on the website at www.treecycle.ch.

99 The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

6. Key Events in the Development of the Issuer's Business Activities

100 The Issuer was incorporated in June 2018. It started initial operations in Paraguay in 2019 and acquired for that purpose Las Marias 7, S.A., which was renamed into GTP S.A. (see N 147 for further details). An internet-based platform was also developed and became operational in late 2019. This work was financed with private sales of TREE Tokens.

101 The TREE Tokens were issued on the Ardor Blockchain on 5 September 2020 in a quantity of ten (10) million tokens. A total of about 927'405 TREE Token have been sold in private sales from 2019 and prior to 14 February 2024, raising about CHF 13,52 mn. Additionally, a total of 159'200 (including bonus allocations) TREE Token have been sold in the First Public Offering from 14 February 2024 until 14 February 2025, raising about CHF 3,34mn. Further, a total of 338'000 (including bonus allocations) TREE Token have been sold in the Second Public Offering from 11 June 2025 until 10 June 2026, raising about CHF 6.42 mn. The tokens not yet sold are being held on reserve by the Issuer. At the same time one billion Tree Coins (TXC) were issued and a total of 50'585'660 TXC have been distributed to purchasers of the TREE Token. The initial idea was to establish the TXC as a payment token in the wider ecosystem, but this goal has not been reached so far and is no longer part of the Issuer's business plan. The TXC will no longer be part of the public offering under this Prospectus. Instead, TXC will continue to serve and will be issued as a pure utility token.

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102 The Issuer obtained a non-action letter from the Swiss Financial Market Supervisory Authority (FINMA) on 18 October 2019 confirming that the TREE Tokens qualifies as an asset token under FINMA guidelines and as a transferable security in accordance with article 2(b) Financial Market Infrastructure Act. Since the token is issued on the basis of a prospectus it does not qualify as deposits from the public (Art. 5 para. 3 lit. b Banking Ordinance). The TXC Token was initially qualified as a payment token under the FINMA guidelines and as the issuance of a payment instrument under the AML Act. TREECYCLE AG therefore was a member of the Verein zur Qualitätssicherung von Finanzdienstleistungen (VQF), a Swiss self-regulatory organization for AML purposes authorized and supervised by FINMA, from 2018 until 2025. After the TXC has been reclassified as a utility token, the Issuer no longer qualifies as a financial intermediary and therefore for SRO membership. As a result, membership with VQF was terminated as of 31 December 2025.

103 The operational business of the Issuer was further developed in 2020 und 2021. A long-term relationship was established with La Riviera, a local Paraguay company with extensive experience in forestation projects. In 2022 the land lot with a total size of 200 hectares was purchased by GTP S.A. with funds provided by the Issuer. About 236,000 eucalyptus trees have been planted so far on these plots in two phases. Between 2023 and 2025 additional 1300 hectares have been acquired, of which 747 hectares have been afforestated with additional land of up to further 2'000 hectares identified and being under due diligence for acquisition. The Issuer meanwhile expanded its network of afforestation service companies in Paraguay and entered in a business relationship with AGRO Waibel, allowing a substantial acceleration of the business plan execution. Additional professional afforestation partners are under due diligence.

104 In 2024 the Issuer strengthened the local management structures in Paraguay with the hiring of Andrea Caroni as the local Director of GTP S.A. Andrea Caroni is fluent in German and Spanish allowing for swift communication across the team and interface with local government functions.

105 At the end of 2024, the Issuer decided to restructure the group by incorporating (on 20.03.2025) a holding company, Global TREE Project AG, which is now holding 88% of the Issuer's share capital. Controlling shareholders of Global TREE Project AG and ultimate beneficial owners of the Issuer are Alf Schröter and Jörg Schäfer. The remaining 12% of the Issuer are ultimately owned by Andreas Jelinek. The purpose of the restructuring was to permit the development of additional projects and to reap scaling effects and other synergies, including the sharing of management and operational capacities. During the restructuring the Issuer (in December 2024) also changed its name from Global TREE Project AG to Treecycle AG.

106 As from 1 January 2026 TREECYLE has entered into a Management Agreement with Global TREE Project AG. TREECYCLE will only continue to bear directly attributable third-party costs whilst all management services are outsourced to Global TREE Project AG on a cost plus 5% margin.

107 After conclusion of the First Public Offer and with effect to the commencement of the Second Public Offer, the Issuer has amended the Prospectus in order to respond to concerns raised by authorities. The main changes are outlined below. They do not alter the fundamental nature of the TREE Token, therefore, the TREE Token issued on the basis of the Prospectus and the TREE Token issued earlier form one single issue. The amendments have the purpose to (i) avoid dilution of early-stage investors, (ii) permit investors to exit their investment, (iii) enhance alignment of interests between investors and the Issuer, (iv) improve transparency,

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consistency and ease of understanding of the commercial and financial model and (v) improve flexibility for the Board to attract higher subscription amounts. The main amendments are as follows:

First Public Offering	Second Public Offering
Avoid Dilution of early-stage investors	
Fixed subscription price of CHF 21	Initial Subscription Price is CHF 21. Issuer reserves the right to increase Subscription Price when the total proceeds from the sale of TREE Tokens exceeds CHF 25 million. In setting the new Subscription Price the Issuer will consider the net-asset value (NAV) of the TREE Token plus aspects of time to harvest.
Permit subscribers reasonable ways to exit their investment	
No termination and redemption right	Introduction of a termination right for Tokenholders after 12 years and every 4 years thereafter, provided the TREE Token is not listed and traded on a Trading Venue. Redemption Amount (= Subscription Price).
Enhance alignment of interests between investors and the issuer via incentive mechanism	
Staged Management Compensation based on amounts subscribed	Introduction of a standard fee structure, containing (i) a fixed subscription fee, (ii) a transaction fee on funds raised and deployed for acquisition of land and afforestation and (iii) a performance fee on wood harvested and sold.
Improve transparency, consistency and ease in understanding the commercial and financial model.	
TXC Token part of the offering	Elimination of the TXC Token from the offering
Architecture of the financial model	Align the financial model with the IFRS Cash Flow Statement allowing to reconcile forecast performance to the Net Operating Cash Flow as the key figure to determine Distributions to investors. Enhanced transparency on operating costs and management compensation. Inclusion of the effects of reinvestments. Consistent planning horizon of 24 years, representing two harvesting cycles. Inclusion of sensitivity analysis.
Determination of Fair Value according to IAS 41	Inclusion of disclosures on the internally generated model to determine fair value of

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	biological assets as key component of Net Asset Value per TREE
Improve flexibility for the Board to attract higher subscription amounts	
No allowances	Allow the Board to grant discounts for subscriptions by investors exceeding CHF 1 million to the extent net average price is not lower than the last applicable Subscription Price. Allow the Board to allocate a maximum of 1 million TREE Tokens for sales and marketing activities.

7. Credit Ratings

108 The Issuer has not been independently rated and therefore has no independent credit rating.

8. Current borrowing and funding structure

109 There have not been any material changes in the Issuer's borrowing and funding structure since the last financial year.

9. Expected financing of the Issuer's activities

110 For the full implementation of the business plan, which provides the acquisition of a total of 12'000 or more hectares of land and the planting of 12 or more million trees, the Issuer will rely on the proceeds from the public sale of up to 10 Million TREE Tokens. Under the financial model (see pg. 30) revenues and Net Operating Cash Flow are to be expected only when trees can be harvested, which will not take place before 2028.

111 As of the date of the audited financial statements as per 31 December 2025 about 983'000 trees had already been planted as part of the TREECYCLE Project. The Issuer expects annual operational costs in the amount of approx. CHF 2.3mn per year. A first partial harvest is expected to take place in 2028. A second partial harvest and the main harvest are expected to take place in 2032 and 2035. More regular proceeds are expected after 2035, when the various harvesting cycles on existing and newly acquired land will start to overlap. This is expected to result in more regular distributions to Tokenholders.

112 If the Issuer cannot raise the full amount planned for the public token sale, the TREECYCLE Project will have to be reduced proportionally which may affect the project's overall profitability.

II. BUSINESS OVERVIEW

1. Business Model

a) Wood Industry in Paraguay

113 Paraguay, officially the Republic of Paraguay (Spanish: República del Paraguay; Guarani: Tavakuairetã Paraguái), is a landlocked country in South America. It is bordered by Argentina to the south and southwest, Brazil to the east and northeast, and Bolivia to the northwest. It has a population of seven million, nearly three million of whom live in the capital and largest city of Asunción, and its surrounding metro.

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114 Paraguay has long been suffering from deforestation, leaving vast swathes of land barren and unsuitable for cultivation. Exploitation, both from local loggers and foreign operators, has eradicated much of the country's rich woodlands. According to a recent report by the Food and Agriculture Organization of the United Nations (FAO) Paraguay recorded increases in the annual rate of net forest loss between 1990 and 2020. In Paraguay, the rate increased from 255'000 ha per year in 1990–2000, to 342'000 ha in 2000–2010, to 347'000 ha in 2010–2020 (FAO, Global Forest Resources Assessment 2020, Main report, Rome 2020, p. 17). In the last decade Paraguay has been among the top ten countries for average annual net loss of forest area (FAO, p. 18).

115 In 1973 forestry law 422/73 declared in the public interest the rational handling of forests to control erosion and protect water basins, obliging landowners with more than 20 hectares of forest to retain at least 25% of it. Difficulties in enforcing the law, exacerbated by lack of funding, however, meant the legislation had little effect in stemming the tide of deforestation and illegal logging remained rife. In 2004 Paraguay passed the "zero deforestation" law that prohibited the transformation of forest soils into agriculture in the eastern region.

116 The National Forestry Institute (INFONA) started projects with the FAO to encourage sustainable forestry development, and UN-REDD+ aimed to reduce emissions. Paraguay has national plans for forestry competitiveness, agro-forestry policies, inventory, updated thematic maps for investment orientation and a National Forest Monitoring System. Management of indigenous forests, boosting planting programs and modernization of the institutional framework were identified as crucial issues for sustainable development and employment increase. The National Forestry Inventory (2015) identified 16'700'000 hectares of native forests, 2'400'000 ha of palm trees and 53'000 ha of commercial plantations. The total amounts to 47% of the country's area.

b) Market for Wood in Paraguay

117 Wood is used in Paraguay mainly for energy production (firewood, charcoal and other biomass) and mechanical processing (sawn wood, boards, joinery, floorboards, laminates, mouldings and furniture).

118 Firewood and other solid biomass is among Paraguay's main energy sources, accounting for 36.8% of total energy use in 2019 (IRENA 2021), Renewable Readiness Assessment: Paraguay, 20; Ministerio de Obras Públicas y Comunicaciones (MOPC) et al., Producción y Consumo de Biomasa Sólida en Paraguay, Paraguay 2019). Biomass was used mainly as firewood (69.8%) and charcoal (8.1%). Firewood was mainly used for cooking purposes and for processing in the industry (IRENA (2021), Renewable Readiness Assessment: Paraguay, 22). Between 2010 and 2019, the consumption of biomass increased in the residential and commercial sectors by 20.7% and in the industrial sector by 23.7%.

119 Paraguay has the potential to utilize forest biomass from native forests, with an estimated productive area of 700'000 hectares in the eastern region and 12.2 million hectares in the western region, which represents a supply of 5.3 million m3 of biomass per year of this, at least 3.5 million m3 per year could be used for energy purposes. However, the sustainability of forested areas in the eastern region has been affected by the conversion for agricultural development and by the demand for firewood from the residential and industrial sectors. In recent years, these two sectors together consumed nearly 10 million tons of wood per year on average, four times the sustainable supply of forest biomass in this location and resulting in average national forest degradation of 7.6 million tons of biomass per year (FAO 2018), Sostenibilidad de la biomasa forestal para energía y del etanol de maíz y caña de azúcar en Paraguay (Sustainability of forest biomass for energy and of corn and sugarcane ethanol in

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Paraguay). Working paper no. 70, Food and Agriculture Organization of the United Nations, Rome), Sostenibilidad de la biomasa forestal para energía y del etanol de maíz y caña de azúcar en Paraguay (Sustainability of forest biomass for energy and of corn and sugarcane ethanol in Paraguay). Working paper no. 70, Food and Agriculture Organization of the United Nations, Rome; IRENA (2021), Renewable Readiness Assessment: Paraguay, 46).

120 Both the mechanical processing and the energy production chains have problems to ensure a continuous supply of raw materials. Timber demand for industrial use keeps growing while the offer has decreased with a more significant gap since 2013. FAO calculated that planting should average at least 10'000 hectares/ year to fulfil the demand of installed industries (FAO), Sustainability of forest biomass for energy and of corn and sugarcane ethanol in Paraguay). Working paper no. 70, Food and Agriculture Organization of the United Nations, Rome, 29 seq.).

c) The TREECYCLE Project

121 The Issuer's operational business consists mainly of the reforestation project in Paraguay (the "TREECYCLE Project") The objective of the TREECYCLE Project is to purchase 12'000 or more hectares of land and plant 12 or more million eucalyptus trees. The trees will be harvested in several stages over a full cycle of 13 years. The wood will then be sold as timber, firewood and pulpwood. Since the Issuer has pledged to reinvest about 50 per cent of Net Operating Cash Flow in reforestation and the acquisition of additional land, the TREECYCLE Project will grow exponentially over the planting and harvesting cycles.

122 The plantation of the TREECYCLE Project (is close to Villarrica del Espíritu Santo (Villarica) in the east of Paraguay. Villarica is the capital of the Guairá Department. The city is located near the Ybyturuzú, part of the Caaguazú mountain chain. The area around Villarica has an average elevation of 180 meters above sea level. It is rough and wooded, appropriate for cultivating sugar cane and trees and for raising cattle. The TREECYCLE Project team has close ties with this area, having been engaged in reforestation work here since 2009 with local partner La Rivera (see p. 27). The climate, rainfall, soil quality, pH value and other variables are all suited to establishing an eucalyptus plantation to the scale and time-frame proposed. In addition, there is a capable local workforce in place to assist with the manual labour that such an undertaking entails.

123 The land for the TREECYCLE Project for afforestation has been selected based on criteria that will ensure maximum tree growth and harvest yield. Ecological metrics have also been considered in the land selection process, including the need for the rehabilitation of deforested, degenerated and over-acidified land. As of the date of this Prospectus, three plots of land with a total of approx. 1'190 hectares have been acquired by GTP S.A. at an average price of CHF 2'230 per hectare. The land is currently valued at CHF 2'653'401 in the books of GTP Paraguay. About 383'000 trees have been planted so far by GTP S.A.

124 The land for the TREECYCLE Project will be planted with hybrid eucalyptus trees, developed by the business partners La Rivera and AGRO Waibel (see p. 27). Those trees are strong, pest-resistant and possess high growth yield. Eucalyptus comprises more than 900 species and unknown number of hybrids and varieties. Most Eucalyptus species (Eucalypts) occur naturally in Australia. The major planting of the Eucalypts outside of Australia and South-East Asia started in 1904 in Brazil. Today Eucalyptus plantations cover at least 12 million ha throughout the tropical zone. Eucalyptus are among the economically most important tree species and have become a cash crop in many parts of the world. They grow very fast; with 1.8 – 3.6 meters of new growth each year for most species (the hybrids used by the Issuer

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have an annual growth rate of 5-7 meters). Eucalyptus wood has many uses, including as timber, firewood and pulpwood to cellulose extraction for biofuels.

125 Eucalyptus grows in diverse ecological conditions with some hardy species growing in semiarid areas, while others are able to grow on marshy and swampy sites. Eucalypts also grow under a variety of soils including fertile loamy soils, infertile sands and heavy clays. The species of eucalyptus provides multiple environmental and socio-economic benefits such as utilized for fuel wood production (for fire), pole production¸ house building, medicine (e.g. blue gum used to treat flue, common cold), timber production. On the other hand, Eucalyptus is often considered to have undesirable ecological qualities such as depletion of soil water and nutrients, aggressive competition for resources with native flora, unsuitability for erosion control, production of allelopathic chemical that suppress the growth of other plants and provision of inadequate food and habitat for wildlife.

d) Planting and Harvesting Cycles

126 While Eucalyptus trees are growing quickly, it still takes a number of years until trees are ready to be harvested. In its base-case model, the Issuer expects that a full cycle has a duration of about 11 to 13 years and consists of the following stages:

- Year 1-2: Planting and maintenance of seedlings.
- Year 6: the trees will be reaching heights of 20 metres and 30 cm in diameter. For optimal growth, they need space. Every second tree (50%) is therefore harvested. The wood is used in paper and energy production or to make posts.
- Year 10: An additional harvest is performed in order to ensure that the remaining trees have sufficient space and light. About 19% of trees will be harvested. At this stage, the trees are approximately 45 cm in diameter. The harvested trees are sold and used for parquet flooring and general timber.
- Year 13: The final harvest (31% of trees) takes place as the trees have grown to 60 cm in diameter. Most of the wood is sold to the furniture, veneer, roof and parquet industry.

127 For the first full cycle it is expected that 1’000 trees per hectare will be planted on a total of 12’000 hectares, i.e. a total of about 12’000’000 trees. If a loss of 5% of the trees is assumed over the planting and harvesting cycle, the total harvest will be about 11’400’000 trees.

128 After the first full planting and harvesting cycle new seedlings will be planted in order to start a new cycle. Moreover, under the Token Terms the Issuer has promised and committed to reinvest fifty percent of Net Operating Cash Flow for the acquisition of additional land for afforestation. The number of trees planted on the TREECYCLE Project as well as the revenues are therefore expected to grow exponentially. This obviously assumes the availability of sufficient land suitable for afforestation and other resources and sufficient demand for products.

129 On a case-by-case basis and depending on 1) best use of specific land parcels, 2) consideration of logistics, 3) abilities to shorten runway for distribution to TREE Tokenholders or 4) any other considerations that may reduce overall project risk, the Board of Directors, at its full discretion, may alter the afforestration cycle towards a shorter cycle, with less trees per hectar and less interim harvesting.

e) Ecological and Social Dimensions

130 It is critical for the TREECYCLE Project to fully take into account the ecological and social dimensions of the project. Close consideration will be given to environmental concerns during the course of each stage of the planting, maintenance and cultivation process. This will include

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paying local workers a fair wage and providing sustainable employment. In order to protect the country's 1,000+ unique species of birds, mammals, amphibians and reptiles, the Issuer will work closely with local forestry organisations including National Forestry Roundtable (Mesa Forestal Nacional) and National Forestry Institute (Instituto Forestal Nacional, INFONA) and the Paraguayan Timber Merchant Federation (Federaciòn Paraguya de Madereros, FEPAMA).

131 Given that the reforestation efforts undertaken by the TREECYCLE Project will occur in a different country and continent from the majority of the project's investors, transparency and close communication will be essential in order to retain trust. The TREECYCLE Project is therefore committed to public reporting that goes above and beyond TREECYCLE's legal obligations. The TREECYCLE Project and its partners will provide regular reports that detail activity conducted including trees planted, thinned, harvested and sold, as well as all out-goings and revenues. With respect to financial accountability, the Issuer is subject to the International Financial Reporting Standard and the audit of an internationally recognized, fully licensed audit firm (see p. 35).

132 The TREECYCLE Project also recognizes the need to give back to the community and to foster positive working relationships throughout the Guaira Villarrica and other regions. The TREECYCLE Project has therefore promised and committed, under the Token Terms, to spend ten percent of Net Operating Cash Flow for projects for the protection of jungle and natural forests as well as in the Villarrica area. These social initiatives include projects that deal with nature, water treatment, hospitals, childcare centers, foundations, and associations for handicapped people.

133 The first social project TREECYCLE Project will sponsor is the Children's Centre "Die Angel" located in San Roque, Villarrica. In partnership with the local church, disadvantaged children in the area will be provided with food and clothing and offered educational classes involving cooking, sewing, welding, gardening and painting. It is estimated that the Children's Centre will provide services for 200 or more children in the local area, with projected management costs of USD 6,000 per month.

2. Financial Model

134 The following section describes the Issuer's financial model. The model is characterized by the TREECYCLE Project's standard case planting and harvesting cycles without consideration of any additional revenues, that may or may not be generated during the growth phase. Substantial revenues are therefore expected only when trees can be harvested and sold (i.e. in the years 6, 10 and 13 of a harvesting cycle). The main expense positions are likewise planting and harvesting costs, which also mainly fall due in planting and harvesting years. The model extends over 24 years, corresponding to two full planting and harvesting cycles (which are partially overlapping).

a) Key Commercial Metrics

135 The financial model has been prepared on the bases of the following main commercial metrics of the TREECYCLE Project

Use of proceeds from TREE Token issuance: Proceeds from subscriptions to the TREE Token are being used to 1) buy suitable land for afforestation in Paraguay, 2) arrange for the execution and maintenance of the plantation during the growth phase, 3) the comprehensive management of the project including but not limited to the costs of a) implementing the project including all required structures and technical tools, b) its legal and regulatory management, c) the related comprehensive marketing expenses to build the brand of TREECYCLE as well as costs of furthering the distribution of the TREE Token, d)

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the compensation of networks in facilitating subscriptions to TREE Tokens as well as all directly related additional costs, fees and taxes.

- **Afforestation Cycle:** The TREECYCLE Project in its standard setting expects staged harvesting with subsequent disposal of harvested wood after 6, 10 and 13 years. Stage 1 (6 years) and stage 2 (10 years) will require interim harvests to reduce the density of trees for minor quality wood, followed by stage 3 (13 years) being a complete harvest for higher quality wood. The fully harvested land is subsequently reforested to initiate a next cycle of 13 years. On a case-by-case basis and depending on 1) best use of specific land parcels, 2) consideration of logistics, 3) abilities to shorten runway for distribution to TREE Tokenholders or 4) any other considerations that may reduce overall project risk, the Board of Directors, at its full discretion, may alter the afforestration cycle towards a shorter cycle, with less trees per hectar and less interim harvesting.
- **Use of Net Operating Cash Flow and expected investor return**: Net Operating Cash Flow are determined by the audited net operational cash flow (see cash flow statement of the financial accounts). Thereof 40% are to be distributed to holders of the TREE Token, 50% are reinvested into acquiring additional land and its afforestation and 10% are used for social projects. The reinvestment leads to the initiation of an additional cycle with more land and more trees for augmented future profit to TREE Tokenholders. The return on investment is therefore computed based on the forecasted amounts and timeline of direct pay-outs to TREE Tokenholders only. The effects of enhanced profits through reinvestment therefore only impact investor return once the additional afforestation yields additional profits.
- **Shareholder Benefits and Management Compensation**: Since 90% of the profits are used for the benefits of the TREE Tokenholders (40 % for direct distributions and 50 % for reinvestments to support and increase future distributions) and 10 % for social projects, the shareholders of the operating company have no perspective to earn dividends on their shareholding.

  As from 1 January 2026 TREECYLE has entered into a Management Agreement with Global TREE Project AG. TREECYCLE will continue to bear directly attributable third-party costs, all management services however are outsourced to Global TREE Project AG on a cost plus 5% margin (fixed management compensation). Management will therefore only be compensated by Global TREE Project AG via the comprehensive management agreement. No compensation will directly be paid by the Issuer outside of the management agreement to any members of The Board of Directors nor management. Global TREE Project AG will, on the basis of the Management Agreement with the Issuer, also receive performance-based compensation which will be paid out upon meeting specific triggering events:

  The performance-based compensation includes the following elements:

  (a) 2% subscription fee of Net Proceeds received from the sale of TREE Tokens in excess of initial CHF 20 mn;

  (b) 11% of the transaction amount (net of costs and fees) for acquiring new land, its preparation for intended use and completed execution of first afforestation, and

  (c) 20% performance fee on net proceeds from woods harvested and sold.

  The performance-based compensation in lit c covers also potential performance-based compensation elements for contracting parties conducting the afforestation, maintenance and harvesting work on the plantation.

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The fixed and the performance related compensation will be paid to Global TREE Project AG on the basis of the Management Agreement between the Issuer and Global TREE Project AG.

b) Bases of presentation

136 **Use of data and management estimates**: Management prepared the financial model based on best practices and used all available information at the time of its preparation to compute the financial model in a conservative and prudent manner. To the extent possible, all main assumptions have been substantiated by available data based on past experience of the Issuer and its key suppliers and vendors, publicly available statistics and forecasts based on currently available structures as well as contractual arrangements. It however must be emphasized that a financial model is highly subject to forward-looking expectations, assumptions and predictions that are all subject to change. The information presented there-in is therefore for indicative information purpose only and should be considered under full considerations of all risks involved and disclosed under the respective Section of this Prospectus. None of the information presented within this financial model shall be interpreted as a guaranteed course of action or outcome. Board and Management will not warrant for its accuracy in any shape or form and shall not be held liable for any outcome of any cause that deviates from the forecasted performance of the investment within this financial model.

137 **Bases of Investor return-projections**: Since distributable profits are determined by Net Operating Cash Flow of TREECYCLE AG on the basis of the audited financial statements of TREECYCLE AG established in accordance with the International Financial Reporting Standards (IFRS), the financial model follows the same structure of the Cash Flow Statement to allow users a facilitated overview in assessing the financial performance of their investment. The Cash Flow Statement demonstrates all cash-relevant forecasted income and expense, segregated by the main categories of 1) Net Operating Cash Flow being all cash flows relating to the operating business of the TREECYCLE project, 2) Net Cash Flow from Investing Activities being all cash flows relating to investing into the acquisition of land and other project related assets and 3) Net Cash Flow from Financing Activities being all cash flows relating to the financing of the TREECYCLE project such as in particular net proceeds from sale of TREE Tokens. The forecasted payouts to TREE Tokenholders are disclosed as a separate line-item under Net Cash Flow from Financing Activities.

138 **Planning and investment horizon**: Despite the TREECYCLE project principally being a perpetual (indefinite) project, the financial model was limited to 24 years, being two complete TREECYCLE's. All related key figures on estimated financial performance are consequently covering 24 years only, which Board and Management see as a realistic investment horizon. Such foremostly because 1) interim harvests after 6 and 10 years are comparatively small in comparison to the return potential to be realized upon closing of a TREECLYCLE after 13 years and 2) the TREECYCLE project being a progressively growing business model due to the 50% reinvestment of Net Operating Cash Flow into further acquisition of land and afforestation. Investors are therefore reminded that financial returns may be significantly lower in case of execution of the early repayment right either prior to the passing of 24 years or at an unfavourable time during the growth-phase of a TREECYCLE. To the contrary, investor return may likewise be significantly higher in case of very long-term holding. Further to this, the progressing overlap of existing and new TREECYLES may over a time frame beyond the forecasted 24 years lead to an improved perpetuity towards achieving annual returns to investors.

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139 **Completed sale of TREE Token**: The financial model is based on a short-term full allocation of all TREE Token offered under this prospectus. . Underperformance to this assumption may lead to reduced and or delayed financial returns due to lower absorption of fixed operating costs of the project.

140 **Transparency on costs**: The financial model is based on the same line-items as they are used to prepare the Cash Flow Statement in accordance with the International Financial Reporting Standards. Thereby operating costs and performance-based management compensation as disclosed as segregated line items and described further below.

141 **Measurement of investor return**: Financial Performance is measured by using the Internal rate of Return (IRR), which basically demonstrates the forecasted, discounted yield over time. The use of the IRR is therefore fully considering the effects of time to harvest during growth of the plantation.

142 **Computation of scenarios**: The disclosed Financial Model has been computed using Base Case Management Assumptions. Additional upside and downside scenarios with related sensitivities on IRR are presented in the following sections. Thereby Board and Management applied the most sensitive key assumptions. Investors may however be reminded that the model contains an array of additional assumptions which individually or in combination may positively or adversely affect expected investor returns.

c) Main assumptions to Base Case Model Calculation

Timber Planting	Total of 12'000 ha to be plated at 1'000 Trees per Hectar with a 5% assumed loss in trees during growth.				
Harvest Schedule	50% of trees harvested in year 6, 19% in year 10 and 31% in year 13				
Timber Volume per tree		Unit	Year 6	Year 10	Year 13
	Wood Chips	(0.5m3)	0.3	0.3	1.2
	Fence Posts	(pieces)	1.0	1.0	1.0
	Value Wood	(m3)	0.1	0.6	0.2
	Laminates (m3)		0	0	1.0
Timber Pricing Forecast		Unit	PYG	CHF	
	Wood Chips	(0.5m3)	84'500	9.91	
	Fence Posts	(pieces)	15'000	1.76	
	Value Wood	(m3)	350'000	41.04	
	Laminates (m3)		1'500'000	175.87	
	La Rivera has operated eucalyptus forestations projects in Paraguay for over 10 years. During this tenure La Rivera has gathered intensive market knowledge and established a reliable price forecast analysis tool. Based on completed harvest cycles and current market trends, La Rivera is comfortable to express the above market price forecast with regards to the forestation project located in Paraguay.				
Purchase of Land per hectar	CHF 4'104 per hectar (35'000'000 PYG per hectar)				
Applied inflation rate	IMF Eurozone		Switzerland		Paraguay
	6.28 to 2.04		2.13 to 1.00		5.16 to 4.0
Applied exchange rates	EUR/USD		CHF/PYG		USD/CHF
	1.1		8'529		0.84

d) Financial Model and performance forecast

143 Model calculation for the first harvest cycle spanning the 12 years 2026 - 2037

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Period from Period to	Units	01 Jan 26 31 Dez 26	01 Jan 27 31 Dez 27	01 Jan 28 31 Dez 28	01 Jan 29 31 Dez 29	01 Jan 30 31 Dez 30	01 Jan 31 31 Dez 31	01 Jan 32 31 Dez 32	01 Jan 33 31 Dez 33	01 Jan 34 31 Dez 34	01 Jan 35 31 Dez 35	01 Jan 36 31 Dez 36	01 Jan 37 31 Dez 37
Operational Year		1	2	3	4	5	6	7	8	9	10	11	12
Cash Flow from Operating Activities													
Revenue	CHF	-	-	-	-	-	72'602'416	-	-	-	105'186'598	11'928'127	-
Operating Expenses													
Harvest Costs	CHF	-	-	-	-	-	(7'260'242)	-	-	-	(10'518'660)	(1'192'813)	-
La Rivera Harvest Participation based on contract	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance	CHF	-	(14'499'508)	(11'046'595)	(7'291'857)	-	(2'789'182)	(5'282'810)	(4'806'411)	(4'290'192)	(3'200'651)	(7'307'224)	(6'586'956)
Personnel Expenses	CHF	(600'000)	(606'360)	(607'209)	(610'609)	(614'639)	(619'003)	(623'398)	(627'824)	(632'282)	(636'771)	(641'292)	(645'845)
Marketing and Sales	CHF	(450'000)	(454'770)	(455'407)	(457'957)	(460'979)	(464'252)	(467'549)	(470'868)	(474'211)	(477'578)	(480'969)	(484'384)
Administration	CHF	(423'000)	(336'530)	(337'001)	(338'888)	(341'125)	(343'547)	(345'986)	(348'442)	(350'916)	(353'408)	(355'917)	(358'444)
Management Bonus (Land Purchase and Forestation)	CHF	-	(11'293'298)	-	-	-	-	(1'790'253)	-	-	-	(2'642'263)	-
Management Bonus (Harvest Participation)	CHF	-	-	-	-	-	(7'260'242)	-	-	-	(10'518'660)	(1'192'813)	-
Financial Expense net	CHF	(45'000)	(45'477)	(45'541)	(45'796)	(46'098)	(46'425)	(46'755)	(47'087)	(47'421)	(47'758)	(48'097)	(48'438)
Social Projects	CHF	-	-	-	-	-	(5'381'952)	-	-	-	(7'943'311)	193'326	-
Paraguay Corporate Income Tax	CHF	-	-	-	-	-	(1'937'503)	-	-	-	(2'859'592)	-	-
Paraguay Witholding Tax	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Cash Flow from Operating Activities	**CHF**	**(1'518'000)**	**(27'235'943)**	**(12'491'752)**	**(8'745'107)**	**(1'462'842)**	**46'500'068**	**(8'556'750)**	**(6'300'632)**	**(5'795'023)**	**68'630'209**	**(1'739'934)**	**(8'124'068)**
Cash Flow from Investing Activities													
Purchase of real property	CHF	(59'238'312)	-	-	-	-	(9'821'135)	-	-	-	(14'495'173)	-	-
Investment in Reforestation Assets	CHF	(38'928'034)	-	-	-	-	(6'453'889)	-	-	-	(9'525'400)	-	-
Purchase of equipment	CHF	(4'500'000)	-	-	-	-	-	-	-	-	-	-	-
Sale of real property (adjusted only by inflation)	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Reforestation Assets (adjusted only by inflation)	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Cash Flow from Investing Activities	**CHF**	**(102'666'346)**	**-**	**-**	**-**	**-**	**(16'275'024)**	**-**	**-**	**-**	**(24'020'573)**	**-**	**-**
Cash Flow from Financing Activities													
Sale of TREE (ICO Proceeds)	CHF	196'961'355	-	-	-	-	-	-	-	-	-	-	-
Marketing Fee (upfront costs)	CHF	(22'500'000)	-	-	-	-	-	-	-	-	-	-	-
Founding Companies and Other (upfront costs)	CHF	(4'500'000)	-	-	-	-	-	-	-	-	-	-	-
Management Bonus (Up-Front on money in)	CHF	(4'500'000)	-	-	-	-	-	-	-	-	-	-	-
Social Projects	CHF	(2'225'000)											
Distributions to TREE Holder	CHF	-	-	-	-	-	(18'600'027)	-	-	-	(27'452'084)	-	-
Cash Flow from Financing Activities	**CHF**	**163'236'355**	**-**	**-**	**-**	**-**	**(18'600'027)**	**-**	**-**	**-**	**(27'452'084)**	**-**	**-**
Net Change in Cash and Cash Equivalents													
Cash Flow from Operating Activities	CHF	(1'518'000)	(27'235'943)	(12'491'752)	(8'745'107)	(1'462'842)	46'500'068	(8'556'750)	(6'300'632)	(5'795'023)	68'630'209	(1'739'934)	(8'124'068)
Cash Flow from Investing Activities	CHF	(102'666'346)	-	-	-	-	(16'275'024)	-	-	-	(24'020'573)	-	-
Cash Flow from Financing Activities	CHF	163'236'355	-	-	-	-	(18'600'027)	-	-	-	(27'452'084)	-	-
Net Change in Cash and Cash Equivalents	**CHF**	**59'052'009**	**(27'235'943)**	**(12'491'752)**	**(8'745'107)**	**(1'462'842)**	**11'625'017**	**(8'556'750)**	**(6'300'632)**	**(5'795'023)**	**17'157'552**	**(1'739'934)**	**(8'124'068)**

144 Extended model calculation covering the second harvest cycle spanning the 12 years 2038 – 2049

Period from Period to	Units	01 Jan 38 31 Dez 38	01 Jan 39 31 Dez 39	01 Jan 40 31 Dez 40	01 Jan 41 31 Dez 41	01 Jan 42 31 Dez 42	01 Jan 43 31 Dez 43	01 Jan 44 31 Dez 44	01 Jan 45 31 Dez 45	01 Jan 46 31 Dez 46	01 Jan 47 31 Dez 47	01 Jan 48 31 Dez 48	01 Jan 49 31 Dez 49
Operational Year		13	14	15	16	17	18	19	20	21	22	23	24
Cash Flow from Operating Activities													
Revenue	CHF	1'281'747'705	-	34'819'042	-	105'588'271	434'110'793	25'358'552	-	152'386'245	714'549'591	-	1'851'520'287
Operating Expenses													
Harvest Costs	CHF	(128'174'771)	-	(3'481'904)	-	(10'558'827)	(43'411'079)	(2'535'855)	-	(15'238'625)	(71'454'959)	-	(185'152'029)
La Rivera Harvest Participation based on contract	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance	CHF	(5'807'319)	(67'801'944)	(52'226'935)	(34'816'469)	(1'282'834)	(17'772'736)	(20'376'957)	(19'043'544)	(16'794'268)	(20'794'045)	(25'329'969)	(23'421'861)
Personnel Expenses	CHF	(650'431)	(662'789)	(675'382)	(688'214)	(701'290)	(714'615)	(728'192)	(742'028)	(756'127)	(770'493)	(785'132)	(800'050)
Marketing and Sales	CHF	(487'823)	(497'092)	(506'536)	(516'161)	(525'968)	(535'961)	(546'144)	(556'521)	(567'095)	(577'870)	(588'849)	(600'037)
Administration	CHF	(360'989)	(367'848)	(374'837)	(381'959)	(389'216)	(396'611)	(404'147)	(411'826)	(419'650)	(427'624)	(435'749)	(444'028)
Management Bonus (Land Purchase and Forestation)	CHF	-	(40'393'635)	-	-	-	(2'711'638)	(1'067'577)	-	-	(3'436'675)	(1'569'574)	-
Management Bonus (Harvest Participation)	CHF	(128'174'771)	-	(3'481'904)	-	(10'558'827)	(43'411'079)	(2'535'855)	-	(15'238'625)	(71'454'959)	-	(185'152'029)
Financial Expense net	CHF	(48'782)	(49'709)	(50'654)	(51'616)	(52'597)	(53'596)	(54'614)	(55'652)	(56'710)	(57'787)	(58'885)	(60'004)
Social Projects	CHF	(101'804'282)	-	2'597'911	-	(8'151'871)	(32'510'348)	289'079	-	(10'331'515)	(54'557'518)	-	(145'589'025)
Paraguay Corporate Income Tax	CHF	(36'649'542)	-	-	-	(2'934'674)	(11'703'725)	-	-	(3'719'345)	(19'640'706)	-	(52'412'049)
Paraguay Witholding Tax	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Cash Flow from Operating Activities	**CHF**	**879'588'996**	**(109'773'017)**	**(23'381'199)**	**(36'454'419)**	**70'432'167**	**280'889'404**	**(2'601'712)**	**(20'809'571)**	**89'264'287**	**471'376'954**	**(28'768'158)**	**1'257'889'176**
Cash Flow from Investing Activities													
Purchase of real property	CHF	(185'775'262)	-	-	-	(14'875'759)	-	-	-	(18'853'233)	-	-	-
Investment in Reforestation Assets	CHF	(181'439'602)	-	-	-	(9'775'499)	(9'705'247)	-	-	(12'389'267)	(14'268'854)	-	-
Purchase of equipment	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Sale of real property (adjusted only by inflation)	CHF	-	-	-	-	-	-	-	-	-	-	-	479'745'219
Sale of Reforestation Assets (adjusted only by inflation)	CHF	-	-	-	-	-	-	-	-	-	-	-	95'727'585
Cash Flow from Investing Activities	**CHF**	**(367'214'864)**	**-**	**-**	**-**	**(24'651'258)**	**(9'705'247)**	**-**	**-**	**(31'242'500)**	**(14'268'854)**	**-**	**575'472'805**
Cash Flow from Financing Activities													
Sale of TREE (ICO Proceeds)	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Marketing Fee (upfront costs)	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Founding Companies and Other (upfront costs)	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Management Bonus (Up-Front on money in)	CHF	-	-	-	-	-	-	-	-	-	-	-	-
Social Projects	CHF												
Distributions to TREE Holder	CHF	(351'835'599)	-	-	-	(28'172'867)	(112'355'762)	-	-	(35'705'715)	(188'550'782)	-	(503'155'670)
Cash Flow from Financing Activities	**CHF**	**(351'835'599)**	**-**	**-**	**-**	**(28'172'867)**	**(112'355'762)**	**-**	**-**	**(35'705'715)**	**(188'550'782)**	**-**	**(503'155'670)**
Net Change in Cash and Cash Equivalents													
Cash Flow from Operating Activities	CHF	879'588'996	(109'773'017)	(23'381'199)	(36'454'419)	70'432'167	280'889'404	(2'601'712)	(20'809'571)	89'264'287	471'376'954	(28'768'158)	1'257'889'176
Cash Flow from Investing Activities	CHF	(367'214'864)	-	-	-	(24'651'258)	(9'705'247)	-	-	(31'242'500)	(14'268'854)	-	575'472'805
Cash Flow from Financing Activities	CHF	(351'835'599)	-	-	-	(28'172'867)	(112'355'762)	-	-	(35'705'715)	(188'550'782)	-	(503'155'670)
Net Change in Cash and Cash Equivalents	**CHF**	**160'538'534**	**(109'773'017)**	**(23'381'199)**	**(36'454'419)**	**17'608'042**	**158'828'395**	**(2'601'712)**	**(20'809'571)**	**22'316'072**	**268'557'318**	**(28'768'158)**	**1'330'206'310**

145 The components of the net Operating Cash Flow as the bases to calculate investor return, in aggregated form, contain the following cost and income items:

Revenue	Net proceeds realized from the distribution of harvested wood
Harvest costs	Estimated costs of harvest and disposal of harvested wood
Maintenance	Costs of annual maintenance of plantation during growth period based on agreed price schedule per hectare depending on stage of growth.
Personnel expenses	Salary incl. social security contribution for headcount under employment.
Marketing and Sales	Costs of marketing for the TREECYCLE Brand and related events as well as other measured deemed reasonable towards placement of the TREE Token and its further strategic development.

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Management Bonus (Land Purchase and Forestration)	11% on the transaction amount (net of costs and fees) in acquiring new land, its preparation for intended use and completed execution of first afforestation.
Management Bonus (Harvest Participation)	20% participation on realized harvest proceeds whereby such may also be shares with the respective external afforestation partners.
Financial expense net	Costs and fees for execution of financial transactions
Social Projects	Expense for the 10% contribution from net operating cash flow towards social projects in compliance with the TREECYCLE profit distribution model

e) Investor Return Calculation and Scenario Analysis

146 Management assesses the following metrics as key to compute scenario analysis on the expected Internal Rate of Return (IRR) over the 24 years and two TREECYCLES. The IRR is computed based on the investment made and the pay-outs to investors (40% of net operating cash flows) as such is disclosed under the respective separate line item in Net Cash Flow from Financing Activity.

Optimistic	Timber price Maintenance Costs	+50% -25%	IRR 16.7%
Management Case (bases of financial model)	Timber price Maintenance Costs	0% 0%	IRR 13.3%
Pessimistic	Timber price Maintenance Costs	-50% +25%	IRR 8.1%
Worst case	Timber price Maintenance Costs	-100% +50%	IRR 0.0%

III. ORGANIZATIONAL STRUCTURE

147 The Issuer is wholly owned by Global TREE Project AG (CHE-336.378.207), residing at Rothusstrasse 15, 6331 Hünenberg (Switzerland). The Issuer serves as an operational holding and financing company for the TREECYCLE Project. For the purpose of acquiring the land for reforestation it owns a company in Paraguay, GTP S.A., RUC No. 80101522 DV:7, with registered office at Gregorio Benitez Y Coronel Oviedo, Villarrica, Paraguay (“GTP Paraguay”). GTP Paraguay has a share capital of 300’000’000 Guarani (about CHF 35’000). The Issuer is holding 97% of the shares in GTP S.A., the remaining 3% are held by Alf Schröter on a fiduciary basis to comply with local domiciliation requirements. The organizational and ownership structure of the Issuer is as follows:

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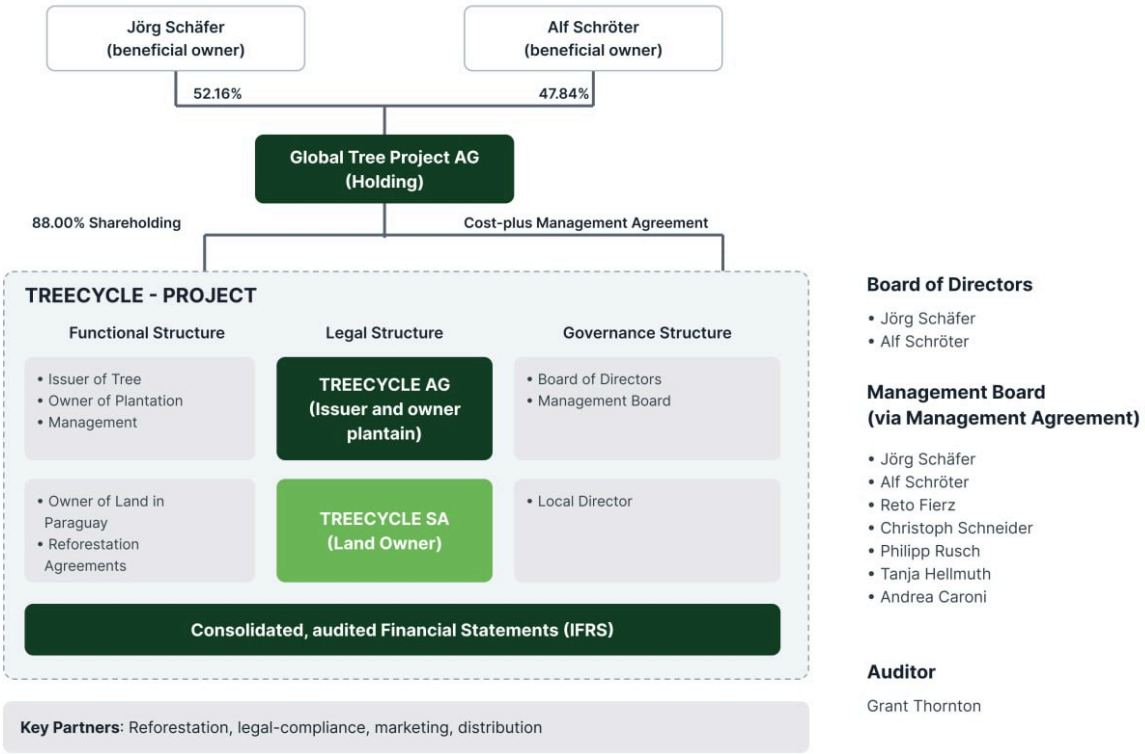

148 In 2019, the Issuer has entered into a reforestation agreement with Grupo Empresarial La Rivera S.A., RUC 80064655/HR 1103, Coronel Oviedo e/ Gregorio Benitez, Villarrica, Paraguay ("La Rivera"). La Rivera has been engaged in forestation projects for over a decade, has currently about 3'000 hectares under management and has harvested 2.5 million trees. La Rivera has developed eucalyptus hybrides which are strong, pest-resistant and possess high growth yield. La Rivera CEO Andreas Jelinek is a 12% shareholder of the issuer. He has been a Board member of the Issuer until mid 2024. Under said agreement, La Rivera performed all land-preparation, reforestation and maintenance work for the issuer on the initial 175ha performed in 2022 and 2023.

149 In 2024 the Issuer entered into an additional reforestation agreement with AGRO Waibel, Km 230 de la ruta III, Barrio Republicano, San Estanislao - Departamento de San Pedro, República del Paraguay, RUC Nº 6184359-8. AGRO Waibel is a fully unrelated third-party provider of reforestation services. AGRO Waibel has performed all land-preparation and reforestation work for 97ha afforestated in 2024. The Issuer intends to further widen the network on vetted reforestation partners to reduce dependency and to enhance capacities in executing larger scale afforestation.

IV. TRENDS

150 The Issuer does not provide trend information. All statements in this Prospectus on the business outlook are subject to uncertainties and are made to the best of the Issuer´s knowledge and belief. The Issuer however is not aware of any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's business prospects and there have been no recent significant changes in the Issuer's financial position since the last audited financial statements have been set up and audited.

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V. PROFIT FORECASTS AND ESTIMATES

151 The Issuer has not published any profit forecast or estimate in the past up to now. The Issuer does not publish any concrete profit estimates or forecasts. The financial model outlined above (see pg. 30) is a mathematical representation of qualitative and quantitative information which is based on certain assumptions, schedules and operational and financial relationships. It is not a prediction of future revenues, costs and profits.

152 The Issuer states that no Profit Participation to Tokenholders will be paid unless the Net Operating Cash Flow from audited Financial Statements is positive. This may only be achieved once net operating income from harvest proceeds exceeds operating costs incurred for the same financial year. For the duration of investment into the acquisition of land, the afforestration and the subsequent growth of the trees until harvest, Net Operating Cash Flow is expected to remain negative. Net Operating Cash Flow is disclosed in the Consolidated Statement of Cash Flows of the audited Financial Accounts established in accordance with International Financial Reporting Standards IFRS.

153 The Issuer states that in view of the long-term nature of its business and the geopolitical and economic uncertainties currently prevailing a concrete profit estimate or forecast is not appropriate or possible.

154 However, in the IFRS financial statements, the Issuer is measuring the afforestation assets at fair value (IAS 41 and IFRS 13). The determination of the fair value is conducted by Level 3 fair value measurement according to IFRS 13 based on a base case management expectation scenario. The valuation model considers the present value of the net cash flows expected to be generated from the natural plantation management activities over a full cycle of 13 years. Since management was able to provide reliable cash flow estimates, the group utilized the Income Approach, specifically the Discounted Cash Flow (DCF) Method in order to determine the fair value of the biological assets. The DCF Method is a commonly used method for valuing biological assets based on its expected future cash flows.

155 The following significant assumptions and estimates were adopted by the Issuer to determine the fair value of the biological assets:

156 **Price assumptions**: The price assumptions are split by the different qualities of wood being energy wood, poles, value wood and wood laminates. All prices used are based on current traded prices and indexed by the currently applicable and expected inflation rates in Paraguay.

157 **Harvesting cycle**: The revenue at each point of harvest is calculated by the number of trees harvested and the respective revenue for the specific wood class in accordance to the maturity of the harvested trees.

158 **Harvesting costs**: The costs of harvesting are assumed to be 10%

159 **Discount rate**: In determining the pretax weighted average cost of capital (WACC) a group rate of 10,34% (2022: 13,33%, 2023: 12,13%) has been applied. The WACC is a compound aggregate of US Industry WACC, plus an add-on for Paraguay and small companies.

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VI. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES OF THE ISSUER

1. Information on Management Bodies and Senior Management

a) Board of Directors

160 **Role of the board of directors**. The Board of Directors defines the strategic guidelines for the Issuer's business and is responsible for the oversight of the operational and financial management of the Issuer. It has appointed Jörg Heinrich Schäfer as a delegate and CEO with sole signatory powers.

161 **Composition of the board of directors**. The Board of Directors has two members. Both members are shareholders of Global TREE Project AG which in turn is the sole shareholder of the Issuer.

162 **Jörg Heinrich Schäfer** (Founder, Delegate of the Board/CEO) is Founder, Chairman and Delegate of Board of TREECYCLE AG. He also acts as the CEO of the Issuer. He has 30 years' experience in sustainable investment, having worked on many large-scale renewable energy projects across the globe. Jörg Schäfer has been involved with renewable energy projects that have amassed over EUR 100 Mio. in sales, including wood afforestation in Germany, Spain, Australia and Paraguay, wind and solar parks in Germany, France, the United Kingdom, Italy, Finland, Canada and the Philippines, along with hydropower plants and drinking water treatments. Since 2008 Jörg Schäfer has partnered with Thomas Lloyd Global Asset Management GmbH, (Frankfurt, Germany) where he advises private and institutional clients on renewable energy investments, including bioenergy plants, solar parks and wind turbines. In 2011, Jörg Schäfer and Thomas Lloyd launched Clean Tech Infrastructure Fund (CTI 20), (Munsbach, Luxemburg). Over the last five years, Jörg Schäfer's focus has been on large scale afforestation projects, including the Jäderberg & Cie project which won the 2017 German Investment Award for Best Alternative Investment. Jörg sits on the advisory board for Clean Water eV (Frankfurt, Germany) and is also a proud member of the Sustainable Investment Forum (FNG).

163 He has been a Board member since 31 January 2019.

164 **Alf Schröter** (Founder, Member and COO) has over 25 years of experience as a manager and advisor for leading private financial institutions around the world. Starting his finance career in the early 1990s, Alf Schröter was the District Manager for Bausparkasse Mainz, in charge of sales and finance, later moving into education and training employees, where he successfully trained over 400 staff in building societies and finance. Alf Schröter then went on to found a number of companies, dealing with real estate development and asset management for various public funds. As the founder of Treuwert Projektgesellschaft (Cottbus, Germany), Alf Schröter managed a portfolio of real estate developments worth over EUR 25 Mio. As a founding partner at Astella GmbH, Alf Schröter and his team developed their own mutual funds with a multi-asset approach, managing over EUR 50 Mio. in capital for a number of clients. In 2008, Alf Schröter partnered with Proindex Capital AG (Suhl, Germany) and began working with investors in Paraguay and Bulgaria, primarily in agriculture and forestry projects, highlighting the importance of environmentally friendly and sustainable investments to those looking to invest in the region.

165 He has been a Board member since 29 August 2019.

b) Operational Management

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As of 1 January 2026, the Issuer entered into a Management Agreement with Global TREE Project AG, which is responsible for the operational management of the Issuer and its comprehensive business.

The Board of Directors of the Issuer retains overall responsibility for the establishment of strategic guidelines, the organizational structure, governance and oversight on operational management performed by way of the Management Agreement entered into with Global TREE Project AG and all other non-delegable responsibilities stipulated by Art 716a of the Swiss Code of Obligations (SCO, Obligationenrecht) and the Articles of Incorporation of the Issuer.

All strategic decisions of fundamental importance, budget approvals, investment decisions, and the execution of legally binding agreements continue to be made exclusively by the Board of Directors of the Issuer. In the absence of specifically delegated powers on a case-by-case basis, the Board of Directors further retains the unrestricted right and obligation to represent the Issuer vis-à-vis third parties.

2. Compensation for Board Members of the Issuer

166 The Board Members of the Issuer do not receive compensation.

3. Management Agreement with Global Tree Project AG

a) Delegated Tasks

As of 1 January 2026, the Issuer entered into a Management Agreement with Global TREE Project AG, which is responsible for the operational management of the Issuer and its comprehensive business.

167 The Management Agreement instructs and authorizes Global TREE Project AG to perform the following management services to the Issuer. Global TREE Project AG is required to implement adequate structures, policies and procedures to perform delegated tasks in the best interest of the Issuer and to report to the Board of Directors of the Issuer.

168 **Marketing and Distribution of TREE Tokens:** Conceptualization and implementation of all marketing initiatives, organization of investor events, investor reporting and coordination of distribution partners

169 **Land Acquisition and Structuring:** Identification of suitable land parcels for acquisition, conduct of commercial, technical, and legal due diligence and perform non-committing negotiations with selling partners or agents

170 **Operational afforestation**: Selection of external afforestation service providers, arrangement of contractual agreements, comprehensive afforestation planning, monitoring, reporting and oversight

171 **Technical and customer Support:** Operating and development of the Treecycle Platform, administration of the TREE Token as well as customer support of all kind.

172 **Administrational services:** Conceptualize and maintain adequate internal control, financial budgeting and reporting, corporate structuring and administration, legal and regulatory affairs of all kind as well as meeting required standards on compliance.

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b) Compensation

173 Compensation of Global TREE Project AG for rendering delegated management services under the Management Agreement consists of (1) Fixed Compensations according to the terms agreed in the Management Agreement and (2) Performance-based Compensation which will be paid out to Global TREE Project AG upon meeting specific triggering events:

174 **Fixed Compensation:** The Issuer will continue to bear directly attributable third-party costs such as i.e. directly attributable fees for legal advice, audit services etc. For all (other) management related services outsourced to Global TREE Project AG, the latter will be compensated on the basis of eligible cost plus 5% margin.

175 **Performance Compensation:** The Performance-based Compensation includes the following elements:

176 2% subscription fee of Net Proceeds received from the sale of TREE Tokens;

177 11% of the transaction amount (net of costs and fees) for acquiring new land, its preparation for intended use and completed execution of first afforestation, and

178 20% performance fee on net proceeds from woods harvested and sold.

179 The performance-based compensation paid to Global TREE Project AG also covers any performance-based compensation elements for third-party contracting parties conducting the afforestation, maintenance and harvesting work on the plantation.

180 The eligible fixed and the performance related compensation will be accounted for on the accounts of the issuer and paid to Global TREE Project AG as the provider of comprehensive management services.

4. Potential Conflict of Interests

181 Alf Schröter and Jörg Schäfer are Members of the Board of Directors of the Issuer and also of Global Tree Project AG. The Issuer entered into a Management Agreement on the basis of which the Issuer outsourced essential management tasks to Global Tree Project AG against payment of a fixed and variable compensation as set forth above.

182 The Issuer considers this compensation to be at arm's length. Also, in light of the variable compensation being linked to the performance of the Issuer, the interests of both entities are aligned and no conflicts of interests to arise.

5. Corporate Conduct

183 **Election terms**. Members of the board of directors will be elected / re-elected on an annual basis for a term of one year by the annual ordinary general meeting of shareholders of the Issuer.

184 **Signatory powers**. The members of the Board of Directors and the Management have joint signatory powers at three, with the exception of the Delegate of the Board of Directors and CEO who has single signatory power.

185 **Audit committee**. The Issuer does not have an audit committee.

186 **Employees**. With exception of the management team (see N 160 seq.) the Issuer currently has no employees. GTP S.A. currently employs less than five persons.

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VII. AUDITOR

187 Grant Thornton AG, Claridenstrasse 35, 8002 Zürich, reg. no. CH-020.3.902.756-7 (“Grant Thornton”), has been appointed as auditor by resolution of the Issuer’s General Assembly as the statutory auditor (see SHAB, 10.1.2023). Grant Thornton is a member of Expert Suisse as well as under supervision of the Federal Audit Oversight Authority in Switzerland. It has audited the accounts for the financial year 2021 and 2022 for the purpose to be used in this Prospectus. Grant Thornton issued a qualified audit opinion due to the inability to externally validate the key assumptions used within the internally generated, cash flow-based valuation model in determining the fair value of the reforestation assets, due to the lack of historically validated available data.

VIII. PRINCIPAL SHAREHOLDERS

188 The Issuer’s principal shareholder is the Global Tree Project AG, company register no. CH-336.378.207 with registered office at Rothusstrasse 15, 6331 Hünenberg (Switzerland). Global Tree Project AG was set up as a holding company and is holding 88% of the Issuer’s share capital. Controlling shareholders of Global Tree Project AG and ultimate beneficial owners of the Issuer are Alf Schröter, indirectly through Alfs GmbH (Switzerland), controlling 47.84% and Jörg Schäfer indirectly through Masterclass Freedom AG (Switzerland) controlling 52.16%

189 The remaining 12% of the Issuer is owned by Andreas Jelinek (through Proindex Kapital AG (Germany).

IX. RELATED-PARTY TRANSACTIONS

190 The Issuer’s operational activities are fully outsourced to local independent partners. Until 2024 these services, including land preparation, plantation, maintenance, harvesting and the sale of timber, were outsourced to La Rivera. La Rivera is managed by Andreas Jelinek, who is a 12% shareholder of the Issuer (and a minority shareholder of GTP S.A.) and was a Board member of the Issuer until 2024; it therefore qualified as a Related Party. In 2024 the Issuer terminated the agreement with La Rivera and entered into a land forestation agreement with AGRO Waibel, Km 230 de la ruta III, Barrio Republicano, San Estanislao - Departamento de San Pedro, República del Paraguay, RUC Nº 6184359-8 (“AGRO Waibel”). AGRO Waibel is an unrelated third-party provider of reforestation services. The Issuer plans to strengthen the collaboration with AGRO Waibel and to recruit further partners to further reduce the dependency on single providers of reforestation services.

191 To finance the acquisition of land by GTP Paraguay, the Issuer grants GTP S.A. intercompany loans at an interest rate of 8;5%. The acquisition of land in Paraguay is usually closed and settled by a “Contrato Privado”, a notarized agreement between buyer and seller which does not require a formal registration in the Land Register (“Cataster”) of Paraguay to be legally binding. The registration in the Cataster may usually take considerable time but is the pre-requisite for the issuance of enforceable mortgage notes to secure the financing loan granted by the Issuer. GTP S.A. and the issuer are using best efforts to secure registration and the provision of enforceable mortgage notes on the acquired land to the Issuer as security for the loans. Further to this, the issuer is controlling GTP Paraguay with 97% voting rights. In case repayment of the Intercompany Loan is required partially or in full, the Board of Directors of the Issuer may at any time instruct GTP Paraguay to liquidate parts or all of the land and to use the proceeds for repayment of the loan. Ultimately and in case of default, the 97% shares, representing indirect ownership on the land would have to be liquidated either through a share-based transaction or through liquidation of GTP SA requiring sale of the land to settle the Intercompany Loan.

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192 **GTP Paraguay entered into a land use agreement with the Issuer that permits the Issuer to use the land for conducting the afforestation and harvesting on its own expense and account.** The land use agreement is valid for 25 years with three times extension options for five years each. The annual fee payable for the use of the land is staged by years and increases from initially CHF 275/hectar to CHF 444/hectar after the initial term. It may subsequently increase to a maximum of CHF 597/hectar.

193 Management concludes that the terms of all Related Party agreements are at arm's length.

X. FINANCIAL INFORMATION ON THE ASSET, FINANCIAL AND INCOME SITUATION OF THE ISSUER

1. Historical financial information

194 The audited financial statements for the financial years 2024 and 2025 are prepared in accordance with International Financial Reporting Standards (IFRS). The detailed audited accounts as of 31.12.2024 and 31.12.2025 including all Notes Disclosures are reproduced in the Annex 2 (31.12.2025) and Annex 3 (31.12.2024).

195 The historical annual financial information (see Annex 2 and Annex 3) has been audited to give a true and fair view based on International Financial Reporting Standards (IFRS) and audited under Swiss Standards on Auditing (SA-CH) and the International Standards of Audit (ISA).

196 The audit report contains the following emphasis of matters qualification:

The Group invested in reforestation assets, which are measured at fair value and recognised in the consolidated statement of financial position as at 31 December 2025 at CHF 29'996'816. We were unable to obtain sufficient appropriate audit evidence regarding the carrying amount of these reforestation assets. We could not independently assess the reliability of the underlying data and assumptions used to determine their fair value. Because the reforestation assets and the Group's operations are still at an early stage, historical internal harvest data was not available. Management therefore relied on data provided by its external expert. We were unable to verify this data against actual outcomes or an independent valuation and, consequently, could not determine whether any adjustments to the fair value of the reforestation assets were necessary.

197 Except for the financial statements for the year 2024 and 2025, no other information in this Prospectus has been audited.

2. Legal and Arbitration Proceedings

198 On 16 August 2024 the German Bundesanstalt für Finanzdienstleistungen (BaFIN) announced a product intervention in accordance with article 42 MiFIR. BaFIN raised a number of concerns regarding the transparency of the TREE Token public offering in Germany and certain marketing materials. BaFIN considered to prohibit the marketing, distribution and sale of the TREE Token to private investors in Germany. The Issuer agreed to address these points in an amendment to, or a revised version of, the Prospectus and to limit the offering of TREE Tokens in Germany to professional investors. The present Prospectus is fully addressing all the concerns raised by BaFIN:

199 On 10 December 2024, the Financial Market Authority (FMA) in the Principality of Liechtenstein requested additional information on several structural points and matters of consistency in marketing materials. On 17 January 2025, the Issuer replied by announcing, that it will not request extension of the prospectus for the First Public Offering but will submit a new prospectus for approval to FMA. Several adjustments have been made in this Prospectus and the marketing material with immediate effect.

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200 Other than that, there is no nor has there been any information relating to the Issuer concerning any state interventions, legal or arbitration proceedings still pending or which may be investigated involving either the Issuer or any group company with any significant potential impact on the financial position or profitability of the Issuer.

3. Significant Changes to the Financial Position or Commercial Situation of the Issuer

201 There are no significant changes to the financial position or commercial position of the Issuer that have occurred since relevant financial information or interim financial information has been published.

XI. ADDITIONAL DATA

1. Share Capital

202 The share capital of TREECYCLE AG is CHF 100’000,00 and has been paid up in full. The share capital consists of 10’000’000 registered shares with restricted transferability (vinkulierte Namenaktien) with a nominal value of CHF 0,01 each.

2. Memorandum and Articles of Association

203 The Issuer has been registered in the Registry of Commerce of the Canton of Zug, Switzerland, on 13 June 2018 under the register number CH-170.3.042.515-8.

204 According to the Issuers Articles of Association its purpose is to promote, plan and implement ecologically sustainable projects as well as providing advice on such projects-

3. Material Contracts

205 Material contracts are (i) the Management Agreement with Global TREE Project AG, whereby TREECYCLE will only continue to bear directly attributable third-party costs with all management services outsourced on a cost plus 5% margin to its main shareholderand (ii) an intragroup loan agreement and (iii) the land-use agreements between the Issuer and its subsidiary GTP SA, RUC No. 80101522 DV:7, with registered office at Gregorio Benitez Y Coronel Oviedo, Villarrica, Paraguay. The commercial terms to those agreements are disclosed in Section IX – Related Party Transactions.

4. Accessible Documents

206 For the term of the validity of this Base Prospectus and the registration document the following documents can be inspected on https://treecycle.ch/prospectus and https://gtp.ch/prospectus:

- This Prospectus (and any Supplements);
- up to date articles of association of the Issuer;
- Financial Statements of the Issuer.

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E. SECURITIES NOTE

I. ESSENTIAL INFORMATION

1. Working Capital Declaration

207 The Issuer, in its own opinion and in line with the duration of the validity of the prospectus established in Article 12 of the Prospectus Regulation, has sufficient working capital for a period of at least 12 months.

2. Capital Formation and Debt Burden

	31.12.2024 CHF	31.12.2025 CHF
Total current debt (inclusing current portion of non-current debt)	**1'585'418**	**2'923'976**
- Guaranteed	*0*	*0*
- Secured	*0*	*0*
- Unguaranteed (unsecured	*1'585'418*	*2'923'976*
Total non-current debt (exclusing current portion of non-current debt)	**2'319'218**	**4'601'715**
- Guaranteed	0	0
- Secured	0	0
- Unguaranteed (unsecured)	*2'319'218*	*4'601'715*
Shareholder equity	**10'426'614**	**28'250'209**
- Share Capital	*100'000*	*100'000*
- Legal Reserves	*0*	*0*
- Perpetual Instruments	*19'497'357*	*24'141'141*
- Other Reserves	*-9'170'743*	*4'009'068*
Total	**14'331'250**	**35'775'900**
A Cash	*354'015*	*1'317'754*
B Cash Equivalents	*0*	*0*
C Other current financial assets	*557'848*	*600'317*
D Liquidity (A+B+C)	**911'863**	**1'918'071**
E Current financial debt (D+F)	*1'514'640*	*2'796'596*
F Current portion of non-current financial debt	*0*	*0*
G Current financial indebness (E+F)	*1'514'640*	*2'796'596*
H Net current financial indebtedness (G-D)	**602'777**	**878'525**
I Non-current financial debt	*978'934*	*1'025'200*
J Debt Instruments	*0*	*0*
K Non-current trade and other payables	*0*	*0*
L Non-current financial indebtedness (I+J+K)	**978'934**	**1'025'200**
M Total financial Indebdedness (H+L)	**1'581'711**	**1'903'725**

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II. INFORMATION ON THE OFFERED SECURITIES

1. General Description of the Debt Instruments

208 The Tree Token ("TREE", ISIN CH1305377918) is a digital representation of a contingent perpetual contractual claim to a fraction of the Issuer's Net Operating Cash Flow (as defined below) resulting from the TREECYCLE Project (the "Profit Participation Rights", as defined below). The TREE are perpetual debt securities in respect of which there is no fixed maturity date. Subject to the Tokenholders' right to request early redemption (N 240 seq.) and unless otherwise provided by mandatory applicable law, tokenholders have no right to request repayment. The TREE may not be redeemed at the option of the Issuer.

209 For the avoidance of doubt, (i) TREE do not represent or constitute any ownership rights or stake, shares or security or equivalent rights nor any rights to receive future revenues, shares or any other form of participation or governance rights in or relating to the TREECYCLE Project, the Global TREE Platform and/or the Issuer, other than defined in the Terms; (ii) TREE do not create or confer any enforceable contractual or other obligations against any part (including Issuer or other developers, auditors, contractors or founders associated with the TREE, the TREECYCLE Project and/or Issuer), except the ones defined in the Terms, and (iii) Tokenholders have no right to claim as holder of TREE any intellectual property rights, equity or equivalent rights or any other form of participation in or relating to the TREECYCLE Project, the Global TREE Platform and/or the Issuer, other than defined by the Terms.

2. Legal Basis

210 The legal basis for this Prospectus is the law of the Principality of Liechtenstein, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market. The issuance of the Token as well as the terms and conditions for the Tree Token are to be found in the Asset Token Offering Terms dated 1 September 2023 (Annex I). The Terms are governed by Swiss law.

3. Form

211 The Tree Tokens are issued in the form of register securities (Registerwertrechte) as defined by Art. 973d seq. CO, in accordance with the registration agreement (Registrierungsvereinbarung) included in the Token Terms. Tokens have been issued on the Ardor protocol (http://www.Ardor.org), an open source multichain platform launched in 2018 and an early proof-of-stake protocol.

212 Without prejudice to the cancellation procedure set forth in article 973h CO, in case of a damage to, or loss of, a Token or the private key by a Token holder, the Issuer has the right, but not the obligation, to (i) permanently freeze the respective Tokens and to (ii) mint and issue new Tokens which shall replace the Tokens subject to the permanent freeze. The Token holder making the request shall be obliged to post a cash bond with the Issuer in an amount to be determined by the Issuer in order to secure any adverse claim by a bona fide acquirer of the Token. The replacement of the Token shall not constitute an increase of the total number of Tokens.

213 In the event of a Hard Fork or similar circumstances which may endanger the reliability of the distributed ledger, the Issuer may activate the "pause" function of the Token to prevent Transactions on both versions of the Distributed ledger pending its decision on which version it will support. If the Issuer decides to support the version of the Distributed ledger that follows the rules and protocols of such Distributed ledger that were in force immediately prior to the

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occurrence of the Hard Fork (i.e. the “legacy” version of the relevant Distributed ledger), all Transactions on “forked” versions of the Distributed ledger will be invalid. If the Issuer decides to support a forked version of the Distributed ledger, all Transactions on the “legacy” version of the relevant Distributed ledger will be invalid, and any Token existing on the “legacy” version of the Distributed ledger will not be associated with tokenized shares.

4. Currency of the Securities Issuance

214 The Tree Token are denominated in Swiss Franc (“CHF”). Subscribers can make payment of the Subscription Price in CHF, in Euro ("EUR") or alternatively in Bitcoin (“BTC”) or Ether (“ETH”).

215 The Issuer will make all payments under the Terms in CHF or, at the election of the Issuer if the Tokenholder is resident outside of Switzerland, in EUR. Payments in EUR shall be calculated based on the spot mid-rate of exchange between CHF and EUR as of 4 p.m., Zurich time, on Payment Date, as displayed on, or derived from, Bloomberg.

216 Banking transfer fees related to participation payments made in CHF and EUR will be borne entirely by Tokenholders, and the Issuer is authorized to make any necessary deductions from the amount to be paid to Tokenholders.

217 The Issuer reserves the right to offer to Tokenholders to change the payment mechanism set forth in this paragraph, including by making payments in widely used and highly liquid crypto currencies.

5. Ranking of the Instruments and Security

218 The TREE constitute direct, unsecured and subordinated obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves.

219 Subject to the insolvency laws of Switzerland and other applicable laws, the rights of Contributors to payment of Net Operating Cash Flow and any other entitlements in respect of the TREE, shall rank:

(a) subordinate and junior in right of payment to, and of all claims of all unsubordinated creditors of the Issuer; and the holders of other subordinated instruments or other obligations issued, entered into, or guaranteed by the Issuer, and any other instrument or other obligation issued, entered into, or guaranteed by the Issuer that ranks or is expressed to rank senior to the TREE by operation of law or contract;

(b) senior in right of payment to, and of all claims of the holders of Junior Obligations. “Junior Obligation” means all classes of the Issuer’s ordinary share capital and any instrument or other obligation issued, entered into, or guaranteed by the Issuer that ranks or is expressed to rank junior to the TREE by operation of law or contract.

220 In the event that the Issuer’s Board of Directors determines that the requirements pursuant to article 725a Para. 1 (capital loss) or article 725b Para. 2 CO (overindebtness) are met, Tokenholders irrevocably agree that:

(a) any claim Tokenholders may have against the Issuer under these Asset Token Offering Terms, including, but not limited to, any claim for profit participation, shall rank subordinate and junior to the claims of (1.) all unsubordinated creditors of the Issuer; and (2.) the holders of other subordinated instruments or other obligations issued, entered into, or guaranteed by the Issuer, and any other instrument or other obligation issued, entered into, or guaranteed by the Issuer that ranks or is expressed to rank senior to the TREE by operation of law or contract;

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(b) that all payments in relation to subordinated claims, including any claims for profit participation, shall be deferred (Stundung) for the duration of the subordination. Without limiting the generality of Section 2.1, the Issuer shall not have the obligation to repay any subordinated claim in whole or in part or redeem it by way of set-off or novation or secure it. In the case of an insolvency of the Issuer, the Issuer reserves the right to set-off claims under these Asset Token Offering Terms with claims against Tokenholders (if any).

6. Rights associated with the Securities

a) Profit Participation Right

221 The Tree Token ("TREE") is a digital representation of a perpetual contractual claim to a fraction of the Issuer's Net Operating Cash Flow (as defined below) resulting from the TREECYCLE Project (the "Profit Participation Rights", as defined below). By accepting the Terms Tokenholders acknowledge and understand that in consideration for a pro rata share of Net Operating Cash Flow they forego and waive any claim to a fixed rate of interest on contributions or payments made to the Issuer.

222 Under the Terms, the Issuer has to allocate forty percent (40%) of **Net Operating Cash Flow** for distribution to Tokenholders. "Net Operating Cash Flow" is defined to mean, for any financial year, the **Net Cash Flow from Operating Activities as shown in the Cash Flow Statement**, prepared in accordance with the International Financial Accounting Standards (IFRS) and audited by the Auditor. For the avoidance of doubts, a negative Net Cash Flow from Operating Activities shall not qualify as Net Operating Cash Flow.

223 By agreeing to the Terms, Tokenholders acknowledge, understand and accept that (a) Tokenholders have no entitlement to regular payments and (b) due to the nature of the TREECYCLE Project, (i) Net Operating Cash Flow will be generated and become available for distribution only in some, but not all financial years; and (ii) the earliest financial year for which Net Operating Cash Flow may be generated is six (6) years after the first afforestation has been completed.

b) Commitment to Reinvest Net Operating Cash Flow

224 The Issuer promises and commits to make use of the remaining sixty percent (60%) of Net Operating Cash Flow as follows:

(a) to reinvest fifty percent (50%) of Net Operating Cash Flow in the TREECYCLE Project, including, but not limited to, for the acquisition of land and afforestation; and

(b) to use ten percent (10%) of Net Operating Cash Flow to support ecological and social projects designated by the Issuer's Board of Directors.

225 For the avoidance of doubt, the commitment to reinvest 50% of Net Operating Cash Flow and to use 10% of Net Operating Cash Flow for ecological and social projects shall not qualify as a contractual or legal right enforceable by a Tokenholder or any other person in a court of law.

226 Since the TREE Token is an eternal instrument without a fixed repayment date, investors will continue to participate proportionally in the proceeds of the reinvestments made in subsequent planting and harvesting cycles (if any).

227 The assessment and decision of (i) whether no new land can be acquired and afforested and (ii) whether all or a part of the 50% of the Net-Proceeds reserved for this purpose shall be allocated to the respective TREE holders, lies in the sole discretion of the Issuer's Board of Directors.

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228 If, for any reason, the Issuer reasonably determines that the conditions for a reinvestment in accordance with subsection (a) are not met or that such reinvestment would not be in the best interest of the Tokenholders, it has the right, but not the obligation:

(a) to allocate an additional fraction of Net Operating Cash Flow to Tokenholders, or

(b) to invest the share of Net Operating Cash Flow referred to in subsection (a) in another project, provided that such an investment is approved by Tokenholders.

c) Distribution to Tokenholders

229 Not later than three months following the approval of the annual accounts by the Issuer's annual general meeting of shareholders the Board of Directors shall:

(a) Determine whether any Net Operating Cash Flow are available for distribution to Tokenholders resulting from the TREECYCLE Project in the last financial year;

(b) Determine whether any discretionary payments shall be made to Tokenholders;

(c) If Net Operating Cash Flow or discretionary payments are available for distribution to Tokenholders, calculate the payment per TREE by dividing total Net Operating Cash Flow (plus discretional payments, if any) by the total number of TREEs issued up and until the day on which the calculation is made (including TREEs held on reserve and for sale by the Issuer, but excluding TREEs repurchased and cancelled in accordance with Clause 2.3.4).

230 The Issuer shall give notice to Tokenholders without delay, setting out the payment per TREE to be expected in a given financial year (which, for the avoidance of doubt, may be zero); it shall also inform Tokenholders about reinvestments of Net Operating Cash Flow and the support of ecological and social projects undertaken in the relevant period.

231 Payments (if any) shall be made to the persons registered in the securities register maintained by the Issuer as a Tokenholder

232 Payments shall be made in CHF or, if the Tokenholder is resident outside of Switzerland, in EUR. Payments in EUR shall be calculated based on the spot mid-rate of exchange between CHF and EUR as of 4 p.m., Zurich time, on Payment Date, as displayed on, or derived from, Bloomberg.

233 Banking transfer fees related to participation payments made in CHF and EUR will be borne entirely by Tokenholders, and the Issuer is authorized to make any necessary deductions from the amount to be paid to Tokenholders.

d) Voting Rights

234 Tokenholders may, on behalf of and with effect for all Tokenholders, resolve to alter any of the Terms, including, but not limited to, the provisions on Allocation of Net Operating Cash Flow, by way of a Voting in accordance with Clause 2.3.5. of the Terms. Tokenholders may not adopt resolutions which would give certain Tokenholders an unreasonable advantage at the expense of other Tokenholders.

235 Votings may be scheduled by the Board of Directors, at its full discretion, upon a request of Tokenholders holding at least 10% of TREE Tokens or at its own initiative.

236 At least 50% of TREE eligible for Voting must participate in the Voting in order for a resolution to be adopted. Eligible for Voting are all TREEs issued up and until the day on which the Summons for a Voting is issued (including TREEs held on reserve and for sale by the Issuer, but excluding TREEs repurchased and cancelled in accordance by the Issuer).

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237 Resolutions will be passed by simple majority of TREEs participating in a Voting. Resolutions passed in accordance with this Clause shall be binding upon all Tokenholders, including Tokenholders not participating in the Voting, voting against a resolution or abstaining from vote.

238 The Issuer will ensure that all Tokenholders are notified of resolutions passed at the Tokenholders' Voting and that the resolutions are published on the website of the Issuer (or other relevant electronically platform or press release).

239 The Issuer shall bear the costs and expenses incurred in connection with convening a Voting regardless of who has convened the Voting.

7. Right of Termination

240 TREE Tokens are perpetual securities in respect of which there is no fixed redemption date. Subject to the following terms and conditions, Tokenholders have the right, but not the obligation, to redeem TREE Tokens (the "Right of Termination") by serving a notice of termination to the Issuer. The Right of Termination can be exercised for the first time twelve (12) years after the initial Prospectus Date (24 February 2024), i.e. on 24 February 2036 (the first Termination Date), or thereafter every four years, i.e. on 24 February 2040 (the second Termination Date"), on 24 February 2044 (the third Termination Date"; each a "Termination Date"), etc. The notice of termination must be received from the Tokenholder on a Termination Date or within 30 Business Days thereafter. The Right of Termination may not be exercised if the TREE Token has been listed and is actively traded on a Trading Venue prior to the relevant Termination Date.

241 If a Tokenholder elects to exercise its Right of Termination:

(a) a Notice Period of twelve (12) months will be triggered;

(b) all Distributions allocated to such Tokenholder during the Notice Period will be suspended and forfeited;

(c) the Issuer will repay the Redemption Amount per TREE Token paid by the Tokenholder, multiplied by the number of Token for which the Tokenholder has served a notice of termination, within 30 Business Days after the Notice Period has elapsed. In case of different subscription prices paid, the "first-in first-out" rule will apply.

Example 1: A Tokenholder wishing to exercise the Right of Termination at the first Termination Date and filing a notice of termination on 24 February 2036 and will receive the Redemption Amount 30 Business Days after 24 February 2037. The Redemption Amount will be equal to the Subscription Price paid by the Tokenholder for a specific TREE Token.

Example 2: A Tokenholder subscribed to 100 TREE at CHF 21 per Token and later 50 TREE at a higher price and wished to redeem 120 TREE. According to first-in first out the redemption amount will be 100 TREE at CHF 21 plus 20 TREE at the higher paid price,

242 The TREE Token may not be redeemed under any circumstances at the option of the Issuer.

8. Termination Restrictions

243 TREE are perpetual securities in respect of which there is no fixed maturity date. Tokenholders have the right, but not the obligation, to redeem TREE Tokens in accordance with the terms

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and conditions set out in clause 7 above. This Right of Redemption can be exercised for the first time twelve (12) years after the initial Prospectus Date.

9. Maturity and Redemption

244 TREE are perpetual securities in respect of which there is no fixed redemption date. Tokenholders have the right, but not the obligation, to redeem TREE Tokens in accordance with the terms and conditions set out in Cl. 8. This Right of Redemption can be exercised for the first time twelve (12) years after the initial Prospectus Date, and thereafter every four (4) years.

10. Paying Agent

245 No Paying Agent has been, or will be, appointed. The Issuer will arrange any payment to be made under the Token terms in its own name and on its own account.

11. Yield Calculation

246 Tree Token are a digital representation of the right to receive a pro-rata share of Net Operating Cash Flow (as defined in the Terms, see p. 51 f) from the operation of the TREECYCLE Project. Whether and how much Net Operating Cash Flow will result is uncertain, and the Issuer does not publish any profit forecasts or predictions. It is therefore not possible to provide any yield calculation.

12. Representation of Tokenholders

247 No representative of Tokenholders has been, or will be, appointed.

13. Resolutions, Authorisations and Approvals

248 The Issuance of the TREE Token has been resolved by the Board of Directors by circular resolution dated 6 and 7 October 2023, the renewal and continuance of the offer on the basis of this Prospectus has been authorized on 10 June 2026.

14. Anticipated Issue Date

249 The TREE Tokens were issued on the Ardor Blockchain on 5 September 2020 in a quantity of ten (10) million tokens. A total of 927’405 (including bonus allocations) TREE Token have been sold in private sales, raising about CHF 13,52mm. A total of 159’200 (including bonus allocations) TREE Token have been sold in the First Public Sale, raising about CHF 3.34mm. The tokens not yet sold are being held on reserve by the Issuer. During first year of the second public offering from 11 June 2025 until 10 June 2026, the Issuer sold further 355’000 (including bonus allocations) TREE Tokens and obtained proceeds in the amount of approx. CHF 6.75mn.

15. Restrictions on the Free Transferability of the Securities

250 TREE Tokens are freely transferable in accordance with the Terms, rules and procedures of the distributed ledger. TREE Tokens are not admitted to trading on a regulated market. While the Issuer is considering having TREE Tokens listed on a regulated market or trading facility, such trading venues are currently not widely available and the Issuer therefore cannot guarantee that a listing will actually take place within the foreseeable future. Unless and until such as listing occurs, the TREE Tokens are highly illiquid assets and subject to a factual limitation of transferability.

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III. Tax Information

1. General

251 Investors have to be aware that the laws of their own residence as well as the residence of the Issuer may have an (adverse) impact on the taxation of or in context with the Token.

252 The following information is of a general nature and represents a general one description of some of the important tax consequences that may arise in connection with the acquisition, holding or selling of a bond under Swiss law, Liechtenstein law, German law or Austrian law as of the date of this Prospectus, and it applies subject to changes – including changes with a retroactive effect – of applicable tax laws, court rulings, administrative practice, or other changes. The following information does not claim to be a complete description of all possible tax aspects which may be relevant for an investment decision. It does not constitute legal or tax advice and cannot not to be considered as such. Prospective Tokenholders are advised to consult a tax advisor for information on tax consequences resulting from law applicable to them. The Issuer does not assume any responsibility or liability for any tax consequences resulting from the acquisition, the holding or the sale of TREE Tokens.

2. Taxation in Liechtenstein

253 Realized interest income from bonds is tax-free for investors who are a natural person with residence in Liechtenstein tax-free, provided the relevant securities were subject to wealth tax. Realized interest income from bonds/debt is taxable income for investors who are regularly taxed legal entities domiciled in Liechtenstein with the taxable income. Capital gains from the sale of the bond are for investors tax-free as a natural person residing in Liechtenstein.

254 Capital gains from the sale of the bonds are tax-free for investors as a natural person residing in Liechtenstein. Capital gains from Sales of the bond are taxable income for investors who are ordinary taxed legal entities domiciled in Liechtenstein.

3. Taxation in Switzerland

255 Natural persons with residence in Switzerland are subject to income tax in relation to realized interest income from debentures held as private assets. Capital gains from the sale of bonds held as private assets are generally tax-free. Pro rata accrued interest counts as part of the purchase price.

256 Legal entities incorporated in Switzerland are subject to corporate tax for realized interest from debentures (taxable as income). Capital gains from the sale of debentures are usually also taxable as profit. (Exceptions depending on the canton of residence and individual tax status are reserved.)

4. Taxation in Germany

257 Individuals domiciled in Germany have realized interest income from debentures as well as capital gains from the sale of bonds as taxable income.

258 Realized interest income and capital gains on debt securities in business assets of legal entities based in Germany are fundamentally subject the corporate tax.

5. Taxation in Austria

259 Realized interest income from debentures/bonds held as private assets and capital gains on the sale of privately held assets (including bonds) qualify as taxable income of individuals

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residing in Austria. Income tax may be reduced by a capital gains tax to be withheld by the paying agent.

260 Interest income from debentures/bonds realized by legal entities domiciled in Austria qualify as income to be taxed under the Corporate Income Tax Act. Capital gains from the sale of a bond are usually taxed as well.

IV. TERMS AND CONDITIONS OF THE OFFERING

1. Conditions, Offering Statistics, Anticipated Timetable and Necessary Steps of Applications

a) Terms of the Offering

261 The Public Offering is subject to the Terms displayed in Annex I.

b) Total Issuance of TREE

262 The Issuer offers through the Public Sale a total of up to 10'000'000 TREE Tokens

263 Thereof the Issuer has sold a total of 159'200 (including bonus allocations) TREE Tokens over the course of a first public offering from 14 February 2024 until 14 February 2025 based on a first Prospectus (the First Prospectus). During the first year of the second public offering from 11 June 2025 until 10 June 2026, the Issuer sold further 355'000 (including bonus allocations) TREE Tokens and obtained proceeds in the amount of approx. CHF 6.75mn.

264 Prior to the Public Sale the Issuer has already sold 927'405 (including bonus allocations) TREE Tokens in private sales (based on article 1(4)(b) Prospectus Regulation) between 18 June and 31 October 2019 and between 1 November 2019 and 30 September 2023.

265 To reflect the early stage of the project Tokens sold between 2018 and 31 October 2019 were sold at a discount of 40%; Tokens sold between 1 November 2019 until 31 December 2020 were sold at a discount of 25%.

266 Tokens issued over the course of the private sale as well as the First Public Sale are considered to be part of the overall issue and rank pari passu with tokens issued in the course of this Second Public Sale.

c) Offer Period

267 The Offer Period started in the Principality of Liechtenstein, Germany and Austria on 14 February 2024 and was, in the following, renewed and continued on the basis of succeeding Prospectuses. The Issuer now wishes to offer additional TREE TOKEN on the basis of this Prospectus for which the offer period starts on 22 June 2026.

268 For other Member States of the EEA the Offer Period will not commence in the relevant Member State until the day following the banking day in that Member State on which the registration office or other competent authority of the relevant Member State has been notified of the intended offer to the public. For Switzerland the Offer Period will start after the Prospectus has been approved by a Swiss Reviewing Body in accordance with article 54 Financial Services Act (FinSA). The Offer Period will end one year after approval has been granted by FMA or, in relation to Switzerland, after the Prospectus has been approved by a Swiss Reviewing Body.

269 The Issuer reserves the right to extend the Offer Period by requesting a new approval for the Prospectus.

270 Costs of this issue and offer will be accounted for as expenses of the Issuer and will thus indirectly be borne out of the issue proceeds.

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d) Subscription Reductions

271 None

e) Minimum and Maximum Subscription Amounts

272 The Minimum Subscription Amount is 10 TREE Token. The Maximum Subscription Amount is 50'000 TREE Tokens.

f) Subscription to and Delivery of the Securities

273 Subscription takes place through the TREECYCLE website (www.treecycle.ch) which can be accessed after Subscribers have been identified in accordance with the Issuer's KYC and AML rules and policies. Subscribers can choose the number of TREE Tokens and the currency in which the investment amount is paid. After the confirmation of the subscription, they will receive an invoice with payment instructions to the email address registered in the course of their onboarding.

274 Subscribers shall make payment of the Subscription Price at the election of the Issuer in Swiss Franc ("CHF") or in Euro ("EUR"). Payments in CHF or EUR shall be made to the Issuer's bank accounts as disclosed during the subscription process. Subscribers have the right, but not the obligation, to make payment of the Subscription Price in Bitcoin ("BTC") or in Ether ("ETH"). Payments in BTC or ETH shall be made to the wallet designated by the Issuer during the subscription process. The exchange rate for payments in a currency other than CHF will be determined based on the spot mid-rate of exchange between CHF and EUR as of 4 p.m., Zurich time, on Settlement Date, as displayed on, or derived from, Bloomberg, or between CHF and the respective cryptocurrency from CoinMarketCap or another widely used sourced for cryptocurrency price information.

275 The Issuer will issue TREE Tokens to Subscribers within 14 days after receipt of payment and send the Tokens to the wallet designated by the Subscriber. Subscribers can open a wallet on the Ardor blockchain through the Issuer's platform.

276 The Issuer's Board of Directors has the right to issue TREE Tokens against contribution in kind of (i) land in Paraguay suitable for reforestation or (ii) land in Paraguay with suitable plantation afforestated. The value of land contributed in kind shall be determined on the basis of the price contractually agreed with independent third parties or, in the case of land acquired from related or affiliated parties, on the basis of an external appraisal by an independent expert.

2. Distribution and Allotment of Securities

a) Investor Categories

277 The Public Offer is addressed to all investor categories with a residence in a Public Offer Jurisdiction or Switzerland.

b) Notification Procedure

278 All notices regarding the Tokens shall be published on the website of the Issuer (where notices are currently published under the address www.treecycle.ch.

3. Subscription Price

279 The initial Subscription Price for the sale of TREE Tokens under this Prospectus is CHF 25. The Issuer reserves the right to increase (but not to decrease) the Subscription Price provided the total proceeds from the sale of TREE Tokens under this Prospectus and from the First Public Offering and the Private Sales (see N 0) exceeds the aggregate total amount of CHF 25 million. In setting the new Subscription Price the Issuer shall take into account the net-asset value (NAV) of the TREE Token and the time proximity to next following harvesting events.

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280 The Board of Directors has the right, to be exercised in its full discretion, to grant discounts on the Subscription Price to individual investors or group of investors if the total subscription amount of such investor is at least CHF 1 million, provided the average Subscription Price of all TREE Tokens issued shall never be less than the last applicable Subscription Price for a Public Offering.

281 The Board of Directors, acting in its full discretion, has the right to make allowances to allocate a number not exceeding one (1) million TREE Token at a price lower than applicable issuance price at the time of such allocations to further sales promotion initiatives, but no allowances shall be made to a Related Party and any allowance (including the name of the recipient) shall be disclosed in the financial statement.

4. Placement and Issue

282 TREE Tokens can be subscribed exclusively through the Issuer's website (www.treecycle.ch). The Issuer has mandated no intermediaries with the placement of the TREE Tokens. The Issuer will issue the TREE Tokens directly to Subscribers.

5. Paying Agent

283 The Issuer has not appointed a Paying Agent and will make any payments directly to the accounts or wallets indicated by Tokenholders. The Issuer reserves the right to appoint a Paying Agent at any time.

6. Admission to Trading and Trading Rules

284 As of the date of this Prospectus, TREE Tokens are not listed and traded on a Trading Venue. The Issuer plans to apply for a listing on a Trading Venue if such venues are available for the listing of DLT-based securities (such as the TREE Token) and the market capitalisation and the Token's liquidity will permit an orderly trading. The Issuer also reserves the right to make arrangements for making the TREE Token tradable on a decentralized exchange (like the Ardor exchange) or another alternative trading platform, provided such arrangement is in compliance with Applicable Law. Until and unless such listing or arrangement is in place (if ever), Tokens can only be sold and purchased on a bilateral basis.

7. Applicable Law and Jurisdiction

285 The Terms are governed by and must be construed in accordance with the laws of Switzerland, excluding the rules on conflict of laws thereof. This Clause 285 shall qualify as a choice of the law governing the transfer of ledger-based value rights in accordance with article 145a Private International Law Act.

286 Subject to mandatory applicable law, any dispute arising out of or in connection with the terms and conditions of the Tokens, including the validity, invalidity, breach or termination thereof, shall be subject to the jurisdiction of the courts of the Canton of Zug.

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TREECYCLE AG

DocuSigned by:
18.06.2026
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Jörg Schäfer
Chairman of the Board of Directors

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Annex I – Asset Token Offering Terms

ASSET TOKEN OFFERING TERMS

for the offering of TREE Tokens by

TREECYCLE AG
Co. Reg. No. CH-170.3.042.515-8
Rothusstrasse 15
6331 Hünenberg
Switzerland

(the "**Issuer**")

1. PURPOSE AND SCOPE

1.1. Purpose

These Asset Token Offering Terms (the "**Terms**") shall govern the issuance and public offering of TREE Tokens ("**TREE Tokens**") by the Issuer for purposes of funding the TREECYCLE Project (the "**TREECYCLE Project**"). The Tokens will be offered to the public in selected jurisdictions based on the prospectus (the "**Prospectus**") to be approved by the Financial Market Authority (FMA) of the Principality of Liechtenstein.

The Terms furthermore are setting forth (i) the information that the Issuer is required to provide under article 973i para. 1 of the Swiss Code of Obligations ("**CO**"), (ii) the registration agreement (Registrierungsvereinbarung) in relation to the Tokens that have been or will be issued in the form of register securities (Registerwertrechte) within the meaning of articles 973d et seq. of the CO; and (iii) the rules pursuant to which Tokens can be transferred.

1.2. Scope

These Terms are entered into between the Issuer, as the issuer of the TREE Token, and any first acquirer acquiring TREE Tokens directly from the Issuer (a "**Contributor**") at or after 1 September 2023. It shall be binding on any subsequent acquirer of a TREE Token (a "**Transferee**"), regardless of the jurisdictions involved, whether by way of an agreement or by operation of law.

These Terms shall also apply to any person who acquired TREE prior to 1 September 2023 (an "**Early Contributors**"), and shall replace and substitute the TREE and TXC Token Creation / Asset Token Offering Terms of 2019, with the understanding however that nothing in these Terms shall be construed to limit in any material manner rights and privileges acquired by an Early Contributor under the TREE and TXC Token Creation / Asset Token Offering Terms of 2019.

TREE Tokens are deemed to be part of one single uniform issue governed by these Terms. Tokenholder having acquired TREE Tokens under the initial Terms of 1 September 2023 shall enjoy the privileges and benefits accorded under these Terms, with the understanding however that nothing in these Terms shall be construed to limit in any material manner rights and privileges acquired by such Tokenholder under the initial Terms.

By holding, using, accepting, owning, transferring or otherwise interacting with the Tokens, any Contributor, Early Contributor or Transferee (jointly referred to as a "**Tokenholder**"):

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(1) confirms to have carefully reviewed the Terms and to fully understand the risks and costs of contributing to the Issuer;

(2) explicitly agrees with these Terms; and

(3) acknowledges that these Terms form a legal binding agreement with the Issuer and shall govern the acquisition and use of the Tokens.

These Terms shall exclusively govern the relationship between the Issuer and a Tokenholder (including in relation to the creation and the allocation of Tokens and the assignment of the operation and further development of the TREECYCLE Project to the Issuer). These Terms constitute the entire agreement between the Issuer and a Tokenholder and supersede and extinguish all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to their subject matter. By agreeing to these Terms, each Tokenholder acknowledges that it does not rely on any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in these Terms. The information contained in the Whitepaper and on the TREECYCLE Project website (www.treecycle.ch) are of a descriptive nature only, are not legally binding and do not form part of the Terms as set forth hereinafter.

1.3. Definitions

In these Terms:

"Applicable Accounting Standards" means International Financial Reporting Standards or such other accounting principles or standards as may apply to the Issuer's financial statements under Applicable Laws.

"Applicable Law(s)" means any applicable national, federal, supranational, state, regional, provincial, local or other statute, law, ordinance, regulation, rule, code, guidance, order, published practice or concession, regulatory requirement, judgment or decision of a competent authority.

"Auditor" means a reputable international audit firm appointed by the Issuer as a statutory auditor in accordance with article 727 seq. CO.

"Board of Director" means the board of directors of the Issuer, appointed in accordance with article 707 seq. CO.

"BTC" or "Bitcoin" means the type of virtual currency based on an open source cryptographic protocol existing on the Bitcoin network.

"Cash Flow Statement" means the financial statement summarizing the cash in- and outflows of the Issuer, prepared in accordance with the IFRS Account Standard and audited by the Auditor.

"CHF" or "Swiss Francs" means the Swiss Franc, the lawful currency of the Swiss Confederation.

"CO" means the Swiss Code of Obligations.

"Commodity Exchange Act" means the U.S. Commodity Exchange Act of 1936, as amended.

"Consolidated Profit and Loss Statement" means the profit and loss statement consolidating profits and losses of the Issuer and of any Operating Company providing material products or services for the TREECYCLE Project and that is fully controlled by the Company in accordance with IFRS.

"Contributor" means an acquirer subscribing to a TREE Token directly with the Issuer at or after 1 September 2023.

"DCF" means Discounted Cash Flow.

"Distributed Ledger" means the Ardor Blockchain or the Ethererum Blockchain or any other distributed ledger as reasonably determined by the Issuer.

"Distributions" means the entitlements of Tokenholders as defined in Clause 2.3.2.

"Early Contributor" means any person who acquired TREE Tokens prior to 1 September 2023.

"ETH" or "Ether" means the type of virtual currency based on an open-source cryptographic protocol existing on the Ethereum network.

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"Euro", "euro" and "EUR" each means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty.

"FEPAMA" means the Paraguayan Timber Merchant Federation or Federaciòn Paraguya de Madereros.

"FMA" means Finanzmarktaufsicht Liechtenstein, Landstrasse 109, Postfach 279, 9490 Vaduz, Principality of Liechtenstein.

"Grant Thornton" means Grant Thornton AG, Claridenstrasse 35, 8002 Zürich, reg. no. CH-020.3.902.756-7.

"GTP S.A." means GTP S.A., with registered office at Gregorio Benitez Y Coronel Oviedo, Paraguay, RUC No. 80101522 DV:7.

"Guarani" or "PYG" each means the Paraguayan guaraní, the lawful currency of Paraguay.

"IFRS Accounting Standard" means the International Financial Reporting Standards or such other accounting principles or standards as may apply to the Issuer's financial statements under Applicable Laws.

"IFRS" means International Financial Reporting Standards.

"INFONA" means National Forestry Institute or Instituto Forestal Nacional.

"Initial Prospectus Date" means the date on which the prospectus for the First Public Offering was approved, i.e. on 14 February 2024.

"ISIN" means International Securities Identification Number.

"Issuer" or "Treecylce" each means TREECYCLE AG, Rothusstrasse 15, 6331 Hünenberg, Switzerland.

"Net Operating Cash Flow" shall mean net cash generated by the operating business. It displays paid income received less paid operating expenses of a financial year. It basically eliminates all non-cash relevant booking entries from the Income Statement and displays net profit of the income statement on the bases of paid events without the effect of accruals, depreciation and changes in fair value. All cash flows from investing (such as i.e. the acquisition of land and the costs of initial afforestation) and or financing activities (such as i.e. proceeds from sale of TREE Token) are not part of Net not Operating Cash Flow. Net Operating Cash Flow is part of the audited Cash Flow Statement and is computed and presented in compliance with the International Financial Reporting Standards (IFRS) - IAS 7 (Statement of Cash Flows).

"Notice Period" means a period of twelve (12) months starting by serving a termination notice to be received by the Issuer on the respective Termination Date or within 30 Business Days thereafter.

"Offer Period" has the meaning assigned in Note 270 of the Prospectus.

"Operating Activities" means activities undertaken by the Issuer (including any operating subsidiary) in the course or its regular business activities.

"Operating Company" means any company or other legal entity owned or otherwise controlled by the Issuer.

"Payment Date" means the date set by the Issuer's Board of Directors for payments to Tokenholders in accordance with the Terms.

"Profit Participation Rights" means the right to receive a fraction of the Issuer's Net Operating Cash Flow resulting from the TREECYCLE Project.

"Prospectus Date" means the date on which the prospectus for the second public offering was approved, i.e. 11 June 2026.

"Prospectus Regulation" means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

"Prospectus" means the prospectus as approved by the Financial Market Authority (FMA) of the Principality of Liechtenstein.

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"Public Offer Jurisdictions" means any Member State of the European Economic Area where the Prospectus has been notified to a competent authority.

"Redemption Amount" means the Subscription Price paid for a specific TREE Token.

"Related Party" means any person or entity related to the Issuer, including, but not limited to, (i) the management of the Issuer; (ii) shareholders of the Issuer; (iii) employees of the Issuer, (iv) members of the immediate families of the management, shareholders and employees of the Issuer, and (v) other parties with which the Issuer may deal if they can significantly influence the management or operating policies of the other to the extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

"Right of Termination" means the right of Tokenholders to terminate TREE Tokens in accordance with Clause 2.3.3.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Subscription Price" means the price, expressed in official currency, set by the Board of Directors to be paid by a Tokenholder in order to acquire TREE Tokens, as determined in N 279 seq. of the Prospectus.

"Termination Date" means the date on which a Tokenholder may serve a Notice of Termination in accordance with Clause 2.3.3.to be exercised for the first time twelve (12) years after the Initial Prospectus Date and thereafter every four (4) years

"Terms" mean the terms and conditions set forth in the Asset Token Offering Terms.

"Tokenholder" means the person registered in the securities registry as the holder of one or several TREE Tokens, and shall include any Contributor, Early Contributor or Transferee.

"Trading Venue" means regulated markets (including stock exchanges), multilateral trading facilities and organized trading facilities as well as alternative trading facilities subject to adequate regulation and supervision, as determined by the Board of Directors.

"Transferee" means any person acquiring TREE Token from a Contributor, regardless of the jurisdictions involved, whether by way of an agreement or by operation of law

"TREE Token(s)" means a digital representation of the Profit Participation Rights, issued by the Issuer in the form of register securities, a further defined in Clause 2 of the Terms.

"TREECYCLE Project" means the project for the reforestation in the Guaira Villarrica, and other regions of Paraguay as describes in this Prospectus, initiated, managed and financed by the Issuer, or any equivalent project as determined by the Board of Directors.

"WACC" means weighted average cost of capital.

2. TREE TOKENS

2.1. Definition

(a) Subject to the terms and conditions of these Terms, the TREE shall be a digital representation of a perpetual contractual claim of Tokenholders to a fraction of the Issuer's Net Operating Cash Flow (as defined below) resulting from the TREECYCLE Project (the "**Profit Participation Rights**", as defined below).

(b) For the avoidance of doubt, Tokenholders acknowledge, understand and accept that (i) TREE Token do not pay interest; (ii) TREE Tokens do not represent or constitute any ownership rights or stake, shares or security or equivalent rights in relation to the TREECYCLE Project and/or the Issuer, other than defined in Clause 2.3 below; (iii) TREE Tokens do not create or confer any enforceable contractual or other obligations against any party (including Issuer or other developers, auditors, contractors or founders associated with the TREE, the TREECYCLE Project and/or the Issuer), except the ones defined in Clause 2.3 below, and (iv) Tokenholders have no right to claim any intellectual property rights, equity or equivalent rights or any other form of participation in or relating to the TREECYCLE Project and/or the Issuer, other than defined in Clause 2.3 below.

2.2. Form and Status

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(a) TREE shall be issued as register securities (Registerwertrecht) in accordance with article 973d seq. CO and the registration agreement set forth in Clause 4 of the Terms.

(b) TREE constitute direct, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* with all other TREE and without any preference among themselves.

(c) Subject to the insolvency laws of Switzerland and other applicable laws and Clause 2.2(d), the rights of Contributors to payment of Net Operating Cash Flow and any other obligations in respect of the TREE, shall rank:

(i) subordinate and junior in right of payment to, and of all claims of all unsubordinated creditors of the Issuer; and the holders of other subordinated instruments or other obligations issued, entered into, or guaranteed by the Issuer, and any other instrument or other obligation issued, entered into, or guaranteed by the Issuer that ranks or is expressed to rank senior to the TREE by operation of law or contract;

(ii) senior in right of payment to, and of all claims of the holders of all classes of the Issuer's ordinary share capital and any instrument or other obligation issued, entered into, or guaranteed by the Issuer that ranks or is expressed to rank junior to the TREE by operation of law or contract.

(d) In the event that the Issuer's Board of Directors determines that the requirements pursuant to article 725a Para. 1 (capital loss) or article 725b Para. 2 CO (overindebtness) are met, Tokenholders irrevocably agree that:

(i) any claim Tokenholders may have against the Issuer under these Terms, including, but not limited to, any claim for profit participation, shall rank subordinate and junior to the claims of (1.) all unsubordinated creditors of the Issuer; and (2.) the holders of other subordinated instruments or other obligations issued, entered into, or guaranteed by the Issuer, and any other instrument or other obligation issued, entered into, or guaranteed by the Issuer that ranks or is expressed to rank senior to the TREE by operation of law or contract;

(ii) that all payments in relation to subordinated claims, including any claims for profit participation, shall be deferred (Stundung) for the duration of the subordination. Without limiting the generality of Section 2.1, the Issuer shall not have the obligation to repay any subordinated claim in whole or in part or redeem it by way of set-off or novation or secure it. In the case of an insolvency of the Issuer, the Issuer reserves the right to set-off claims under these Asset Token Offering Terms with claims against Tokenholders (if any).

(iii) This subordination agreement is irrevocable and cannot be terminated by either Party.

2.3. Rights of Tokenholders

2.3.1. Allocation of Net Operating Cash Flow

(a) The pro-rata share allocated for distribution to Tokenholders shall be forty percent (40%) of Net Operating Cash Flow. For purposes of this Clause 2.3.1, "**Net Operating Cash Flow**" shall mean, for any financial year, the net cash flow from the Issuer's Operating Activities as shown in the Cash Flow Statement prepared in accordance with the IFRS Accounting Standard and audited by the Auditor. For the avoidance of doubts, a negative Net Cash Flow from Operating Activities shall not qualify as Net Operating Cash Flow.

(b) By agreeing to these Terms, Tokenholders acknowledge, understand and accept that (i) due to the nature of the TREECYCLE Project Net Operating Cash Flow will be generated only if and when the afforestation and the sale of harvested wood can be successfully completed; (ii) any claim under this Clause 2.3.1 is subject to, and conditional upon, a successful afforestation; (iii) Net Operating Cash Flow will be generated and become available for distribution only in some, but not all financial years; (iv) the earliest financial year for which Net Operating Cash Flow may be generated is six (6) years after the first afforestation has been completed, and (vi) Tokenholders therefore have no right or entitlement to regular payments.

(c) The Issuer promises and commits to make use of the remaining sixty percent (60%) of Net Operating Cash Flow as follows:

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(i) to reinvest fifty percent (50%) of Net Operating Cash Flow in the TREECYCLE Project, including, but not limited to, for the acquisition and afforestation of additional land; and

(ii) to use ten percent (10%) of Net Operating Cash Flow to support ecological and social projects designated by the Issuer's Board of Directors.

(d) If, for any reason, the Issuer reasonably determines that the conditions for a reinvestment in accordance with subsection 2.3.1(a) are not met or that such reinvestment would not be in the best interests of the Tokenholders, it has the right, but not the obligation:

(i) to allocate an additional fraction of Net Operating Cash Flow to Tokenholders, or

(ii) to invest the share of Net Operating Cash Flow referred to in subsection (a) in another project, provided that such an investment is approved by Tokenholders.

(e) For the avoidance of doubt, the commitment under Section 2.3.1(c) and (d) to reinvest 50% or Net Operating Cash Flow and to use 10% of Net Operating Cash Flow for ecological and social projects shall not qualify as a contractual or legal right enforceable by a Tokenholder or any other person in a court of law.

2.3.2. Distributions to Tokenholders

(a) Tokenholders are entitled to receive payments in accordance with Clause 2.3.1. if, any only if the Tokenholder:

(i) was registered in the securities register as a Tokenholder on the last day of the financial year for which distribution is made;

(ii) is registered on the Issuer's website on the date payment is made; and

(b) Not later than three (3) months following the approval of the annual accounts by the Issuer's annual general meeting of shareholders the Issuer's Board of Directors shall:

(i) Determine whether any Net Operating Cash Flow are available for distribution to Tokenholders resulting from the TREECYCLE Project in the last financial year;

(ii) Determine whether any discretionary payments shall be made to Tokenholders;

(iii) If Net Operating Cash Flow or discretionary payments are available for distribution to Tokenholders, calculate the payment per TREE by dividing total Net Operating Cash Flow (plus discretional payments, if any) by the total number of TREEs issued up and until the day on which the calculation is made (including TREEs held on reserve and for sale by the Issuer, but excluding TREEs repurchased and cancelled in accordance with Clause 2.3.4).

(c) The Issuer shall give notice to Tokenholders without delay, setting out the payment per TREE Tokens to be expected in a given financial year (which, for the avoidance of doubt, may be zero); it shall also inform Tokenholders about reinvestments of Net Operating Cash Flow and the support of ecological and social projects undertaken in the relevant period.

(d) Payments (if any) shall be made to the persons registered in the securities register as a Tokenholder on the last day of the financial year for which payment is made.

(e) Payment shall be made in CHF or, at the election of the Issuer if the Tokenholder is resident outside of Switzerland, in EUR. The exchange rate for payments in EUR shall be calculated based on the spot mid-rate of exchange between CHF and EUR as of 4 p.m., Zurich time, on Payment Date, as displayed on, or derived from, Bloomberg.

(f) Banking transfer fees related to participation payments made in CHF and EUR will be borne entirely by Tokenholders, and the Issuer is authorized to make any necessary deductions from the amount to be paid to Tokenholders.

2.3.3. Termination and Redemption

(a) Subject to Clause 2.3.3.(b) and (c), the TREE Tokens are perpetual securities in respect of which there is no fixed redemption date.

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(b) Unless the TREE Token has been listed and is actively traded on a. Trading Venue, Tokenholders shall have the right, but not the obligation, to redeem TREE Tokens by serving a notice of termination to the Issuer (the "**Right of Termination**"). The Right of Termination can be exercised for the first time twelve (12) years after the Initial Prospectus Date, or thereafter every four years (each a **Termination Date**).

The termination notice from the Tokenholder must be received on the respective Termination Date or within 30 Business Days thereafter.

If a Tokenholder elects to exercise its Right of Termination:

(i) a Notice Period of twelve (12) months will be triggered starting with the relevant Termination Date;

(ii) all Distributions allocated to such Tokenholder during the Notice Period (including Distributions already announced but not yet paid) will be suspended and forfeited; and

(iii) the Issuer will repay the Redemption Amount within 30 Business Days after the Notice Period has elapsed. For the avoidance of doubt, a Tokenholder exercising a Right of Termination shall have no additional claim for further payment, compensation or damages from the Issuer.

(c) The TREE Token may not be redeemed under any circumstances at the option of the Issuer. The Issuer has the right, but not the obligation, to purchase TREE Tokens from Tokenholders in the open market or otherwise at any price, provided that no such purchase shall be made unless sufficient free reserves are available in accordance with article 659 CO. The Issuer may, at its option, retain repurchased TREE Tokens for its own account and/or resell or cancel or otherwise deal with them at its discretion.

2.3.4. Voting Rights

(a) Tokenholders may, on behalf of and with effect for all Tokenholders, resolve to alter any of the Terms, including, but not limited to, the provisions on Allocation of Net Operating Cash Flow, by way of a Voting in accordance with the remainder of this Clause 2.3.4. Tokenholders may not adopt resolutions which would give certain Tokenholders an unreasonable advantage at the expense of other Tokenholders.

(b) The Board of Directors has the right, to be exercised at its full discretion, but not the obligation, to schedule a Voting if requested by Tokensholders holding at least 10% of TREE Tokens or at its own initiative.

(c) At least 50% of TREE eligible for Voting must participate in the Voting in order for a Resolution to be adopted. Eligible for Voting are all TREEs issued up and until the day on which the Summons for a Voting is issued (including TREEs held on reserve and for sale by the Issuer, but excluding TREEs repurchased in accordance with Clause 2.3.3.

(d) Voting will take place on the distributed ledger protocol adopted by the Issuer in accordance with Clause 4. The Issuer has the right, but not the obligation, to make arrangements to set up a decentralized autonomous organization to facilitate the exercise of voting rights.

(e) Resolutions will be passed by simple majority of TREE Tokens participating in a Voting. **Resolutions passed in accordance with this Clause 2.3.4. shall be binding upon all Tokenholders, including Tokenholders not participating in the Voting, voting against a resolution or abstaining from vote.**

(f) Summons to a Tokenholders' Voting must be sent no later than ten (10) Business Days prior to the proposed date of the Voting. The Summons shall be sent to all Tokenholders registered in the securities registry at the time the Summons is sent.

(g) Any Summons for a Tokenholders' Voting must clearly state the agenda for the Tokenholders' Voting and the matters to be resolved. If the Summons contains proposed amendments to these Terms, a description of the proposed amendments must be set out in the Summons. Items which have not been included in the Summons may not be put to a vote at the Tokenholders' Voting.

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(h) Minutes of the Tokenholders' Voting must be recorded by the Chairperson of the Board of Directors. The minutes shall state the number of Tokens represented at the Tokenholders' Voting, the resolutions passed at the Voting, and the results of the vote on the matters to be decided at the Tokenholders' Voting. The minutes shall be signed by the Chairperson of the Board of Directors and at least one other person. The minutes shall be made available to the Tokenholders.

(i) The Issuer will ensure that all Tokenholders are notified of resolutions passed at the Tokenholders' Voting and that the resolutions are published on the website of the Issuer (or other relevant electronically platform or press release).

(j) The Issuer shall bear the costs and expenses incurred in connection with convening a Voting regardless of who has convened the Voting.

3. REGISTRATION AGREEMENT

3.1. Subject Matter and Scope

(a) This Section 4 shall serve as a registration agreement, and is entered into between the Issuer, as the issuer of the Token, and an acquirer of a Token directly subscribing to a Token with the Issuer.

(b) It shall be binding on any subsequent acquirer of a Token (regardless of the jurisdictions involved), whether by way of an agreement or by law (a "Transferee").

3.2. Registration

(a) The Issuer and the initial subscriber to of a Token agree and consent that the Tokens shall be registered in the distributed ledger as register securities, whereby each Token represents one register security.

(b) The Issuer reserves the right to substitute Tokens with new tokens or to migrate Tokens to a new protocol if necessary to comply with, but not limited to, legal developments and/or technical amendments of the token standard or the protocol being used, provided such substitution or amendment in no way affects the ledger-based value rights and the rights represented by such ledger-based value rights.

(c) The registration in accordance with this registration agreement has the following effects:

(i) The Token can only be transferred in accordance with the rules and procedures set forth in this registration agreement and the distributed ledger;

(ii) Only persons having control within the meaning of article 973d para 2 CO over the token shall be deemed to have power of disposal over the Token, in accordance with the rules and procedures set forth in this registration agreement and the distributed ledger;

(iii) Only persons registered in the distributed ledger as a Tokenholder shall have the right to assert any claim or right represented by the Token, and payment to such person shall discharge the debtor from its obligations;

(iv) A person who acquires Tokens from the person registered in the distributed ledger as the holder of Tokens in good faith shall be protected in respect of the acquisition even where the Transferor had no legal power or authority to dispose of the Tokens.

3.3. Transfer and exercise of rights

3.3.1. General

Unless otherwise provided by Applicable Law (e.g. in the event of universal succession further to the death or merger of the Token holder), the transfer of legal title to a Token, and the creation of a security or other interest on such Tokens (such as a pledge or usufruct) (each such transfer or creation of interest a "Transaction"), requires the transfer of the relevant Token to a distributed ledger address controlled by the Transferee, in accordance with the rules and procedures of this registration agreement, the distributed ledger and the functions of the Tokens.

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3.3.2. Exercise of Rights by Transferee

(a) A Tokenholder may exercise any rights represented by the Token only after it was identified and registered in accordance with the Issuer's "Know your Customer" & "Anti Money Laundering" procedure as outlined in this Clause 4.3.2.

(b) In order to register with the Issuer, a Transferee shall submit, through the Issuer's website, the following information:

(i) first and last name (for individuals) or corporate name (for legal entities and unincorporated partnerships) of the Transferee;

(ii) total number of Tokens held by the Transferee;

(iii) Distributed ledger address(es) on which the Tokens are recorded;

(iv) details of the Transferee;

- place of residence (for individuals) or registered office (for legal entities and unincorporated partnerships) and valid postal address;
- date of birth (for individuals) or date of constitution (for legal entities and unincorporated partnerships);
- beneficial owner (for legal entities and unincorporated partnerships);
- nationality(ies) (for individuals);
- email address;
- telephone number;
- copy of a document used to verify the identity such as a valid passport copy;

(v) confirmation that the Transferee acquired and holds the Token for its own account and not as a fiduciary for a third party;

(vi) confirmation that the Transferee has sole control over the Distributed ledger address(es) referred to under (b)(iii) above; and

(vii) total number of Tokens held on each Distributed ledger address referred to under (b)(iii) above.

(c) The Issuer may request supporting evidence or further documentation from the Tokenholder, including documents reasonably requested by the Issuer to fulfil its documentation requirements under any applicable customer due diligence ("CDD"), know your customer ("KYC") and anti-money laundering ("AML") regulations or requirements.

(d) The Issuer is entitled to restrict the rights of any and all Tokens held by a Transferee until the Transferee has fulfilled its obligations to provide the Issuer with the information and documents required by this Clause 4.3.2 and, to the Issuer's satisfaction, has complied with the CDD, KYC, and AML regulations or requirements applicable to the Transferee.

(e) The Issuer can, at any time, request a Token holder to confirm that the information provided previously remains accurate and up to date. Failure to do so or the discovery of an irreconcilable status of the Token holder at the discretion of the Issuer, results that all attendant rights to the Tokens shall be immediately forfeited.

3.4. Replacement of Tokens

(a) Subject to Clause 1.2, TREE Tokens acquired by Early Contributors shall deemed to be TREE Tokens governed by these Asset Tokens Offering Terms. The rights represented by the TREE Tokens shall correspond in all material respects to the rights represented by the TREE Tokens acquired by Early Contributors.

(b) The Issuer reserves the right to substitute the distributed ledger currently used for the issuance of TREE Tokens with another distributed ledger meeting the requirements of article 973d para. 2 CO.

(c) Without prejudice to the cancellation procedure set forth in article 973h CO, in case of a damage to, or loss of, a Token or the private key by a Token holder, the Issuer has the right, but not the

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obligation, to (i) permanently freeze the respective Tokens and to (ii) mint and issue new Tokens which shall replace the Tokens subject to the permanent freeze. The Token holder making the request shall be obliged to post a cash bond with the Issuer in an amount to be determined by the Issuer in order to secure any adverse claim by a bona fide acquirer of the Token. The replacement of the Token shall not constitute an increase of the total number of Tokens.

(d) In the event of a Hard Fork or similar circumstances which may endanger the reliability of the distributed ledger, the Issuer may activate the "pause" function of the Tokens to prevent Transactions on both versions of the Distributed ledger pending its decision on which version it will support. If the Issuer decides to support the version of the Distributed ledger that follows the rules and protocols of such Distributed ledger that were in force immediately prior to the occurrence of the Hard Fork (i.e. the "legacy" version of the relevant Distributed ledger), all Transactions on "forked" versions of the Distributed ledger will be invalid. If the Issuer decides to support a forked version of the Distributed ledger, all Transactions on the "legacy" version of the relevant Distributed ledger will be invalid, and any Token existing on the "legacy" version of the Distributed ledger will not be associated with tokenized shares.

4. GENERAL PROVISIONS

4.1. Severability

If at any time, any provision of these Terms and/or the registration agreement (or any part thereof) is or becomes invalid or unenforceable, then neither the validity nor the enforceability of the remaining provisions or the remaining part of the provision shall in any way be affected or impaired thereby. The invalid or unenforceable provision or part thereof shall be replaced by a valid or enforceable provision which shall best reflect the original intention of the Parties (if and to the extent possible).

4.2. Amendments / Assignment

(a) The Issuer may amend these Terms at any time and without prior notice in order to provide clarifications or corrections, provided such amendments do not affect any rights of Tokenholdes in a material manner. Amendments to these Terms will be validly made and binding upon all Tokenholders upon being published or otherwise communicated to Tokenholders, including through a publication on the Issuer's website. Amendments to these Terms will only affect the acquisition, encumbrance or disposal of Tokens entered into after the amendments became effective and will not affect such transactions previously completed (in the case of register securities recorded in the distributed ledger).

(b) The Issuer may transfer and assign at any time in its sole discretion its rights and obligations under these Terms, in whole or in part, to any party at any time without notice. Otherwise, these Tokens Terms may not be assigned and the duties hereunder may not be delegated.

(c) The Issuer shall have the right to transfer and assign its rights and obligations under these Terms, in whole, at any time without notice to any of its affiliates, including any entity controlled, controlling or under common control with the Issuer or to a third party that acquires the Issuer or substantially all of the assets of the Issuer. In the event of such a substitution, the Issuer may activate the "pause" function of the Tokens to prevent transactions until such new party has amended these Terms to effect compliance with applicable law and applicable regulatory requirements. For the avoidance of any doubt, this could include other jurisdictions than Switzerland.

4.3. Governing Law and Jurisdiction

(a) These Terms are governed by and must be construed in accordance with the laws of Switzerland, excluding the rules on conflict of laws thereof. This Clause 5.3 shall qualify as a choice of the law governing the transfer of ledger-based value rights in accordance with article 145a Private International Law Act.

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(b) Subject to mandatory applicable law, any dispute arising out of or in connection with the terms and conditions of the Tokens, including the validity, invalidity, breach or termination thereof, shall be subject to the exclusive jurisdiction of the courts of the Canton of Zug.

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Annex II – Audited Financial Statements as of 31.12.2025

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TREECYCLE AG
Hünenberg

Independent Auditor's Report

Consolidated Financial Statements for the year ended 31 December 2025

Docusign Envelope ID: 63CFBB69-E3B8-84EC-813E-19FE07DA5E1F

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Independent Auditor's Report

To the Board of Directors of
TREECYCLE AG, Hünenberg

Qualified Opinion
We have audited the consolidated financial statements of TREECYCLE AG and its subsidiary (the Group), which comprise the consolidated statement of profit or loss and consolidated statement of comprehensive income, the consolidated statement of financial position as at 31 December 2025, and, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cashflows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Qualified Opinion
The Group invested in reforestation assets, which are measured at fair value and recognised in the consolidated statement of financial position as at 31 December 2025 at CHF 29'996'816. We were unable to obtain sufficient appropriate audit evidence regarding the carrying amount of these reforestation assets. We could not independently assess the reliability of the underlying data and assumptions used to determine their fair value. Because the reforestation assets and the Group's operations are still at an early stage, historical internal harvest data was not available. Management therefore relied on data provided by its external expert. We were unable to verify this data against actual outcomes or an independent valuation and, consequently, could not determine whether any adjustments to the fair value of the reforestation assets were necessary.

We conducted our audit in accordance with the Swiss Standards on Auditing (SA-CH) and the International Standards on Auditing (ISA). Our responsibilities under those provisions and standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the provisions of the Swiss audit profession and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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Board of Directors' Responsibilities for the Consolidated Financial Statements
The Board of Directors' is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), and for such internal control as the Board of Directors' determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors' is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors' either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA-CH and ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SA-CH and ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our qualified audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Zurich, 12 June 2026

Grant Thornton AG

Hermann Caspers
Partner

Kenny Wessner
Audit Manager

Enclosure:
- TREECYCLE AG – 31 December 2025 Consolidated financial statements

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TREECYCLE

TREECYCLE AG

Consolidated statement of financial position for the year ended 31 December 2025

	Notes	31.12.2024	31.12.2025
		CHF	CHF
ASSETS			
Cash and Cash Equivalents	14	354'015	1'317'754
Other receivables (third party)		64'193	0
Other receivables (related party)	26	360'342	351'839
Crypto Assets held for sale	15	108'932	87'383
Tax receivables		19'121	65'685
Prepaid expenses		5'260	81'400
Stock on harvested wood		0	14'010
Total current assets		**911'863**	**1'918'071**
Biological Reforestation assets	16	10'144'304	29'996'816
Property Plant and Equipment	17	2'554'997	3'276'378
Right of Use Assets	18	236'966	166'075
Intangible Assets	19	483'120	418'560
Total non-current assets		**13'419'387**	**33'857'829**
TOTAL ASSETS		**14'331'250**	**35'775'900**
LIABILITIES			
Trade and other payables (third party)	20	1'359'389	1'501'131
Trade and other payables (related party)	20, 26	155'251	1'295'465
Lease liability	18	70'778	70'778
Tax payable		0	56'602
Current liabilities		**1'585'418**	**2'923'976**
Deferred Tax Liability	13	1'190'894	3'489'793
Financial liabilities (third party)	21	878'934	1'025'200
Financial liabilities (related party)	21	100'000	0
Lease liability	18	149'390	86'722
Non-current liabilities		**2'319'218**	**4'601'715**
Share Capital	22	100'000	100'000
Perpetual Instrument	23	19'497'357	24'141'141
Currency Translation Reserve		-15'716	-3'767
Retained Earnings		-9'155'606	4'002'615
Minority Interests		579	10'221
Total Equity		**10'426'614**	**28'250'209**
TOTAL EQUITY AND LIABILITIES		**14'331'250**	**35'775'900**

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TREECYCLE AG

Consolidated statement of profit or loss for the year ended 31 December 2025

	Notes	2024	2025
		CHF	CHF
Revenue		0	7'889
Change in inventories		0	14'011
Gain from changes in fair value of biological assets - reforestation	7	5'513'037	19'227'583
Rental Income		25'495	44'073
Reforestation maintenance		-159'812	-26'179
Corporate Development	8	-609'575	-606'263
Personnel Expenses	9	-453'666	-600'539
Marketing and Sales	10	-875'193	-678'532
Administration	11	-233'533	-395'585
Management Fees		0	-1'281'260
Operating Profit (+) / Loss (-)		**3'206'753**	**15'705'198**
Depreciation, amortization and impairment		-227'408	-230'801
Net operating Profit (+) / Loss (-)		**2'979'345**	**15'474'396**
Financial Expense net	12	45'601	29'627
Profit (+) / Loss (-) before tax		**3'024'946**	**15'504'023**
Income tax	13	-11'940	-38'061
Deferred Tax	13	-684'822	-2'298'900
Net Profit (+) / Loss (-)		**2'328'184**	**13'167'063**
Attributable to Shareholders of the Parent		2'329'326	13'158'221
Attributable to Minorities		-1'142	8'842
Net Profit (+) / Loss (-)		**2'328'184**	**13'167'063**
Earnings per share		**0.23**	**1.32**

To the extent of a positive Net Operating Cash Flow, net profits are attributable to the holders of the Perpetual Instruments in the amount of 40% of Net Operating Cash Flow. The remainder shall be either reinvested (50%) or dedicated to philanthropy in Paraguay (10%).

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TREECYCLE AG

Consolidated statement of comprehensive income for the year ended 31 December 2025

	2024	2025
	CHF	CHF
Net Profit (+) / Loss (-)	**2'328'184**	**13'167'063**
Items that may subsequently be reclassified to profit and loss	**0**	**0**
Other comprehensive income for the period net of tax	**0**	**0**
Translation Difference (OCI)	668	12'749
Total comprehensive income for the period	**2'328'852**	**13'179'812**
Attributable to Shareholders of the Parent	2'328'494	13'170'170
Attributable to Minorities	358	9'642
Total comprehensive income for the period	**2'328'852**	**13'179'812**

To the extent of a positive Net Operating Cash Flow, total comprehensive income is attributable to the holders of the Perpetual Instruments in the amount of 40% of Net Operating Cash Flow. The remainder shall be either reinvested (50%) or dedicated to philanthropy in Paraguay.

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TREECYCLE AG

Consolidated statement of cash flows for the year ended 31 December 2025

		2024	2025
		CHF	CHF
OPERATING ACTIVITIES			
Net Profit (losses)		2'328'184	13'167'063
Adjustments:			
Depreciation	17,18	227'408	230'801
Change in fair value movement of biological assets	7	-5'513'037	-19'227'583
Interest expense		12'729	25'348
Tax charge	13	696'762	2'336'961
Foreign exchange gains on operating activities		-31'145	104'288
Changes in working capital:			
Change in other receivables		-374'002	72'696
Change in trade and other payables		56'520	881'067
Change in inventory		0	-14'010
Change in prepaid expenses		-255	-76'140
Change in valuation of crypto assets		-60'847	21'549
Tax Refund/ (paid)		-135'200	-28'024
Interest paid		-1'668	-5'886
Cash outflow from operating activities		**-2'794'551**	**-2'511'869**
INVESTING ACTIVITIES			
Purchases of property, plant equipment	17	-653'098	-844'060
Additions to biological reforestation Assets	16	-65'499	-624'929
Purchase of intangible assets	19	-216'000	-56'220
Cash outflow from investing activities		**-934'597**	**-1'525'209**
FINANCING ACTIVITIES			
Sale of perpetual instruments	23	3'198'707	4'643'783
Sale of convertible loan notes	21	0	525'000
Repayment of loan		0	-100'000
Lease payments	18	-83'691	-62'668
Cash inflow from financing activities		**3'115'016**	**5'006'115**
Net change in cash and cash equivalents		**-614'132**	**969'037**
CASH FLOW RECONCILIATION			
Net cash 1 January	14	**961'055**	**354'015**
Net change in cash and cash equivalents		-614'132	969'037
Exchange gains / losses on cash and cash equivalents		7'092	-5'298
Net cash 31 December	14	**354'015**	**1'317'754**

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TREECYCLE AG

Consolidated statement of changes in equity for the year ended 31 December 2025

2024 (all figures in CHF)	Share Capital	Perpetual Instruments	Currency Translation Reserve	Retained Earnings	Share of Minorities	**Total**
Balance January 01, 2024	**100'000**	**16'298'651**	**-14'883**	**-11'484'933**	**221**	**4'899'056**
Comprehensive income						
Profit of the period	0	0	0	2'329'326	-1'143	**2'328'184**
Other comprehensive income						
currency translation difference	0	0	-833		1'501	**668**
Total comprehensive income	0	0	-833	2'329'326	358	**2'328'852**
Sale Perpetual Instruments	0	3'198'706	0	0	0	**3'198'706**
Balance 31 December 2024	**100'000**	**19'497'357**	**-15'716**	**-9'155'607**	**579**	**10'426'614**

2025 (all figures in CHF)	Share Capital	Perpetual Instruments	Currency Translation Reserve	Retained Earnings	Share of Minorities	**Total**
Balance January 01, 2025	**100'000**	**19'497'357**	**-15'716**	**-9'155'607**	**579**	**10'426'614**
Comprehensive income						
Profit of the period	0	0	0	13'158'221	8'842	**13'167'063**
Other comprehensive income						
currency translation difference	0	0	11'949		800	**12'749**
Total comprehensive income	0	0	11'949	13'158'221	9'642	**13'179'812**
Sale Perpetual Instruments	0	4'643'784	0	0	0	**4'643'784**
Balance 31 December 2025	**100'000**	**24'141'141**	**-3'767**	**4'002'615**	**10'221**	**28'250'209**

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TREECYCLE AG
Notes to the consolidated financial statements for the year ended 31 December 2025

1. GENERAL INFORMATION

TREECYCLE AG (formerly: Global TREE Project AG), referred as (the "Company") is a joint stock company incorporated under Swiss laws (CHE-326.153.517). The registered office address is Rothusstrasse 15, 6331 Hünenberg, Switzerland. Global TREE Project AG consists of the Company and its controlled subsidiary GTP SA RUC No. 80101522 DV:7, with registered office at Gregorio Benitez Y Coronel Oviedo, Villarrica, Paraguay, referred as ("GTP SA").

The principal activity of the Company is the advancement, planning and realization of ecologically sustainable projects. The current main activity is to arrange for funding for the purchase of land in Paraguay and to conduct extensive reforestation. The company is funding its activities through issuance of a Subordinated Perpetual Participatory Bond, whereby investors are being participated on any realized profits from harvesting of the trees.

The group of consolidated entities controlled by the company is referred as (the "Group"). The accounts are presented in Swiss Francs ("CHF"). The accounts of GTP SA are denominated in Paraguay Guarani ("PYG").

2. BASIS OF PREPARATION, CONSOLIDATION AND MATERIAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements for the period 1 January 2025 until 31 December 2025 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared on the bases of historical cost or lower recoverable amount, except for biological assets that have been measured at fair value through profit and loss (FVTPL).

Basis of consolidation

The consolidated financial statements comprise of the financial statement of the Company and its 97% owned subsidiary GTP SA, whereby 3% are held personally on fiduciary bases by Alf Schröter to comply with local requirements. Thereby the Company has and executes the sole power to 1) define the strategy and operational concept of the subsidiary and b) appoints its directors at its fullest discretion by execution of absolute voting powers. GTP SA is fully controlled and hence fully consolidated.

The Group's financial statements consolidate those of the parent company and all of its subsidiaries at 31 December 2025. All subsidiaries have a reporting date of 31 December.

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All transactions and balances between Group companies are eliminated on consolidation, including unrealized gains and losses on transactions between Group companies. Where unrealized losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Foreign currency translation

Functional and presentation currency: Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are equally presented in Swiss Francs (CHF).

Transactions and balances: Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss.

Group companies: The results and financial positions of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting period;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the exchange rates at the dates of the transactions, in which case income and expense items are translated at the exchange rates at the dates of the transactions); and

iii. All resulting exchange differences are recognized in other comprehensive income.

a) Foreign currency rates

The following foreign currency rates have been used to recognize all effects of foreign currency translation. The applicable rates have been published by Schweizerische Eidgenossenschaft derived from UBS AG Zurich.

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		2024				2025			
		Year-end rate	in % of previous year	Average rate	in % of previous year	Year-end rate	in % of previous year	Average rate	in % of previous year
Swiss franc	1 CHF	1.0000	100.0%	1.0000	100.0%	1.0000	100.0%	1.0000	100.0%
Gurany	1 GYP	0.000115	100.0%	0.000117	92.9%	0.00012	104.2%	0.000115	109.6%

Revenue recognition

Revenue from contracts with customers is recognized when and to the extent an identifiable performance obligation arises. A performance obligation is expected to arise when control of the harvested wood is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the disposed harvest.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

Income tax

Income tax expense represents the sum of current tax payable and deferred tax. Current tax is determined on the bases of the taxable profit for the year in each relevant jurisdiction.

Deferred tax is recognized on differences between the carrying amount of assets and liabilities in the financial statements and their corresponding tax bases (temporary differences). Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable profits in the future. Deferred taxable assets are recognized for all temporary differences that are expected to reduce taxable profit in the future as well as any unused tax losses or unused tax credits. The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments to prior year assessments are recognized in profit or loss. Deferred tax is calculated using the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realized or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted at the end of the reporting period.

Due to the minimum initial harvesting period of five years and the uncertainty of generating future profit in early stages of the harvesting cycle, it is considered unlikely that sufficient taxable profits will occur to offset deferred tax assets. Unless an earlier taxable monetization will become likely to occur, such future tax benefits are and will remain not recognized as an asset. Likewise, and for the same reason, no netting will be accounted for between deferred tax assets and deferred lax liabilities on temporary differences.

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Cash and Cash Equivalents

Cash comprises of cash in readily convertible currencies on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash in readily convertible currencies and which are subject to an insignificant risk of changes in value. Any liquid assets in the form of Cryptocurrencies are not considered cash and Cash Equivalents due to their missing status as legal tender currency.

Crypto Assets

Crypto Assets in the form of liquidly exchangeable digital tokens that are commonly used as means of exchange such as i.e. BTC and ETH are classified as Commodities. Those commodities are principally accepted as means of consideration for the Issuance of the perpetual instruments in the form of the TREE Token. They are held with the purpose of selling in the near future and for generating a profit from fluctuations. Under those circumstances, the Group is accounting for BTC and ETH as commodity inventory at fair value less costs to sell under IAS 2. Changes in fair value less cost to sell are recognized in profit and loss.

Reforestation Assets

At initial recognition and subsequent measurement reforestation assets are accounted for at fair value less cost to sell with changes in fair value through profit and loss (FVTPL). The fair value is internally measured as a Level 3 fair value measurement in accordance with IFRS 13 using an internally generated, income based, discounted cash flow model. The model is including all costs associated with the arrangement and execution of the sales transaction to the point where the performance obligation is established allowing for a recognition of revenue under the provisions of IFRS 15.

Inventory of harvested wood

Inventory of harvested wood not yet sold but held in inventory is measured at its fair value less costs to sell at the point of harvest, which becomes its initial cost for inventory accounting under IAS 2. The fair value is initially recognized at the expected economic benefits to be received upon harvest within the internally generated, cash-flow based valuation model in measuring fair value of reforestation assets (see Note 16) less reasonably expected cost of sales. Subsequent measurement is at the lower of its initially recognized amount and net realizable value.

Property, plant and equipment

Property, plant and equipment in the form of acquired land to be used for reforestation are measured at cost, less impairment. Costs include all costs incurred to acquire and prepare the land for its intended use, which is the readiness for plantation of the reforestation assets. The land is accounted for as an asset with indefinite useful life and no depreciation is accounted for.

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Items of other property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives for all property, plant and equipment with definite useful life are 5 years. If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Leases

Each contract is assessed at inception, whether it constitutes or contains a lease. This is given, when the contract conveys the right to control the use of the identified asset for the period of use in exchange for substantially all of the economic benefits. The Group elected to apply the recognition exemptions to short-term leases and low value leases. For those leases no right-of-use asset and no lease liability are recognized, instead the lease payments are recognized as operating expenses.

At the commencement date, the lease liability is measured at the present value of future lease payments to be made over the lease term. Incremental borrowing rates are used for the discount rates. The right-of-use asset corresponds initially to the lease liability, plus any initial direct costs, advance payments and dismantling or removing costs. The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term or the useful life. If at the end of the lease term the ownership of the leased asset is transferred to the lessee or the lessee is reasonably certain to exercise the purchase option, then the right-of-use asset is depreciated according to the useful life defined for property, plant and equipment.

Intangible Assets

Acquired intangible assets will be capitalized at cost and depreciated over their useful life period using straight-line method. Any further developments will be capitalized to the extent they enhance functionality or efficiency. If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

Impairment of assets

At each reporting date, property, plant and equipment and intangible assets with definite useful life are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there was an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognized immediately in profit or loss.

Provisions

Provisions are recognized when the group has an existing legal or constructive obligation as a result of a past event on or before the balance sheet date, and it is probable that the Group has to give up future economic benefits in order to repay the obligation. The provisions are measured at the

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present value of the expected costs to be required in order to repay the present obligation at the balance sheet date. Provisions are not expected to be repaid within a year from the balance sheet date.

Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently reviewed for recoverability. A provision for non- or impaired recoverability due to credit risk of any kind is established once there is objective evidence that the Group will not be able to collect all the amounts due according to the original terms of the receivable. Thereby 1) significant financial difficulties of the debtor, 2) knowledge of solvency concerns and the 3) receivable being more than 60 days overdue are considered indicators. The carrying amount of the receivable is reduced by the provision, which is charged against revenue in the income statement.

Trade payables

Trade payables are current financial obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency and translated into CHF using the exchange rate at the reporting date. Foreign exchange gains or losses are included in the finance cost or income.

Financial liabilities

At initial recognition, financial liabilities are accounted for at fair value plus transaction costs that are directly attributable to the assumption of the financial liability. In subsequent measurement, financial liabilities are measured at amortized cost using the effective interest method, where applicable. Financial liabilities meeting the criteria of being held for the purpose of trading are accounted for at fair value through profit and loss (FVTPL). All financial liabilities and related expenses are accounted for at settlement date.

Accrued expenses

Accrued expenses are accounted for goods and services obtained but not yet invoiced by the supplying company.

Employee benefits

Defined Contribution Plans: Any contributions to publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognized as employee benefit expense when they are due.

Defined Benefit Plans: To the extent a pension plan qualifies as a defined benefit plan, the obligation and costs of pension benefits are determined using the projected unit credit method. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs, which comprise plan amendments and curtailments, as well as gains or losses on the settlement of pension benefits are recognized immediately when they occur. Remeasurements which comprise

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actuarial gains and losses on the pension obligation, the return on plan assets and changes in the effect of the asset ceiling excluding amounts included in net interest, are recognized directly in other comprehensive income, and are not reclassified to profit or loss in subsequent periods. The pension obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the interest rate on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Profit participation on TREE Token

As per the commercial terms of the perpetual instrument, holders of TREE are eligible to participate on 40% on net operating cash flow. Given the nature of the TREECYCLE Project, such participation only arises upon successful harvest of trees and subsequent disposal to the wood market. The obligation for any participation hence only arises at the time of successful disposal and will consequently only be accounted for as an accrued liability if and when the obligation has arisen.

Determination of Fair Value

The Group uses the following hierarchy for determining and disclosing the fair value by valuation technique:

Level 1	Quoted prices in active markets for identical assets or liabilities
Level 2	Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3	Techniques that use inputs, which have a significant effect on the recorded fair value, and which are not based on observable market data

New or revised IFRS standards, amendments and interpretations

Certain IFRS and interpretations were revised or introduced.

Effective on or after 1 January 2025:

- Lack of exchangeability – amendments to IAS 21 - effective on or after 1 January 2025

None of the new standards or revisions had an impact on the financial statements of the Group.

Effective on or after 1 January 2026:

- Presentation and Disclosure in Financial Statements – IFRS 18 – effective from 1 January 2027
- Subsidiaries without public accountability – IFRS 19 – effective from 1 January 2027
- Amendments to Classification and Measurement of Financial Instruments – IFRS 7 and IFRS 9
- Sale or contribution of assets between an investor and its associate or joint venture – amendments to IFRS 10 and IAS 28 – optional adoption with indefinite effective date
- Contracts referencing nature dependent electricity – amendments to IFRS 9 and IFRS 7

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As from 1 January 2027 and for the financial statements for the year 2027, IFRS 18 will be applicable. The standard will require the Group to change the format of the Income statement to a revised format by segmenting positions according to its operating, financing or investing nature. The standard will become retrospectively applicable.

Other changes are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

3. GOING CONCERN STATEMENT

The consolidated financial statements of the Group are prepared on a going concern basis. The company still has limited external revenue and the sale of TREE Token remain the main source of liquidity. The Board of Directors has assessed all measures at hand to assure going concern as follows:

Operating Cash Flow

The total operating expenses of the Group in Financial Year 2025 were CHF 3.5 Million with consistent expectation for the next 12-month ("NTM"). The NTM forecast assumes successful fundraising through placement of TREE Tokens. As per the date of these financial statements, the Group already generated revenues through placement of TREE Tokens in the amount of 75% of NTM forecast to the date of those consolidated financial accounts.

In consideration of repayment of financial liabilities and any other risks of unexpected liquidity constraints, Management further identified options to significantly reduce operating cash outflow on short notice. The main expenses incurred by the Company are Corporate Development, Compensation for Management and Marketing which are mostly of variable nature with short-term ability of reduction without any adverse effects on the growth of the plantations.

Financing Cash Flow from Token Issuance

As per the end of the reporting period, the Company raised CHF 24.1m with a raise in the reporting period of CHF 2.6m through the sale of TREE Tokens. With consolidated equity of CHF 28.2m first time exceeding accumulated capital raised, the Net Asset Value ("NAV") per TREE Token is in premium over issuance price. With expected further growth in NAV, the attractiveness of the TREE Token is significantly enhanced. Management therefore expects more favorable commercial circumstances to raise further capital through the sale of TREE Tokens.

Investing Cash Flow from Sale of Land to Third Party Investors

The company has used proceeds from the issuance of TREE in line with the permitted use of funds by the public offering prospectus. With Paraguay now being rated "Investment Garde" and the global sustainability trend, rapidly increasing, capital is seeking accelerated exposure in direct land ownership in Paraguay. This capital influx into Paraguay leads to increments in paid prices for land and improved market liquidity. In the event of a significant liquidity constraint, the Group could hence reasonably liquidate land within a time-period of maximum 6 months.

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Conclusion

To assure going concern for 12 months of the date the financial statements have been approved, the management team and the Board of Directors conclude to have effective measures at hand which can be escalated in stages, should the sale of TREE Token fail to meet management expectation. The Board therefore concluded, that Going Concern is given.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. The resulting accounting estimates will, by definition, rarely equal the related actual results.

The estimates and assumptions, which may have a significant risk of causing a material impact on the consolidated financial statements, relate primarily to:

Subject matter	Estimates and assumptions
Fair Value measurements of afforestation Assets	Reforestation Assets are measured at fair value by an internally generated valuation model. Respective disclosure on all assumptions and estimates are provided in accordance with the requirements for Level 3 Fair Value under IFRS 13. The model is based on estimated fair value per planted tree, whereby the number of trees is a standard estimate of planted trees per Hectar of land. The determination of the number of trees and the identification of any factors which may impair the growth to expected mass of wood at harvest plus expected sales prices both involve a significant degree of judgement. Future expected cash flows are further discounted using Weighted Average Cost of Capital that is calculated based of available third-party market data for wood markets with risk adders for Paraguay and company size.
Segregation of costs for land acquisition and afforestation	The development of newly acquired land for intended use comprising of its naturalization as well as the building of needed access roads, bridges and canalization is mostly performed by the same third-party provider as the afforestation itself, while development costs and afforestation costs are accounted for using different policies. The allocation is made through segregated scopes of services and invoices. By nature, however, such allocation involves a fair degree of judgement and onsite monitoring for plausibility towards adequate accounting for under IAS 16 at amortized costs or IAS 41 at fair value.

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Impairment of assets	The Group acquires sizable parcels of land of up to 1'000 hectares. Such land naturally spreads over a terrain with diverting qualities in soil, availability of water or exposure to other adverse conditions for intended use. Despite the use of technology in monitoring land and plantation, estimates and assumptions are required in identifying any indicator of impairment of the acquired land or the afforestated plantation.
Provision and contingencies	Despite Due Diligence in the acquisition of land and active monitoring of the afforestation itself, judgement is required in identifying any risks of future economic outflows requiring accounting for a provision or disclosure of a contingent obligation.

5. FINANCIAL INSTRUMENTS

The Group applies the following accounting policies to account for its financial instruments.

Nature of Financial Instrument	Class	Policy
Trade and other receivables	Asset	Amortized Cost
Trade and other payables	Liability	Amortized Cost
Long-term financial liabilities	Liability	Amortized Cost

6. FINANCIAL RISK MANAGEMENT

In the normal course of business, the Group is exposed to changes in market risk, liquidity risk and credit risk. The Group's financial risk management seeks to minimize potential adverse effects on financial performance. Risk Management is carried out by the Group's finance department under conditions approved by the Board of Directors.

Market risk

- **Interest rate risk:** The Group has no interest-bearing assets exposing the Group to interest rate risk due to variable interest rates.
- **Foreign Currency risk:** The Group only has one subsidiary operating in Paraguay. The Paraguay Company only acts as the legal owner of the land, whereby all other assets, mainly the biological assets, are owned by the Company being denominated in Swiss Francs as the functional and reporting currency. The currency risk between the Paraguay Guarani and Swiss Francs is limited to the valuation of the land as well as the price assumptions for harvested wood to the model used in assessing fair value of biological assets (see note 16). The Group is not actively managing the currency risk by way of hedging or shifting exposure. The sensitivity analysis below is limited to the currecy impact of translating the financial accounts denominated in foreign currency, based on the exposure on 31 December and assumptions that have been deemed reasonable by Management, showing the impact on profit or loss before tax as well as on equity. The Group uses historical volatilities of the currency pairs below to determine the reasonable shift.

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Reasonable Shift of +/- 10%	2024		2025	
	P&L Impact	Equity Impact	P&L Impact	Equity Impact
	CHF	CHF	CHF	CHF
Guarani / Swiss Francs	3'741	1'517	24'044	28'409

- **Price risk:** The Group is conducting reforestation for subsequent sale of the wood by different types of usage. The Group is therefore exposed to price risk in the wood market. The price risk is managed by adjusting the time of harvest and the type of wood product to be sold during the harvesting process. The Group also is exposed to price risk on the land in Paraguay, whereby a drop of traded price for similar land parcels may only be an indicator for an impairment. The recoverable amount is however determined using the land by its intended use in reforestation.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group is exposed to substantial liquidity risk due to the absence of sellable products until first expected harvest in 2027. The CFO monitors rolling cash flow forecasts and maintains flexibility in funding by monitoring liquidity headroom to cover financial liabilities.

The Group has the proven track-record to raise sufficient capital for covering operational costs through sale of TREE Token. Liquidity risk is managed by a staged escalation plan with first line being the sale of TREE Token, second line the cutting of operational variable expenses and third line the disposal of land in Paraguay.

Since the operations of the Group shall be funded via the issuance of the TREE Token, the Group does not have a refinancing risk but more a liquidity risk to pay third-party liabilities. All related party liabilities are connected to key companies or key management involved in the project, whereby extensions in repayment terms have contractually been agreed to maintain the solvency of the Group if required.

The following table analyses the Group's remaining contractual maturities, including expected future interest payments for financial liabilities at incremental contractual or fair market borrowing rates:

31 December 2024	Less than 1 year	Between 1 and 2 years	Over 2 years	Total
	CHF	CHF	CHF	CHF
Trade and other payables (third party)	1'359'389	0	0	1'359'389
Trade and other payables (related party)	155'251	0	0	155'251
Financial liabilities (third party)	200'445	679'056	0	879'500
Financial liabilities (related party)	0	100'090	0	100'090
Lease Liability	70'778	137'382	41'624	249'784
Total	***1'785'863***	***916'528***	***41'624***	***2'744'014***

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31 December 2025	Less than 1 year	Between 1 and 2 years	Over 2 years	Total
	CHF	CHF	CHF	CHF
Trade and other payables (third party)	1'501'131	0	0	1'501'131
Financial liabilities (related party)	1'295'465	0	0	1'295'465
Financial liabilities (third party)	0	780'873	315'590	1'096'463
Lease Liability	70'778	81'744	0	152'522
Total	***2'867'374***	***862'617***	***315'590***	***4'045'581***

Credit Risk

Credit risk is managed on a Group basis from the Swiss parent company. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as, to the extent applicable, outstanding receivables and committed transactions. The Credit Risk is monitored by selecting and assessing the risk of default of the financial institutions where the assets are held in custody and the solvency of operational accounts receivable counterparties. The Group is using publicly available ratings to assess the risk of default and to measure any potential loss for banks and financial institutions to assess the risk of loss on deposits as well as any indications of impaired solvency of operational counterparties, whereby the Group will require adequate advance payments in case of doubt.

Capital Management

When managing capital, the Company's primary objectives are to safeguard the Group's ability to continue as a going concern by raising sufficient capital through sale of TREE Token as the sole source of funding with secondary objectives in growing NAV per issued TREE Token.

Capital Management remains an area of emphasis until first harvest. Since reforestation assets are measured at fair value less cost to sell by using an income approach, a successful reforestation results in an immediate appreciation of fair value, which shall be realized in stages over the harvesting cycles of five, nine and thirteen years. To the extent the Group manages to continue reforestation for each financial year, the capital structure is expected to rapidly improve until first realization. Following first harvest, the TREECYCLE Project should allow for a rolling cycle of fair value increments and realized harvest proceeds every year. In the absence of any leverage, and the TREE qualifying as equity under IAS 32, the intended capital structure shall develop towards near full equity based. Consequently, Capital Management remains a key risk until 2027 where first harvest shall be realized.

The Group's equity ratio compares the total shareholders equity plus Perpetual Instruments to the total assets as presented in the consolidated statement of financial position. Capital is considered attributable to holders of the Company and the holders of the perpetual instruments. There were no changes in the Group's approach to capital management during the year.

Guarantees and pledges

No assets have been pledges as per 31 December 2025 and 2024.

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7. GAIN FROM CHANGES IN FAIR VALUE FROM REFORESTRATION ASSETS

	2024	2025
	CHF	CHF
Change in forestation	3'097'466	12'114'749
Change in grown wood mass	757'215	1'692'203
Change in harvest cycle	0	-148'474
Currency difference	-7'960	1'669'519
Change in discount rate	1'681'947	3'899'586
Other changes in Fair Value	-15'631	0
Total gain from changes in fair value of reforestation	***5'513'037***	***19'227'583***

Change in forestation: In 2025 the Group reforested 600ha (PY 147ha) by planting 600'000 trees (PY 147'000 trees). Upon completed plantation, the trees are becoming valued for fair value which resulted in a fair value gain of CHF 12'114'749 (PY: 3'097'466).

Change in grown wood mass: The change in grown wood mass represents the continued growth of the trees planted in prior financial years according to the calculations of the internally generated valuation model for the determination of fair value.

Change in discount rate: For the measurement of reforestation assets for fair value the applied discount rate could has been lowered to 9.15% (PY: 10.34%). The lowering of the discount rate was a result of 1) reduced benchmark industry WACC for Agriculture and Forestry in the United States to 7.10% (PY 7.88%), which reflects a lower global market risk benchmark for the industry of the Company and 2) a reduced Risk Free Rate for Paraguay to 1.17% (PY: 1.59%) which reflects the ongoing effects of Paraguay having been rated "Investment Grade" by global rating agencies.

Currency difference: The currency difference reflects the change in exchange rate on expected cash flows between the presentation currency and Paraguay Guarani.

8. CORPORATE DEVELOPMENT

	2024	2025
	CHF	CHF
Third Party Services	-185'422	-223'242
IT Infrastructure	-123'446	-146'983
Consultancy	-213'777	-164'898
Other	-86'930	-71'140
Total corporate development expenses	***-609'575***	***-606'263***

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9. PERSONNEL EXPENSES

	2024	2025
	CHF	CHF
Wages and salaries	-393'465	-516'117
Social security costs	-23'898	-30'927
Family allowances contribution	-6'295	-6'968
Pension costs	-28'593	-39'263
Accident insurance	26	-3'613
Other	-1'441	-3'651
Total personnel expenses	***-453'666***	***-600'539***

10. MARKETING AND SALES

	2024	2025
	CHF	CHF
Brand Marketing	-550'608	-389'943
Events and Representation	-15'472	-23'180
Sales Commissions	-286'340	-238'727
Other	-22'773	-26'682
Total marketing and sales expenses	***-875'193***	***-678'532***

11. ADMINISTRATION

	2024	2025
	CHF	CHF
Office Costs	-59'269	-86'569
Transportation	-5'422	-35'631
Accounting and audit	-91'735	-122'475
Administration expenses	-52'058	-127'064
Communication	-3'609	-5'006
Other	-21'440	-18'840
Total administration expenses	***-233'533***	***-395'585***

12. FINANCIAL EXPENSE

	2024	2025
	CHF	CHF
Interest expense	-12'729	-25'349
Bank charges	-21'672	-23'204
Currency Differences	80'002	78'180
Total financial income and (expenses)	***45'601***	***29'627***

Crypto related income and expense contains changes in fair value of Bitcoin (BTC) and Ethereum (ETH) received from subscriptions in TREE in prior years.

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13. INCOME TAXES

Major tax components

	2024	2025
	CHF	CHF
Current tax expense / (income)	-11'940	-38'061
Deferred tax expense / (income) on temporary differences	-684'822	-2'298'900
Total income taxes	***-696'762***	***-2'336'961***

Current tax

Current tax expense is calculated by applying the respective applicable tax rate in the jurisdiction the Group has a legal presence. The Group does not have any tax-deductible loss carry-forwards to be offset against future taxable income.

Deferred tax assets / liabilities

	2024	2025
	CHF	CHF
Fair Value adjustment on biological assets	1'178'661	3'455'093
Leases	-12'231	-11'513
Total deferred tax liability on temporary differences	***1'166'430***	***3'443'580***

Due to the unlikely event that any positive temporary differences, leading to a tax asset, will be recoverable in the future, no tax asset from the following temporary differences has been accounted for.

	2024	2025
	CHF	CHF
Cost coverage TREE Token	2'142'316	2'656'834
Crypto Assets held for sale	981	981
Total deferred tax asset on temporary differences	***2'143'297***	***2'657'815***

Deferred tax income / (expense)

	2024	2025
	CHF	CHF
Total deferred tax assets / (liabilities) on 1 January	***-506'071***	***-1'190'893***
Deferred tax income / (expense)	-684'822	-2'298'900
Deferred tax (charge) in other comprehensive income	0	0
Total deferred tax assets / (liabilities) on 31 December	***-1'190'893***	***-3'489'793***

Reconciliation of tax expenses / (income)

The weighted average applicable tax rate, considering all profit- and loss-making entities, was 11.96% (previous year 12.2 %) and is calculated based on the applicable jurisdictional tax rate, expected to apply for the future reverse of temporary differences. All items of deferred tax liability

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will reverse on the accounts of the Company in Switzerland. The weighted average applicable tax rate is hence the tax rate applicable in the Canton of Zug and the community of Hünenberg. The applicable tax rate changed due to the lowering of the cantonal tax implied in 2025.

	2024	2025
	CHF	CHF
Net profit / (loss) before tax	3'024'946	15'504'023
Tax using the Group's tax rate of 12.0% (PY 12.2%)	-369'043	-1'854'281
Tax effect of		
- Unrecognized tax assets on temporary differences	-295'750	-495'094
- Use of deductible loss carry forward		12'543
- Change in applicable tax rate	37'888	2'799
- Non taxable income / expense	-69'857	-2'928
Total income taxes	***-696'762***	***-2'336'961***

14. CASH AND CASH EQUIVALENTS

	31.12.2024	31.12.2025
	CHF	CHF
Cash at bank	354'015	1'317'754
Total	***354'015***	***1'317'754***

15. CRYPTO ASSETS HELD FOR SALE

	31.12.2024	31.12.2025
	CHF	CHF
Bitcoin	93'570	75'833
Ethereum	16'342	12'530
Costs to sell	-980	-980
Total	***108'932***	***87'383***

The Company accepts Bitcoin (BTC) and Ethereum (ETH) as means of investment for the subscription to the TREE Token. The Crypto Assets are held on custodial wallets with professional suppliers of custody service. None of those assets are held on any exchange wallet.

16. BIOLOGICAL REFORESTRATION ASSETS

Reconciliation of changes in Carrying Amount

	31.12.2024	31.12.2025
1 January	4'565'768	10'144'304
Purchase of Reforestation Assets	65'499	624'929
Change in Fair Value per IAS 41 (Note 7)	5'513'037	19'227'583
31 December	***10'144'304***	***29'996'816***

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Nature of the Assets

The objective of the TREECYCLE Project is to plant 1'000 hybrid Eucalyptus Trees per hectar of acquired land. The Trees are strong, pest-resistant and possess high growth yield. They initially gain hight up to 5 years from plantation before they grow width up to 9 years from plantation followed by gaining density for enhanced wood quality. The TREECYCLE project and the valuation model follows this natural routine of growth and harvest in a perpetual cycle of 13 years whereby Year 1 and 2 are reserved for planting and maintenance of seedlings. In year 6 the trees reach heights of 20 meters and 30 cm in diameter whereby they need space. Every second tree (50%) is therefore harvested. The wood is used in paper and energy production or to make posts. In year 10 an additional harvest is performed in order to ensure that the remaining trees have sufficient space and light, whereby about 19% of trees will be harvested. At this stage, the trees are approximately 45 cm in diameter. The harvested trees are sold and used for parquet flooring and general timber. In year 13 the final harvest takes place as the trees have grown to 60 cm in diameter. Most of the wood is sold to the furniture, veneer, roof and parquet industry. After the first full planting and harvesting cycle new seedlings will be planted in order to start a new cycle.

Valuation Process

The Group has a team lead by Chief Financial Officer and the local team of experts that performs the valuation of the reforestation assets. The Chief Financial Officer holds relevant internationally recognized experience in valuation techniques and the local team of experts do contribute an extensive track record in executing reforestation projects in Paraguay as well as all relevant data sources on key assumptions such as growth patterns of Eucalyptus Trees, and wood prices for the different types of wood over the cycle. Due to the early stage of the Group's reforestation activity and the related absence of internally generated, historically substantiated data, management had to determine key assumptions on plantation growth and harvest proceeds based on expertise and data provided by third parties which have been externally validated to best extent available.

The valuation is updated internally at the end of each reporting period. When considering the appropriate input data, the team reviews available information such as quantity of trees per hectar, current market prices, expected harvest costs through to harvest and the expected timing of harvest. The valuation policies and procedures, as well as changes in the fair value measurements are reviewed by the Board of Directors semi-annually.

Methodology and assumptions used in determining fair value

The determination of the fair value is conducted by Level 3 fair value measurement according to IFRS 13 based on a base case management expectation scenario. The valuation model considers the present value of the net cash flows expected to be generated from the natural plantation management activities over a full cycle of 13 years.

Since management was able to provide reliable cash flow estimates, the group utilized the Income Approach, specifically the Discounted Cash Flow (DCF) Method for determine the fair value of the

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biological assets. The DCF Method is a commonly used method for valuing biological assets based on its expected future cash flows. The following significant assumptions were adopted by the group to determine the fair value of the reforestation assets:

Price assumptions: The price assumptions are split by the different qualities of wood being energy wood, poles, value wood and wood laminates. All prices used are based on current traded prices and indexed by the currently applicable and expected inflation rates in Paraguay.

Harvesting cycle: The revenue at each point of harvest is calculated by the number of trees harvested and the respective revenue for the specific wood class in accordance to the maturity of the harvested trees.

Harvest costs: The costs of harvesting are assumed to be 10%

Discount rate: In determining the pre-tax weighted average cost of capital (WACC) a group rate of 9.15 % (2024: 10.34%) has been applied considering the following input-factors:

	31.12.2024	**31.12.2025**
WACC for Framing / Agriculture US	7.43%	7.27%
WACC for Paper / Forest Products US	8.32%	6.93%
Average US Comparable Industry WACC (A)	***7.88%***	***7.10%***
Risk Free Rate Paraguay	6.38%	6.01%
US Risk Free yield (30 year treasury yield)	4.79%	4.85%
Paraguay Risk Free Rate Adder (B)	***1.59%***	***1.17%***
Small Company Risk Premium (C)	0.88%	0.88%
Adjusted Paraguay Timber Rate (A + B + C)	***10.35%***	***9.15%***

Risk management strategies

The Group is exposed to a number of risks relevant to its natural reforestation management activities, namely:

Operational risks: The TREECYCLE Project is subject to various operational risks. This includes, but is not limited to early stage demise of newly planted trees force majeure events (such as fires, explosions, earthquakes, cyclones, hurricanes, floods, droughts or such other extreme weather or environmental conditions), plant diseases, climate changes, temporarily or permanently insufficient workforce, temporary or permanent unavailability of proper infrastructure, theft of machinery, equipment and/or wood as well as improper execution of logging, transport and interim storage of harvested timber. Adverse weather conditions (long periods of rain or drought) may damage the new plantings and make replanting necessary, which would result in considerable additional costs and delays in realizing planned harvests.

Market related risks: The TREECYCLE Project is subject to various market related risks. These risks include, but are not limited to, volatility of wood prices, collapse of the wood market, lack of demand for the timber produced and harvested. Demand for products might also adversely be

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affected by adverse economic developments such as high inflation leading to higher applicable discount rates.

Political risks: The TREECYCLE Project is subject to various political risks, including, but not limited to, political turmoil, unrest, war, hostilities, requisition, embargo, rebellion, revolution, insurrection, or military or usurped power or civil war.

Legal and regulatory risks: The TREECYCLE Project is subject to various legal and regulatory risks, including, but not limited to, the change or different interpretation of laws and regulations concerning land ownership, forestation, environmental protection and timber trade.

Sensitivity analysis

Assuming all other unobservable inputs are held constant, the following changes in these below assumptions will cause a change in the fair value of the biological assets. The below sensitivity analysis as per 31 December 2025 shows how the present value of the discounted cash flows would be affected if the key sensitivity parameters were used to determine discounted cash flows. An increase by the same percentage would have the opposite effect on the valuation.

		Change in fair value	
		31.12.2024	**31.12.2025**
Sales price of harvested wood	-20.00%	-1'909'595	-6'221'745
Harvest Costs	50.00%	-522'574	-1'841'649
Delay in harvesting cycle	2 years	-1'764'494	-4'816'699
Loss in harvested volume	-30.00%	-3'324'075	-9'482'819
Increase in industry WACC	50.00%	-3'355'773	-9'462'829
Country adder to Risk Free Rate	50.00%	-799'248	-1'835'581

Additionally, management is observing relevant scenario analysis which depart from the applied management base case scenario. Such deviation would have the following effect on the fair value of the biological assets.

			Change in fair value	
	Prices	**Costs**	**31.12.2024**	**31.12.2025**
Pessimistic Scenario	-50%	25%	-5'732'953	-16'761'990
Management Scenario	0%	0%	0	0
Optimistic Scenario	50%	-25%	5'733'691	15'532'784

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17. PROPERTY PLANT AND EQUIPMENT

	Land	Equipment	Total
Cost	CHF	CHF	CHF
1 January 2024	697'329	177'541	874'870
Additions	1'788'606	67'204	1'855'810
Reclassification to reforestation assets	-146'740	0	-146'740
31 December 2024	***2'339'195***	***244'745***	***2'583'940***
Accumulated depreciation			
1 January 2024	0	-9'933	-9'933
Depreciation	0	-19'009	-19'009
31 December 2024	***0***	***-28'942***	***-28'942***
Carrying amount 31 December 2024	***2'339'195***	***215'803***	***2'554'998***

	Land	Equipment	Total
Cost	CHF	CHF	CHF
1 January 2025	2'339'195	244'745	2'583'940
Additions	828'860	15'200	844'060
Exchange differences	-85346	1796	-83'550
31 December 2025	***3'082'709***	***261'741***	***3'344'450***
Accumulated depreciation			
1 January 2025	0	-28'942	-28'942
Depreciation	0	-39'130	-39'130
31 December 2025	***0***	***-68'072***	***-68'072***
Carrying amount 31 December 2025	***3'082'709***	***193'669***	***3'276'378***

Land includes all land acquired in Paraguay for conducting subsequent reforestation. The land has an indefinite useful life subject to impairment which was nil in 2025 (2024; nil).

Equipment consists of minor office equipment and IT Hardware. Which is linearly depreciated over the useful life of 5 years.

18. LEASES

Right of use assets

	Vehicles	Office Rent	Total
Cost	CHF	CHF	CHF
1 January 2024	0	0	0
Additions	32'326	275'531	307'857
31 December 2024	***32'326***	***275'531***	***307'857***
Accumulated depreciation			
1 January 2024	0	0	0
Additions	-10'775	-60'116	-70'891
31 December 2024	***-10'775***	***-60'116***	***-70'891***
Carrying amount 31 December 2024	***21'551***	***215'415***	***236'966***

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	Vehicles	Office	Total
Cost	CHF	CHF	CHF
1 January 2025	32'326	275'531	307'857
31 December 2025	***32'326***	***275'531***	***307'857***
Accumulated depreciation			
1 January 2025	-10'775	-60'116	-70'891
Depreciation	-10'775	-60'116	-70'891
31 December 2025	***-21'550***	***-120'232***	***-141'782***
Carrying amount 31 December 2025	***10'776***	***155'299***	***166'075***

Right of use assets comprise of the office lease at the head-quarter of the company and the corporate vehicle, which are both amortized by way of straight-line monthly depreciation over the term of the lease agreement until first termination right on 1. August 2028 for the office lease and 1. June 2027 for the vehicle. Both agreements contain extension options, which have not been accounted for. The Company intends to extend the office lease which would lead to a remeasurement of the right of use asset as well as the lease liability under the extended terms of the lease. The Company intends not to extend the leases for vehicles.

Lease liabilities

Lease Liability		
	31.12.2024	**31.12.2025**
	CHF	CHF
At 1 January	0	220'169
Additions	307'857	0
Interest expenses	-3'997	-3'183
Downpayments	-83'691	-59'486
At 31 December	***220'169***	***157'500***
Thereof current	70'778	70'778
Thereof non-current	149'391	86'722

19. INTANGIBLE ASSETS

	TREE Platform	Total
Cost	CHF	CHF
1 January 2024	603'900	603'900
31 December 2024	***603'900***	***603'900***
Accumulated depreciation		
1 January 2024	0	0
Depreciation	-120'780	-120'780
31 December 2024	***-120'780***	***-120'780***
Carrying amount 31 December 2024	***483'120***	***483'120***

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	TREE Platform	Total
Cost	CHF	CHF
1 January 2025	483'120	603'900
Additions	56'220	56'220
31 December 2025	***603'900***	***660'120***
Accumulated depreciation		
1 January 2025	-120'780	-120'780
Depreciation	-120'780	-120'780
31 December 2025	***-241'560***	***-241'560***
Carrying amount 31 December 2025	***418'560***	***418'560***

Acquired intangible assets are the third-party costs incurred for the development of the customized platform allowing to onboard subscribers to the TREE Token, to conduct relevant checks on compliance, the handling customer related marketing and information activities as well as to provide all essential information to manage the TREE Token. The development was completed end 2023 and will be amortized over its estimated useful life of 5 years using the straight line method starting expecting full depreciation at the end of 2029.

20. TRADE AND OTHER PAYABLES

	31.12.2024	31.12.2025
	CHF	CHF
Accounts payables suppliers and administration	406'188	488'298
Accounts payables social security	27'522	34'458
Deferred payments land acqusition	925'679	978'375
Employees and Management	155'251	1'295'465
Total	***1'514'640***	***2'796'596***
Thereof third-party	*1'359'389*	*1'501'131*
Thereof related-party	*155'251*	*1'295'465*

Trade and other payables (related party) contains the obligation to pay the performance related management fee. The public offering prospectus applying to the first public offering permitted for 2.0% on the first CHF 20m raised, which has bee achieved in the second quarter of 2025. The public offering prospectus applying to the second public offering as approved by the Financial Market Authority in the Principality of Liechtenstein on 11 June 2025, permits for 2.0% on capital raised and 11.0% on invested funds in land and afforestation. Total performance-based management fee in the amount of CHF 1'295'465 (PY: Nil) relates to the first prospectus in the amount of CHF 1'000'000 and to the second prospectus in the amount of CHF 295'465.

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21. FINANCIAL LIABILITIES

	31.12.2024	31.12.2025
	CHF	CHF
Long term interest bearing liabilities	400’889	544’462
Long term non interest bearing liabilities	100’000	0
COVID-19 Loan	478’045	480’738
Total	***978’934***	***1’025’200***

Thereof ranking junior	*100’000*	*0*
Thereof ranking senior	*878’934*	*1’025’200*

Long term interest bearing liabilities: The position refers to a convertible loan note subscribed by and through a private offering to selected investors in the second quarter of 2025 to grant the Company a loan to acquire more land for afforestation. The loan has an initial maturity to 31 December 2026 with automatic extension if not given notice to and a fixed interest of 5.00% with right of increase up to 7.00% based on extension and amount subscribed. At the discretion of the subscriber, the loan may be repaid at initial or extended maturity or converted into TREE Token using the prevailing issuance prices at the date of conversion. The choice between conversion and repayment constitutes an option right which qualifies as an embedded derivative. The fair value of such derivative is solely dependent on the expected future development of the value of TREE Token, which, in the absence of liquid market data, cannot reasonably be estimated. The company consequently measures the fair value of the embedded derivative at zero.

Covid-19 loan: In April 2020 the Company applied for and received a state arranged long-term bank overdraft in the amount of CHF 0.5 Million to support during the hazards of COVID-19. The facility was granted through a Swiss Bank and backed by an indirect state guarantee whereby the commercial terms are determined through the respective state ordinance allowing for an interest free-period of three years followed by a 1.5% p.a. interest rate until maturity of initially 5 years and subsequently extended to 7 years with early repayment right. In Mai 2022, the issuing bank past the loan to the state guarantee institution, whereby the state ordinance allows the bank to do so on an informal conduct with unchanged commercial terms.

22. SHARE CAPITAL

The Balance as at 31 December 2025 comprises 10’000’000 common shares (prior year: 10’000’000) at CHF 0.01 par value per share, fully paid in, in one single share-class with no preferential rights of any kind. None of There are no potential shares in the form of permissioned capital or any form of conversion rights outstanding.

23. PERPETUAL INSTRUMENTS

	2024		2025	
	TREE	CHF	TREE	CHF
Issued TREE Token 1 January	791’608	16’298’651	956’891	19’497’357
Annual Issuance	165’283	3’198’706	245’828	4’643’784
Issued TREE Token 31 December	***956’891***	***19’497’357***	***1’202’719***	***24’141’141***

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The Perpetual Instruments are substantially a Subordinated Perpetual Participatory Bond which is represented by the issuance of maximum 9'430'000 TREE Token. The funds are used to cover the comprehensive costs and expenses of the TREECYCLE Project, which comprises of the acquisition of land in Paraguay, the afforestation of said land and the sale of harvested wood in different forms to local wood markets. The TREECYCLE Project includes the acquisition of about 10,000 hectares of land and the planting of about 10 million trees. As per the terms of the TREE Token, the Group will distribute 40% of net operating cash flow to Tokenholders, reinvest 50% of net operating cash flow back into the TREECYCLE Project and use 10% of net operating cash flow to support projects for the protection of jungle and natural forests as well as social projects designated by the Issuer's Board of Directors.

The TREE Token neither gives any right of regular payments in the form of fixed interest nor for a repayment. Due to the nature of the TREECYCLE Project net operating cash flows will be generated only if and when the afforestation and the sale of harvested wood can be successfully completed. Such is subject to, and conditional upon, a successful afforestation and distribution of harvested wood. Since the issuer has no contractual obligation for interest payments, a repayment may only arise upon the liquidation of the company and the returns are dependent on the performance of the assets which factually stipulates the profile of an Equity investment.

The TREE Token is governed by a securities offering prospectus, that is prepared in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC in connection with Commission Delegated Regulation (EU) 2019/980 of 14 March 2019. The first prospectus has been approved by the Liechtenstein Financial Market Authority on 14 February 2024 with incremental validity until 15 February 2025. The second prospectus has been approved by the Liechtenstein Financial Market Authority on 11 June 2025 with incremental validity until 10 June 2026.

According to the passporting-rights in the European Union, the approved prospectus has been and will be notified to Germany and Austria. In addition, the Swiss Financial Market Authority granted respective distribution permission for Switzerland.

24. OTHER FINANCIAL OBLIGATIONS AND CONTINGENT LIABILITIES

As part of the terms to the TREE Token, the issuer has the contingent obligation to distribute 40% of net operating cash flow to holders of the TREE Token. Neither in 2025 nor for the years before have positive net operating cash flow been generated.

The Company previously outsourced the comprehensive handling of the land preparation, the plantation and the harvesting to La Rivera. In the third quarter of 2024, the Company has given notice of termination to La Rivera on the existing contract and invited the same for renegotiations. According to the previous contract and subject to successful harvesting plus distribution of the harvested wood, the Company had a contractual obligation to pay 18.75% of the revenue to La Rivera as a success fee on plantations taken care of by La Rivera. Given the terminated agreement the likelihood of such performance component is unlikely but may still occur depending on the outcome of ongoing settlement negotiations.

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Despite the Company being the legal owner of the plantation in Paraguay, there is risk, that its activity on the grounds of Paraguay may constitute a taxable branch, leading to an additional direct and indirect tax obligation in Paraguay. The Company is assessing the likelihood of occurrence below 50%. In view of first harvest in 2027, the Company will assess further and consider corrective structural measures.

25. GEOGRAPHIC REPORTING

In the reporting periods 2025 and 2024, the strategy of the Group continued to be concentrated on the development of the TREECYCLE project as one comprehensive line of business under direct decision making by and reporting to the Board of Directors with no further segmentation. The TREECYCLE project consists 1) of the issuance of perpetual instruments basically in the form of the TREE Token, 2) the acquisitions of land and its afforestation in Paraguay and 3) the distribution of respective profit shares to Tokenholders. Consequently, the consolidated statement of profit and loss as well as the consolidated statement on comprehensive income is identical to the income statement for the sole operating segment. Likewise, the assets and liabilities for the sole operating segment are identical as reported in the consolidated statement of financial positions.

Geographic information

The Group is operationally active in Switzerland and Paraguay, whereby the GTP SA owns the land with all other assets and liabilities owned by the Company. Except for immaterial costs at GTP SA, all revenues and costs are incurred by the Company. Likewise, all funding through issuance of the perpetual instrument is arranged and incurred by the Company in Switzerland.

Geographic allocation of assets - 31 December 2024	**Paraguay**	**Switzerland**	**Group**
	CHF	CHF	CHF
Biological Reforesration Assets	10’144’304	0	10’144’304
Property Plant and Equipment	2’363’858	191’139	2’554’997
Right to use Assets	0	236’966	236’966
Intangible Assets	0	483’120	483’120
Current assets	7’478	904’385	911’863
Total	***12’515’641***	***1’815’610***	***14’331’250***

Geographic allocation of liabilities - 31 December 2024	**Paraguay**	**Switzerland**	**Group**
	CHF	CHF	CHF
Trade and other payables	1’202’668	311’972	1’514’640
Deferred tax liabilities	0	1’190’894	1’190’894
Long term financial liabilities	0	978’934	978’934
Lease liability	0	220’168	220’168
Total	***1’202’668***	***2’701’968***	***3’904’636***
Perpetual Instrument	***0***	***19’497’357***	***19’497’357***

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Geographic allocation Statement of Profit and Loss 2024	Paraguay	Switzerland	Group
	CHF	CHF	CHF
Gain from changes in fair value of biological assets - reforestration	5'513'037	0	5'513'037
Other income	0	25'495	25'495
Operating expense	-20'747	-2'311'032	-2'331'779
Depreciation, amortization and impairment	-16'728	-210'680	-227'408
Financial Expense net	230	45'371	45'601
Taxation	0	-696'762	-696'762
Net Profit (+) / Loss (-)	***5'475'792***	***-3'147'609***	***2'328'184***

Geographic allocation of assets - 31 December 2025	Paraguay	Switzerland	Group
	CHF	CHF	CHF
Biological Reforestration Assets	29'996'816	0	29'996'816
Property Plant and Equipment	2'639'388	636'990	3'276'378
Right to use Assets	0	166'075	166'075
Intangible Assets	0	418'560	418'560
Financial Assets	0	351'839	351'839
Current assets	47'871	1'518'363	1'566'234
Total	***32'684'075***	***3'091'827***	***35'775'902***

Geographic allocation of liabilities - 31 December 2025	Paraguay	Switzerland	Group
	CHF	CHF	CHF
Trade and other payables	978'375	1'818'221	2'796'596
Deferred tax liabilities	0	3'489'793	3'489'793
Long term financial liabilities	0	1'025'200	1'025'200
Lease liability	0	157'500	157'500
Total	***978'375***	***6'547'316***	***7'525'691***

Perpetual Instrument	***0***	***24'141'141***	***24'141'141***

Geographic allocation Statement of Profit and Loss 2025	Paraguay	Switzerland	Group
	CHF	CHF	CHF
Net revenue	21'900	0	21'900
Gain from changes in fair value of biological assets - reforestration	19'227'583	0	19'227'583
Other income	0	44'073	44'074
Operating expense	-46'926	-3'541'432	-3'588'358
Depreciation, amortization and impairment	-9'865	-220'936	-230'801
Financial Expense net	227'303	-216'842	29'627
Taxation	-26'716	-2'310'245	-2'336'961
Net Profit (+) / Loss (-)	***19'371'379***	***-6'245'382***	***13'167'063***

Reforestation Assets are legally owned by the Swiss Company but physically planted in Paraguay.

26. RELATED PARTY TRANSACTIONS

Intercompany Transactions

Transactions between the company and the subsidiary, which is a related party, have been eliminated on consolidation.

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Parent and ultimate controlling party

2024

Shareholder - 31 December 2024	***Beneficiary***	***Shares***	***Percent***
Alffs GmbH, Hünenberg (Switzerland)	Alf Schröter	4'210'000	42.10%
MC Freedom Holding GmbH, Hünenberg (Switzerland)	Jörg Schäfer	4'590'000	45.90%
Proindex Capital AG, Wülfershausen (Germany)	Andreas Jelinek	1'200'000	12.00%
Total		***10'000'000***	***100.00%***

2025

Shareholder - 31 December 2025	***Beneficiary***	***Shares***	***Percent***
Global TREE Project AG, Hünenberg (Switzerland)	Alf Schröter, Jörg Schäfer	8'800'000	88.00%
Proindex Capital AG, Wülfershausen (Germany)	Andreas Jelinek	1'200'000	12.00%
Total		***10'000'000***	***100.00%***

In first quarter 2025 Alffs GmbH and MC Freedom GmbH newly incorporated Global TREE Project AG, Hünenberg (Switzerland) and contributed all shares held in the Company in exchange for newly issued shares in Global TREE Project AG, which forthwith holds 88.0% of all shares in the Company as its controlling shareholder.

Key management compensation

Board Compensation: Members of the Board of Directors are all directly or indirectly shareholders of the Company and are currently compensated at CHF 37'665 (PY: 39'900) per Board-Member and year for the performance of their duties.

Fixed Compensation for Executive Management: Executive Management comprising of six members (PY: six) is compensated by way of advisory agreements with one member being employed by the Company. Total compensation paid to executive management was CHF 698'219 (PY: 644'600) with the highest individual compensation being CHF 378'727 (prior year CHF 358'048).

Performance based Compensation for Executive Management: The public offering prospectus applying to the first public offering permitted for 2.0% on the first CHF 20m raised, which has bee achieved in the second quarter of 2025. The public offering prospectus applying to the second public offering as approved by the Financial Market Authority in the Principality of Liechtenstein on 11 June 2025, permits for 2.0% on capital raised and 11.0% on invested funds in land and afforestation. Total performance-based management fee in the amount of CHF 1'295'465 (PY: Nil) relates to the first prospectus in the amount of CHF 1'000'000 and to the second prospectus in the amount of CHF 295'465.

Global TREE Project AG, Switzerland

As per 31 December 2025 and with effect from 1 January 2026, the Company entered into a comprehensive management agreement with Global TREE Project AG, the newly established controlling parent of the Company. All management costs, except directly attributable third-party expenses will forthwith be borne by Global TREE Project AG and invoiced on cost-plus basis to the Company.

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In the context of establishing the new management agreement, the company established a short-term receivable in the amount of CHF 351'839 which contains 1) the assignment of an indirect receivable from Jörg Schäfer in the amount of CHF 282'035, 2) an advance to the new management agreement in the amount of CHF 50'000 and 3) incorporation and set-up costs borne by the Company on behalf of Global TREE Project AG during its incorporation. Further to this, all management fees falling due under the presumptions of past and current public offering prospectus will be rendered to Global TREE Project AG as the acting manager of TREECYCLE. The amount of CHF 1'264'659 (PY: zero) has been accrued to be paid as a short-term liability.

Hyperbaric Oxygen LLC, United States of America

For the year 2025 the Company incurred expenses the amount of 140'223 in provisions for investor introducing activities. The beneficial owner to Hyperbaric Oxygen LLC is Jörg Schäfer.

Related party balances

	31.12.2024	**31.12.2025**
	CHF	CHF
Receivables		
Shareholder	360'342	351'839
Trade and other payables		
Employees	6'188	0
Key management	149'063	30'806
Shareholder	0	1'264'659
Financial liabilities		
Shareholder	100'000	0

27. FINANCIAL ASSETS AND LIABILITIES AND FAIR VALUE MEASUREMENT

Categories of financial assets and liabilities

31 December 2024	**Amortised cost**	**FVTPL**	**Total**
	CHF	CHF	CHF
Cash and cash equivalents	354'015	0	354'015
Trade and other receivables	424'535	0	424'535
Total financial assets	***778'550***	***0***	***778'550***
Trade and other payables	1'514'640	0	1'514'640
Lease liabilities	220'168	0	220'168
Financial liabilities	978'934	0	978'934
Total financial liabilities	***2'713'742***	***0***	***2'713'742***

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31 December 2025	Amortised cost	FVTPL	Total
	CHF	CHF	CHF
Cash and cash equivalents	1’317’754	0	1’317’754
Trade and other receivables	351’839	0	351’839
Total financial assets	***1’669’593***	***0***	***1’669’593***
Trade and other payables	2’796’596	0	2’796’596
Lease liabilities	157’500	0	157’500
Financial liabilities	1’025’200	0	1’025’200
Total financial liabilities	***3’979’296***	***0***	***3’979’296***

28. USE OF FAIR VALUE AND FAIR VALUE HIERARCHY

As per 31 December 2024 and 2025, biological assets in the form of afforestation trees were measured at fair value. The fair value was determined under Level 3 by using an internally generated, income based, discounted cash flow model as disclosed in Note 16, The Crypto Assets were measured at Level 1 fair value less estimated cost to sell.

29. EARNINGS PER SHARE

	31.12.2024	31.12.2025
	CHF	CHF
Ordinary Shares 1. January	10’000’000	10’000’000
Change in ordinary Shares	0	0
Ordinary Shares 31 December	***10’000’000***	***10’000’000***
Average outstanding ordinary shares	***10’000’000***	***10’000’000***
Potential dilutive shares 31 December	***0***	***0***

	2024	202
	CHF	CHF
Net Profit	2’328’184	13’167’063
Undiluted earnings per share	***0.23***	***1.32***
Diluted earnings per share	***0.23***	***1.32***

30. EVENTS AFTER BALANCE SHEET DATE

In view of the current public offering prospectus to expire on 10 June 2026, the Company filed for approval with the Financial Market Authority in the Principality of Liechtenstein for another 12 month with no material changes. The extended Prospectus is expected to be approved by the Liechtenstein Financial Market Authority in June 2026 with subsequent notification to Germany and Austria and the to be applied for extension of the public distribution permission in Switzerland.

31. APPROVAL

These financial statements were approved by the Board of Directors and authorized for issue on 12 June 2026.

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Annex III – Audited Financial Statements as of 31.12.2024

Docusign Envelope ID: 63CFBB69-E3B8-84EC-813E-19FE07DA5E1F

Grant Thornton

TREECYCLE AG
Hünenberg

Independent Auditor's Report

Consolidated Financial Statements for the year ended 31 December 2024

Docusign Envelope ID: 63CFBB69-E3B8-84EC-813E-19FE07DA5E1F

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Independent Auditor's Report

To the Board of Directors of
TREECYCLE AG, Hünenberg

Qualified Opinion
We have audited the consolidated financial statements of TREECYCLE AG and its subsidiary (the Group), which comprise the consolidated statement of profit or loss and consolidated statement of comprehensive income, the consolidated statement of financial position as at 31 December 2024, and, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cashflows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Qualified Opinion
The Group invested in reforestation assets, which have been measured at fair value and carried on the consolidated statement of financial position as at 31 December 2024 at CHF 10'144'304. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of group's reforestation assets as at 31 December 2024 because the reliability of the underlying data used to derive at the fair value of the reforestation asset could not be independently assessed. Due to the early stage of the reforestation asset and group's operation, internal information based on historical harvest data was not available and the group had to rely on management expert's data, which could not be verified. Consequently, we were unable to determine whether any adjustment to the fair value of the reforestation assets were necessary.

We conducted our audit in accordance with the Swiss Standards on Auditing (SA-CH) and the International Standards on Auditing (ISA). Our responsibilities under those provisions and standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the provisions of the Swiss audit profession and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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Board of Directors' Responsibilities for the Consolidated Financial Statements
The Board of Directors' is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), and for such internal control as the Board of Directors' determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors' is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors' either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA-CH and ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SA-CH and ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Zurich, 28 July 2025

Grant Thornton AG

Hermann Caspers
Partner

Sandro Andres
Director

Enclosure:
- TREECYCLE AG – 31 December 2024 Consolidated financial statements

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TREECYCLE AG
Consolidated statement of profit or loss for the year ended 31 December 2024

	Notes	2023	2024
		CHF	CHF
Gain from changes in fair value of biological assets - reforestration	7	928'425	5'513'037
Rental Income		0	25'495
Reforestration maintenance		-125'409	-159'812
Corporate Development	8	-514'587	-609'575
Personnel Expenses	9	-409'023	-453'666
Marketing and Sales	10	-601'697	-875'193
Administration	11	-324'289	-233'533
Operating Profit (+) / Loss (-)		**-1'046'580**	**3'206'753**
Depreciation, amortization and impairment		-4'402	-227'408
Net operating Profit (+) / Loss (-)		**-1'050'982**	**2'979'345**
Financial Income/(Expense) net	12	-185'595	45'601
Profit (+) / Loss (-) before tax		**-1'236'577**	**3'024'946**
Income tax	13	-29'554	-11'940
Deferred Tax	13	-113'268	-684'822
Net Profit (+) / Loss (-)		**-1'379'399**	**2'328'184**
Attributable to Shareholders of the Parent		-1'379'087	2'329'326
Attributable to Minorities		-312	-1'142
Net Profit (+) / Loss (-)		**-1'379'399**	**2'328'184**
Earnings per share		**-0.14**	**0.23**

To the extent of a positive Net Operating Cash Flow, net profits are attributable to the holders of the Perpectual Instruments in the amount of 40% of Net Operating Cash Flow. The remainder shall be either reinvested (50%) or dedicated to philanthropy in Paraguay (10%).

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TREECYCLE AG

Consolidated statement of comprehensive income for the year ended 31 December 2024

	2023	2024
	CHF	CHF
Net Profit (+) / Loss (-)	**-1'379'399**	**2'328'184**
Items that may subsequently be reclassified to profit and loss	**0**	**0**
Other comprehensive income for the period net of tax	**0**	**0**
Translation Difference (OCI)	-3'154	668
Total comprehensive income for the period	**-1'382'553**	**2'328'852**
Attributable to Shareholders of the Parent	-1'382'100	2'328'494
Attributable to Minorities	-453	358
Total comprehensive income for the period	**-1'382'553**	**2'328'852**

To the extent of a positive Net Operating Cash Flow, total comprehensive income is attributable to the holders of the Perpectual Instruments in the amount of 40% of Net Operating Cash Flow. The remainder shall be either reinvested (50%) or dedicated to philanthropy in Paraguay.

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TREECYCLE AG
Consolidated statement of financial position for the year ended 31 December 2024

	Notes	31.12.2023	31.12.2024
		CHF	CHF
ASSETS			
Cash and Cash Equivalents	14	961'055	354'015
Other receivables (third party)		49'473	64'193
Other receivables (related party)	26	1'060	360'342
Crypto Assets held for sale	15	48'083	108'932
Tax receivables		5'400	19'121
Prepaid expenses		5'006	5'260
Total current assets		**1'070'076**	**911'863**
Biological Reforestation assets	16	4'565'768	10'144'304
Property Plant and Equipment	17	864'936	2'554'997
Right of Use Assets	18	0	236'966
Intangible Assets	19	603'900	483'120
Total non-current assets		**6'034'606**	**13'419'386**
TOTAL ASSETS		**7'104'682**	**14'331'250**
LIABILITIES			
Trade and other payables (third party)	20	746'899	1'359'389
Trade and other payables (related party)	26	130'237	155'251
Lease liability	18	0	70'778
Tax payable		109'539	0
Current liabilities		**986'675**	**1'585'418**
Deferred Tax Liability	13	506'071	1'190'894
Share of payment obligation	21	141'900	0
Financial liabilities (third party)	21	470'981	878'934
Financial liabilities (related party)	21	100'000	100'000
Lease liability	18	0	149'390
Non-current liabilities		**1'218'952**	**2'319'218**
Share Capital	22	100'000	100'000
Perpetual Instrument	23	16'298'651	19'497'357
Currency Translation Reserve		-14'883	-15'716
Retained Earnings		-11'484'933	-9'155'606
Minority Interests		221	579
Total Equity		**4'899'056**	**10'426'614**
TOTAL EQUITY AND LIABILITIES		**7'104'682**	**14'331'250**

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TREECYCLE AG
Consolidated statement of cash flows for the year ended 31 December 2024

		2023	2024
		CHF	CHF
OPERATING ACTIVITIES			
Net Profit (losses)		-1'379'399	2'328'184
Adjustments:			
Depreciation		4'402	227'408
Change in fair value movement of biological assets	7	-928'425	-5'513'037
Interest expense		11'990	12'729
Tax charge	13	142'822	696'762
Foreign exchange gains on operating activities		-6'600	-31'145
Changes in working capital:			
Change in other receivables		-7'608	-374'002
Change in trade and other payables		188'492	56'520
Change in prepaid expenses		-5'005	-255
Change in valuation of crypto assets		-22'133	-60'847
Tax Refund/ (paid)		0	-135'200
Interest paid		-6'750	-1'668
Cash outflow from operating activities		**-2'008'214**	**-2'794'551**
INVESTING ACTIVITIES			
Purchases of property, plant equipment		-33'879	-653'098
Additions to biologial reforestration Assets		-160'770	-65'499
Purchase of intangible assets		-462'000	-216'000
Cash outflow from investing activities		**-656'649**	**-934'597**
FINANCING ACTIVITIES			
Sale of perpetual instruments in FIAT currency	23	3'553'355	3'198'707
Repayment of loan		-88'737	0
Lease payments		0	-83'691
Cash inflow from financing activities		**3'464'618**	**3'115'016**
Net change in cash and cash equivalents		**799'755**	**-614'132**
CASH FLOW RECONCILIATION			
Net cash 1 January		**158'300**	**961'055**
Net change in cash and cash equivalents		799'755	-614'132
Exchange gains / losses on cash and cash equivalents		3'000	7'092
Net cash 31 December		**961'055**	**354'015**

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TREECYCLE AG

Consolidated statement of changes in equity for the year ended 31 December 2024

2023 (all figures in CHF)	Share Capital	Perpetual Instruments	Currency Translation Reserve	Retained Earnings	Share of Minorities	**Total**
Balance January 01, 2023	**100'000**	**12'745'296**	**-8'460**	**-10'109'256**	**674**	**2'728'254**
Comprehensive income						
Loss for the period	0	0	0	-1'379'087	-312	**-1'379'399**
Other comprehensive income						
currency translation difference	0	0	-6'423	3'410	-141	**-3'154**
Total comprehensive income	0	0	-14'883	1'375'677	-453	**-1'382'553**
Sale Perpetual Instruments	0	3'553'355	0	0	0	**3'553'355**
Balance 31 December 2023	**100'000**	**16'298'651**	**-14'883**	**-11'484'933**	**221**	**4'899'056**

2024 (all figures in CHF)	Share Capital	Perpetual Instruments	Currency Translation Reserve	Retained Earnings	Share of Minorities	**Total**
Balance January 01, 2024	**100'000**	**16'298'651**	**-14'883**	**-11'484'933**	**221**	**4'899'056**
Comprehensive income						
Profit of the period	0	0	0	2'329'326	-1'143	**2'328'184**
Other comprehensive income						
currency translation difference	0	0	-833		1'501	**668**
Total comprehensive income	0	0	-833	2'329'326	358	**2'328'852**
Sale Perpetual Instruments	0	3'198'706	0	0	0	**3'198'706**
Balance 31 December 2024	**100'000**	**19'497'357**	**-15'716**	**-9'155'607**	**579**	**10'426'614**

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TREECYCLE AG
Notes to the consolidated financial statements for the year ended 31 December 2024

1. GENERAL INFORMATION

TREECYCLE AG (formerly: Global TREE Project AG), referred as (the "Company") is a joint stock company incorporated under Swiss laws (CHE-326.153.517). The registered office address is Rothusstrasse 15, 6331 Hünenberg, Switzerland. Global TREE Project AG consists of the Company and its controlled subsidiary GTP SA RUC No. 80101522 DV:7, with registered office at Gregorio Benitez Y Coronel Oviedo, Villarrica, Paraguay, referred as ("GTP SA").

The principal activity of the Company is the advancement, planning and realization of ecologically sustainable projects. The current main activity is to arrange for funding for the purchase of land in Paraguay and to conduct extensive reforestation. The company is funding its activities through the issuance of a Subordinated Perpetual Participatory Bond, whereby investors are being participated in any realized profits from harvesting of the trees.

The group of consolidated entities controlled by the company is referred as (the "Group"). The accounts are presented in Swiss Francs ("CHF"). The accounts of GTP SA are denominated in Paraguay Guarani ("PYG").

2. BASIS OF PREPARATION, CONSOLIDATION AND MATERIAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements for the period 1 January 2024 until 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared on the basis of historical cost or lower recoverable amount, except for biological assets that have been measured at fair value through profit and loss (FVTPL).

Basis of consolidation

The consolidated financial statements comprise of the financial statement of the Company and its 97% owned subsidiary GTP SA, whereby 3% are held personally on fiduciary bases by Alf Schröter to comply with local requirements. Thereby the Company has and executes the sole power to 1) define the strategy and operational concept of the subsidiary and b) appoint its directors at its fullest discretion by execution of absolute voting powers. GTP SA is fully controlled and hence fully consolidated.

The Group's financial statements consolidate those of the parent company and all of its subsidiaries at 31 December 2024. All subsidiaries have a reporting date of 31 December.

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All transactions and balances between Group companies are eliminated on consolidation, including unrealized gains and losses on transactions between Group companies. Where unrealized losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Foreign currency translation

Functional and presentation currency: Items included in the financial statements of each of the group's entities are measured using Swiss Francs as currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are equally presented in Swiss Francs (CHF).

Transactions and balances: Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss.

Group companies: The results and financial positions of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting period;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the exchange rates at the dates of the transactions, in which case income and expense items are translated at the exchange rates at the dates of the transactions); and

iii. All resulting exchange differences are recognized in other comprehensive income.

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a) Foreign currency rates

The following foreign currency rates have been used to recognize all effects of foreign currency translation. The applicable rates have been published by Schweizerische Eidgenossenschaft derived from UBS AG Zurich.

		2023				2024			
		Year-end rate	in % of previous year	Average rate	in % of previous year	Year-end rate	in % of previous year	Average rate	in % of previous year
Swiss franc	1 CHF	1.0000	100.0%	1.0000	100.0%	1.0000	100.0%	1.0000	100.0%
Gurany	1 GYP	0.000115	87.1%	0.000126	96.9%	0.000115	100.0%	0.000117	92.9%

Revenue recognition

Revenue from contracts with customers is recognized when and to the extent an identifiable performance obligation arises. A performance obligation is expected to arise when control of the harvested wood is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the disposed harvest.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

Income tax

Income tax expense represents the sum of current tax payable and deferred tax. Current tax is determined on the basis of the taxable profit for the year in each relevant jurisdiction.

Deferred tax is recognized on differences between the carrying amount of assets and liabilities in the financial statements and their corresponding tax bases (temporary differences). Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable profits in the future. Deferred taxable assets are recognized for all temporary differences that are expected to reduce taxable profit in the future as well as any unused tax losses or unused tax credits. The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments to prior year assessments are recognized in profit or loss. Deferred tax is calculated using the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realized or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted at the end of the reporting period.

Due to the minimum initial harvesting period of five years and the uncertainty of generating future profit in early stages of the harvesting cycle, it is considered unlikely that sufficient taxable profits will occur to offset deferred tax assets. Unless an earlier taxable monetization will become likely to

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occur, such future tax benefits are and will remain not recognized as an asset. Likewise, and for the same reason, no netting will be accounted for between deferred tax assets and deferred tax liabilities on temporary differences.

Cash and Cash Equivalents

Cash comprises cash in readily convertible currencies on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash in readily convertible currencies and which are subject to an insignificant risk of changes in value. Any liquid assets in the form of Cryptocurrencies are not considered cash and Cash Equivalents due to their missing status as legal tender currency.

Crypto Assets

Crypto Assets in the form of liquidly exchangeable digital tokens that are commonly used as means of exchange such as i.e. BTC and ETH are classified as Commodities. Those commodities are principally accepted as a means of consideration for the Issuance of the perpetual instruments in the form of the TREE Token. They are held with the purpose of selling in the near future and for generating a profit from fluctuations. Under those circumstances, the Group is accounting for BTC and ETH as commodity inventory at fair value less costs to sell under IAS 2. Changes in fair value less cost to sell are recognized in profit and loss.

Reforestation Assets

At initial recognition and subsequent measurement reforestation assets are accounted for at fair value less cost to sell with changes in fair value through profit and loss (FVTPL). The fair value is internally measured as a Level 3 fair value measurement in accordance with IFRS 13 using an internally generated, income based, discounted cash flow model. The model is including all costs associated with the arrangement and execution of the sales transaction to the point where the performance obligation is established allowing for a recognition of revenue under the provisions of IFRS 15.

Property, plant and equipment

Property, plant and equipment in the form of acquired land to be used for reforestation are measured at cost, less impairment. Costs include all costs incurred to acquire and prepare the land for its intended use, which is the readiness for plantation of the reforestation assets. The land is accounted for as an asset with indefinite useful life and no depreciation is accounted for.

Items of other property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives for all property, plant and equipment with definite useful life are 5 years. If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

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Financial Leases

Each contract is assessed at inception, whether it constitutes or contains a lease. This is given, when the contract conveys the right to control the use of the identified asset for the period of use in exchange for substantially all of the economic benefits. The Group elected to apply the recognition exemptions to short-term leases and low-value leases. For such leases no right-of-use asset and no lease liability are recognized, instead the lease payments are recognized as operating expenses.

At the commencement date, the lease liability is measured at the present value of future lease payments to be made over the lease term. Incremental borrowing rates are used for the discount rates. The right-of-use asset corresponds initially to the lease liability, plus any initial direct costs, advance payments and dismantling or removing costs. The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term or the useful life. If at the end of the lease term the ownership of the leased asset is transferred to the lessee or the lessee is reasonably certain to exercise the purchase option, then the right-of-use asset has to be depreciated according to the useful life defined for property, plant and equipment.

Intangible Assets

Acquired intangible assets will be capitalized at cost and depreciated over their useful life period using straight-line method. Any further developments will be capitalized to the extent they extend its functionalities or enhance its efficiency. If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

Impairment of assets

At each reporting date, property, plant and equipment and intangible assets with definite useful life are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there was an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognized immediately in profit or loss.

Provisions

Provisions are recognized when the group has an existing legal or constructive obligation as a result of a past event on or before the balance sheet date, and it is probable that the Group has to give up future economic benefits in order to repay the obligation. The provisions are measured at the present value of the expected costs to be required in order to repay the present obligation at the balance sheet date. Provisions are not expected to be repaid within a year from the balance sheet date.

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Trade and other receivables

Trade and other receivables are recognized initially at invoice amount and subsequently reviewed for recoverability. A provision for non- or impaired recoverability due to credit risk of any kind is established once there is objective evidence that the Group will not be able to collect all the amounts due according to the original terms of the receivable. Thereby 1) significant financial difficulties of the debtor, 2) knowledge of solvency concerns and the 3) receivable being more than 60 days overdue are considered indicators. The carrying amount of the receivable is reduced by the provision, which is charged against revenue in the income statement.

Trade payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency and translated into CHF using the exchange rate at the reporting date. Foreign exchange gains or losses are included in the finance cost or income.

Financial liabilities

At initial recognition, financial liabilities are accounted for at fair value plus transaction costs that are directly attributable to the assumption of the financial liability. In subsequent measurement, financial liabilities are measured at amortized cost using the effective interest method, where applicable. Financial liabilities meeting the criteria of being held for the purpose of trading are accounted for at fair value through profit and loss (FVTPL). All financial liabilities and related expenses are accounted for at settlement date.

Accrued expenses

Accrued expenses are accounted for goods and services obtained but not yet invoiced by the supplying company.

Employee benefits

Defined Contribution plans: Any contributions to publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognized as employee benefit expense when they are due.

Defined Benefit Plans: To the extent a pension plan qualifies as a defined benefit plan, the obligation and costs of pension benefits are determined using the projected unit credit method. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs, which comprise plan amendments and curtailments, as well as gains or losses on the settlement of pension benefits are recognized immediately when they occur. Remeasurements which comprise actuarial gains and losses on the pension obligation, the return on plan assets and changes in the effect of the asset ceiling excluding amounts included in net interest, are recognized directly in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The pension obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the interest rate on government bonds where the currency

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and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Profit participation on TREE Token

As per the commercial terms of the perpetual instrument, holders of TREE are eligible to participate on 40% on net operating cash flow. Given the nature of the TREECYCLE Project, such participation only arises upon the successful harvest of trees and subsequent disposal to the wood market. The obligation for any participation only arises at the time of successful disposal and will consequently only be accounted for as an accrued liability if and when the obligation has arisen.

Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting used by the operating decision maker, who is responsible for allocating resources and assessing the performance of operating segments. The operating decision maker of the Group is the Board of Directors that takes strategic decisions. The business concept of the Group is the TREECYCLE project which is an inseparable value chain from 1) raising capital through issuance of perpetual instruments in the form of TREE Tokens, 2) the acquisition of land in Paraguay and its afforestation and 3) the payout of profit participation to TREE Tokenholders. The Group internally assesses the performance of the TREECYCLE project as one comprehensive business activity and adequately communicates to the public about the TREECYCLE project as one operating segment.

Determination of Fair Value

The Group uses the following hierarchy for determining and disclosing the fair value by valuation technique:

Level 1	quoted prices in active markets for identical assets or liabilities
Level 2	other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3	techniques that use inputs, which have a significant effect on the recorded fair value, and which are not based on observable market data

New or revised IFRS standards, amendments and interpretations

Certain IFRS and interpretations were revised or introduced.

Effective on or after 1 January 2024:

- Non-current liabilities with covenants and classification of liabilities as current or non-current – amendments to IAS 1 - effective on or after 1 January 2024.
- Lease liability in a sale and leaseback – amendments to IFRS 16 - effective on or after 1 January 2024.
- Supplier Finance Arrangements – amendments to IAS 7 and IFRS 7 - effective on or after 1 January 2024

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In consideration of the above new standards and interpretations, the Group reviewed its accounting policies for changes required by the change in terminology from significant to material accounting policies and concluded that all existing accounting policies meet the materiality criteria. None of the new standards or revisions had an impact on the financial statements of the Group.

Effective on or after 1 January 2025:

- Lack of exchangeability – amendments to IAS 21 - effective on or after 1 January 2025
- Sale or contribution of assets between an investor and its associate or joint venture – amendments to IFRS 10 and IAS 28 – optional adoption with indefinite effective date
- Contracts referencing nature dependent electricity – amendments to IFRS 9 and IFRS 7
- Presentation and Disclosure in Financial Statements – IFRS 18 – effective from 1 January 2027
- Subsidiaries without public accountability – IFRS 19 – effective from 1 January 2027

As from 1 January 2027 and for the financial statements for the year 2027, IFRS 18 will be applicable. The standard will require the Group to change the format of the Income statement to a revised format by segmenting positions according to its operating, financing or investing nature. The standard will become retrospectively applicable.

Other changes are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

3. GOING CONCERN STATEMENT

The consolidated financial statements of the Group are prepared on a going concern basis. The company still has limited external revenue and the inflow form cash or cash equivalents from the sale of TREE Token remain the main source of liquidity generation. The Board of Directors has assessed all measures at hand to assure going concern and concludes that such is given.

Operating Cash Flow from reduction in expenses

The total operating expenses of the Group in FY2024 were CHF 2.3 million and YTD 2025 CHF 1.85 million. The next 12-month (“NTM”) operating cost forecast is CHF 2.00 million. The NTM forecast is based on the assumption of successful fundraising through placement of TREE Tokens. In the event of delayed or general lower financing cash flow to sustain the operations of the Group, management has identified several options to reduce operating cash outflow to enable the Group to reduce the cash needed significantly. The main expenses incurred by the Company are directly related to the roll-out of the TREE Cycle Project, which are Corporate Development, Compensation for Management and Marketing which are mostly of variable nature with short-term ability of reduction.

Corporate Development: The land purchased in 2024 of >900 Hektar is sufficient for the 2025 reforestation plans. Additional cash is required to complete the reforestation, but reduced spending in new land acquisition and delayed roll out of reforestation is in control of the company.

Labour Costs: Reduction of employees and skeleton crew to support the exiting organization and oversight of ongoing reforestation plantations.

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Marketing: Marketing costs in FY2024 were CHF 875’193, which could be reduced by approx. 85% with 45-90 days lag. The lag is due to the typical marketing planning window and the resulting contractual obligations.

Administration Costs: Limited expense optimizations due to third party contracts in place in Paraguay and in Switzerland.

Financing Cash Flow from Token Issuance

In the Pre-Sale of the TREE Token, the Company managed to raise an amount of CHF 16.30 million until 31 December 2023 with an annual raise of CHF 3.2 million for 2024, which demonstrates the ability to sell sufficient TREE Tokens to cover the running costs. As per the issuance of these accounts, the Company sold additional 75’000 TREE Tokens in 2025 for a consideration of CHF 1.45 million. In the Downside case the management projects to be able to finance at least 70,000 TREE Token for a total consideration of CHF1.47 million.

Investing Cash Flow from Sale of Land to Third Party Investors

The company has used proceeds from the issuance of TREE to acquire agricultural land in Paraguay which is legally owned by GTP SA in Paraguay. For that purpose, the Company has granted GTP Paraguay respective loans. In parallel to the business of the Group, the shareholders are operating a company, which directly sells agricultural land at similar location to investors. Over 2020 to 2024, this Company has built a track record of successfully selling substantial Hectares of land at an average price of CHF 1’550 per Hectare. With Paraguay now being rated “Investment Garde” and the global sustainability trend, rapidly increasing capital is seeking exposure in direct land ownership in Paraguay with equally expected increased future demand. This capital influx into Paraguay leads to respective increments in paid prices for land. All together lead and leads to increased liquidity for land suitable for reforestation purpose. This substantiates, that the Group could reasonably liquidate land within a time-period of maximum 6 months if such would be required in a distressed scenario to support going concern.

Conclusion

To assure going concern for 12 months of the date the financial statements have been approved, the management team and the Board of Directors conclude to have effective measures at hand which can be escalated in stages, should the sale of TREE Token fail to meet management expectation. In a first layer, variable costs would be reduced and in second stage, existing land and forestation parcels could be sold and placed to direct investors. The Board therefore concluded, that despite the absence of meaningful running revenue from harvesting trees and selling wood until first harvest in 2027, and uncertainties with regards to the timing and amount of future token sales, there are sufficient readily available, effective measures to secure going concern.

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. The resulting accounting estimates will, by definition, rarely equal the related actual results.

The estimates and assumptions, which may have a significant risk of causing a material impact on the consolidated financial statements, relate primarily to

- Reforestation Assets
- Segregation of costs for reforestation
- Impairment
- Deferred income tax assets
- Provisions
- Contingencies

The preparation of the acquired land for intended use, the plantation itself and the maintenance have been conducted by La Rivera, a related party to the Company until third quarter of 2024, when the respective agreement has been terminated to enter a new agreement with AGRO Waibel, an independent provider of comprehensive services in afforestation. The segregation of payments made into 1) land preparation, 2) plantation and 3) maintenance under stewardship of La Rivera hast been prepared by using an internally generated allocation model. Under AGRO Waibel the segregation is made through segregated scopes of services and invoices. By nature however, such allocation involves a fair degree of judgement and onsite monitoring for plausibility.

Reforestation Assets are measured at fair value by an internally generated valuation model. Respective disclosure on all assumptions and estimates is provided in accordance with the requirements for Level 3 Fair Value under IFRS 13. The model is based on estimated fair value per planted tree, whereby the number of trees is a standard estimate of planted trees per Hectar of land. The determination of the number of trees and the identification of any factors which may impair the growth to expected mass of wood at harvest involves a significant degree of judgement.

5. FINANCIAL INSTRUMENTS

The Group applies the following accounting policies to account for its financial instruments.

Nature of Financial Instrument	Class	Policy
Trade and other receivables	Asset	Amortized Cost
Trade and other payables	Liability	Amortized Cost
Long-term share of payment obligation	Liability	Amortized Cost
Long-term financial liabilities	Liability	Amortized Cost

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6. FINANCIAL RISK MANAGEMENT

In the normal course of business, the Group is exposed to changes in market risk, liquidity risk and credit risk. The Group's financial risk management seeks to minimize potential adverse effects on financial performance. Risk Management is carried out by the Group's finance department under conditions approved by the Board of Directors.

Market risk

- **Interest rate risk:** The Group has no interest-bearing assets, exposing the Group to interest rate risk due to variable interest rates.
- **Foreign Currency risk:** The Group only has one subsidiary operating in Paraguay. The Paraguay Company only acts as the legal owner of the land, whereby all other assets, mainly the biological assets, are owned by the Company and denominated in Swiss Francs as the functional and reporting currency. The currency risk between the Paraguay Guarani and Swiss Francs is limited to the valuation of the land as well as the price assumptions for harvested wood to the model used in assessing fair value of biological assets. The Group is not actively managing the currency risk by way of hedging or shifting exposure. The sensitivity analysis below is based on the exposure on 31 December based on assumptions that have been deemed reasonable by Management, showing the impact on profit or loss before tax as well as on equity. The Group uses historical volatilities of the currency pairs below to determine the reasonable shift.

	2023		2024	
Reasonable Shift of +/- 10%	**P&L Impact**	**Equity Impact**	**P&L Impact**	**Equity Impact**
	CHF	CHF	CHF	CHF
Guarani / Swiss Francs	1'041	8'940	3'741	1'517

- **Price risk:** The Group is conducting reforestation for subsequent sale of the wood by different types of usage. The Group is therefore exposed to price risk in the wood market. The price risk is managed by adjusting the time of harvest and the type of wood product to be sold during the harvesting process. The Group also is exposed to price risk on the land in Paraguay, whereby a drop of traded price for similar land parcels may only be an indicator for an impairment. The recoverable amount is however determined using the land as for reforestation.

Liquidity risk

The Group is exposed to substantial liquidity risk due to the absence of sellable products until first expected harvest in 2027. The Group has the proven track-record to raise sufficient capital for covering operational costs through the sale of TREE Token. Liquidity risk is managed by a staged escalation plan with first line being the sale of TREE Token, second line the cutting of operational variable expenses and third line the disposal of land in Paraguay.

Since the operations of the Group shall be funded via the issuance of the TREE Token, the Group does not have a refinancing risk but more a liquidity risk to pay third-party liabilities. All related party liabilities are connected to key companies involved in the project, whereby extensions in repayment terms can be expected if required to protect the liquidity of the Group.

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The following table analyses the Group's remaining contractual maturities, including expected future interest payments for financial liabilities:

31 December 2023	**Less than 1 year**	**Between 1 and 2 years**	**Over 2 years**	**Total**
	CHF	CHF	CHF	CHF
Trade and other payables (third party)	596'899	150'000	0	746'899
Trade and other payables (related party)	130'237	0	0	130'237
Financial liabilities (third party)	0	141'772	470'968	612'741
Financial liabilities (related party)	0	100'000	0	100'000
Total	***727'136***	***391'772***	***470'968***	***1'589'877***

31 December 2024	**Less than 1 year**	**Between 1 and 2 years**	**Over 2 years**	**Total**
	CHF	CHF	CHF	CHF
Trade and other payables (third party)	1'359'389	0	0	1'359'389
Trade and other payables (related party)	155'251	0	0	155'251
Financial liabilities (third party)	200'445	679'056	0	879'500
Financial liabilities (related party)	0	100'090	0	100'090
Lease Liability	70'778	137'382	41'624	249'784
Total	***1'785'863***	***916'528***	***41'624***	***2'744'014***

Credit Risk

Credit risk is managed on a Group basis from the Swiss parent company. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as, to the extent applicable, outstanding receivables and committed transactions. The Credit Risk is monitored by selecting and assessing the risk of default of the financial institutions where the assets are held in custody and the solvency of operational accounts receivable counterparties. The Group is using publicly available ratings to assess the risk of default and to measure any potential loss for banks and financial institutions to assess the risk of loss on deposits as well as any indications of impaired solvency of operational counterparties, whereby the Group will require adequate advance payments in case of doubt.

Capital Management

When managing capital, the Company's objectives are to safeguard the Group's ability to continue as a going concern by raising sufficient capital through sale of TREE Token as the sole source of funding. Capital Management remains an area of emphasis until first harvest. Since reforestation assets are measured at fair value less cost to sell by using an income approach, a successful reforestation results in an immediate appreciation of fair value, which shall be realized in stages over the harvesting cycles of five, nine and thirteen years. To the extent the Group manages to continue reforestation for each financial year, the capital structure is expected to rapidly improve until first realization. Following first harvest, the TREECYCLE Project should allow for a rolling cycle of fair value increments and realized harvest proceeds every year. In the absence of any leverage, and the TREE qualifying as equity under IAS 32, the intended capital structure shall develop towards near fully equity based. Consequently, Capital Management remains a key risk until 2027 where first harvest shall be realized.

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The Group's equity ratio compares the total shareholders equity plus Perpetual Instruments to the total assets as presented in the consolidated statement of financial position. Capital is considered attributable to holders of the Company and the holders of the perpetual instruments. There were no changes in the Group's approach to capital management during the year.

Guarantees and pledges

No assets have been pledges as per 31 December 2024 and 2023.

7. GAIN FROM CHANGES IN FAIR VALUE FROM REFORESTRATION ASSETS

	2023	2024
	CHF	CHF
Change in forestation	1'103'930	3'097'466
Change in grown wood mass	904'192	757'215
Change in harvest cycle	-400'363	0
Currency difference	-265'536	-7'960
Change in discount rate	590'936	1'681'947
Change in assumptions	-1'004'734	0
Other changes in Fair Value	0	-15'631
Total gain from changes in fair value of reforestation	***928'425***	***5'513'037***

Change in forestation: In 2024 the Group reforested 147ha (PY 46.6ha). Upon completed plantation, the trees are becoming valued for fair value which resulted in a fair value gain of CHF 3'097'466 (PY: 1'103'930).

Change in grown wood mass: The change in grown wood mass represents the continued growth of the trees planted in prior financial years according to the calculations of the internally generated valuation model for the determination of fair value.

Change in discount rate: For the measurement of reforestation assets for fair value the applied discount rate could has been lowered 10.34% (PY: 12.13%). The lowering of the discount rate was a result of 1) reduced benchmark industry WACC for Agriculture and Forestry in the United States to 7.88% (PY 8.71%), which reflects a lower global market risk benchmark for the industry of the Company and 2) a reduced Risk Free Rate for Paraguay to 1.59% (PY: 2.55%) which reflects the ongoing effects of Paraguay having been rated "Investment Grade" by global rating agencies.

8. CORPORATE DEVELOPMENT

	2023	2024
	CHF	CHF
Third Party Services	-348'799	-185'422
IT Infrastructure	-58'515	-123'446
Consultancy	-68'649	-213'777
Other	-38'624	-86'930
Total corporate development expenses	***-514'587***	***-609'575***

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9. PERSONNEL EXPENSES

	2023	2024
	CHF	CHF
Wages and salaries	-337’821	-393’465
Social security costs	-38’806	-23’898
Family allowances contribution	-5’405	-6’295
Pension costs (defined contribution plan)	-25’490	-28’593
Accident insurance	-574	26
Other	-927	-1’441
Total personnel expenses	***-409’023***	***-453’666***

Given the legal constitution in Switzerland, Swiss Pension plans commonly qualify as Defined Benefit Plans under IAS 19. By way of an outsourcing agreement, the Company insured its employee via access to a larger multi-employer pension fund operated by an insurance company, whereby the plan assets held forward by the insurance company are there to jointly and severally cover the pension liabilities of all associated enterprises as a solidaric community. The allocation of plan assets to a specific pension obligation of a single associated employer is therefore highly arbitrary. According to IAS 19.8 multi-employer plans are principally to be accounted for in accordance with the requirements of the standard, unless insufficient reliable information is available to reasonably allocate the plan assets and to segregate the pension obligation to a specific employer for the purpose of accounting the plan as a defined benefit plan under the requirements of IAS 19. In such circumstances, IAS 19.32 allows for the pension plan to be accounted for as a defined contribution plan.

The pension insurance company reports over 15’000 member companies with over 150’000 insured persons and plan assets of approx. 20 billion as per 31 December 2024. The Company has one insured employee with said insurance company. The criteria set forth by IAS 19.32 are consequently met.

As per the master terms to the pension agreement, neither the employee nor the employer has any defined contractual right to receive benefits or has assumed an obligation to additional contributions in case of actuarial differences between the compound plan assets and the aggregated actuarial pension obligations. Only in the case of severe under coverage which are triggering a restructuring implied by law, the Board of Trustees reserves the right, among other measures suitable for a financial restructuring, to call for additional contributions at its own discretion. In its current actuarial status defined under the methods applicable by Swiss law the plan assets are in premium over the pension obligation as per 31 December 2024.

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10. MARKETING AND SALES

	2023	2024
	CHF	CHF
Brand Marketing	-353’700	-550’608
Events and Representation	-7’985	-15’472
Sales Commissions	-239’375	-286’340
Other	-637	-22’773
Total marketing and sales expenses	***-601’697***	***-875’193***

11. ADMINISTRATION

	2023	2024
	CHF	CHF
Office Costs	-52’448	-59’269
Transportation	-43’017	-5’422
Accounting and audit	-218’458	-91735
Administration expenses	-6’692	-52’058
Communication	-3’041	-3’609
Other	-633	-21’440
Total administration expenses	***-324’289***	***-233’533***

12. FINANCIAL EXPENSE

	2023	2024
	CHF	CHF
Interest expense	-11’990	-12’729
Bank charges	-16’347	-21’672
Net Crypto related expense	-30’557	0
Currency Differences	-126’701	80’002
Other	0	0
Total financial income and (expenses)	***-185’595***	***45’601***

Crypto related income and expense contains changes in fair value of Bitcoin (BTC) and Etherium (ETH) received from subscriptions in TREE in prior years. The position Other refers to an extraordinary financial gain on a previous financial year payable position in the context of the acquisition of land.

13. INCOME TAXES

Major tax components

	2023	2024
	CHF	CHF
Current tax expense / (income)	-29’554	-11’940
Deferred tax expense / (income) on temporary differences	-113’268	-684’822
Total income taxes	***-142’822***	***-696’762***

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Current tax

Current tax expense is calculated by applying the respective applicable tax rate in the jurisdiction the Group has a legal presence. The Group does not have any tax-deductible loss carry-forwards to be offset against future taxable income.

Deferred tax assets / liabilities

	2023	**2024**
	CHF	CHF
Fair Value adjustment on biological assets	506'071	1'178'661
Financial Leases	0	-12'231
Total deferred tax liability on temporary differences	***506'071***	***1'166'430***

Due to the unlikely event that any positive temporary differences, leading to a tax asset, will be recoverable in the future, no tax asset from the following temporary differences has been accounted for.

	2023	**2024**
	CHF	CHF
Cost coverage TREE Token	1'847'200	2'142'316
Crypto Assets held for sale	346	981
Total deferred tax asset on temporary differences	***1'847'546***	***2'143'297***

Deferred tax income / (expense)

	2023	**2024**
	CHF	CHF
Total deferred tax assets / (liabilities) on 1 January	***-392'803***	***-506'071***
Deferred tax income / (expense)	-113'268	-684'822
Deferred tax (charge) in other comprehensive income	0	0
Total deferred tax assets / (liabilities) on 31 December	***-506'071***	***-1'190'893***

Reconciliation of tax expenses / (income)

The weighted average applicable tax rate, considering all profit- and loss-making entities, was 12.2% (previous year 11.5 %). The applicable tax rate changed due to the incurred loss of the subsidiary in Paraguay.

	2023	**2024**
	CHF	CHF
Net profit / (loss) before tax	-1'236'577	3'024'946
Tax using the Group's tax rate of 12.2% (PY 11.5%)	142'206	-369'043
Tax effect of		
- Unrecognized tax assets on temporary differences	-292'394	-295'750
- Use of deductible loss carry forward	0	
- Change in applicable tax rate	-56'432	37'888
- Non taxable income / expense	63'798	-69'857
Total income taxes	***-142'822***	***-696'762***

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14. CASH AND CASH EQUIVALENTS

	31.12.2023	31.12.2024
	CHF	CHF
Cash at bank	961’055	354’015
Total	***961’055***	***354’015***

15. CRYPTO ASSETS HELD FOR SALE

	31.12.2023	31.12.2024
	CHF	CHF
Bitcoin	38’740	93’570
Etherium	10’324	16’342
Costs to sell	-981	-980
Total	***48’083***	***108’932***

The Company accepts Bitcoin (BTC) and Etherium (ETH) as a means of investment for the subscription to the TREE Token. The Crypto Assets are held on custodial wallets with professional suppliers of custody service. None of those assets are held on any exchange wallet. The Company is holding the Crypto Assets with the intention of exchanging them into FIAT to become invested within the TREECYCLE Project.

16. BIOLOGICAL REFORESTRATION ASSETS

Reconciliation of changes in Carrying Amount

	31.12.2023	31.12.2024
1 January	3’476’573	4’565’768
Purchase of Reforestation Assets	160’770	65’499
Change in Fair Value per IAS 41 (Note 7)	928’425	5’513’037
31 December	***4’565’768***	***10’144’304***

Nature of the Assets

The objective of the TREECYCLE Project is to plant 1’000 hybrid Eucalyptus Trees per hectare of acquired land. The Trees developed by the related party La Rivera are strong, pest-resistant and possess high growth yield. They initially gain height up to 5 years from plantation before they grow width up to 9 years from plantation followed by gaining density for enhanced wood quality. The TREECYCLE project and the valuation model follows this natural routine of growth and harvest in a perpetual cycle of 13 years whereby Year 1 and 2 are reserved for planting and maintenance of seedlings. In year 6 the trees reach heights of 20 meters and 30 cm in diameter whereby they need space. Every second tree (50%) is therefore harvested. The wood is used in paper and energy production or to make posts. In year 10 an additional harvest is performed in order to ensure that the remaining trees have sufficient space and light, whereby about 19% of trees will be harvested. At this stage, the trees are approximately 45 cm in diameter. The harvested trees are sold and used for parquet flooring and general timber. In year 13 the final harvest takes place as the trees have grown to 60 cm in diameter. Most of the wood is sold to the furniture, veneer, roof and parquet

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industry. After the first full planting and harvesting cycle new seedlings will be planted in order to start a new cycle.

Valuation Process

The Group has a team led by Chief Financial Officer and the local team of experts that performs the valuation of the reforestation assets. The Chief Financial Officer holds relevant internationally recognized experience in valuation techniques and the local team of experts do contribute an extensive track record in executing reforestation projects in Paraguay as well as all relevant data sources on key assumptions such as growth patterns of Eucalyptus Trees, and wood prices for the different types of wood over the cycle. Due to the early stage of the Group's reforestation activity and the related absence of internally generated, historically substantiated data, management had to determine key assumptions on plantation growth and harvest proceeds based on expertise and data provided by La Rivera. Which have been externally validated to the best extent available.

The valuation is updated internally at the end of each reporting period. When considering the appropriate input data, the team reviews available information such as quantity of trees per hectare, current market prices, expected harvest costs through to harvest and the expected timing of harvest. The valuation policies and procedures, as well as changes in the fair value measurements are reviewed by the Board of Directors semi-annually.

Methodology and assumptions used in determining fair value

The determination of the fair value is conducted by Level 3 fair value measurement according to IFRS 13 based on a base case management expectation scenario. The valuation model considers the present value of the net cash flows expected to be generated from the natural plantation management activities over a full cycle of 13 years.

Since management was able to provide reliable cash flow estimates, the group utilized the Income Approach, specifically the Discounted Cash Flow (DCF) Method for determining the fair value of the biological assets. The DCF Method is a commonly used method for valuing biological assets based on its expected future cash flows. The following significant assumptions were adopted by the group to determine the fair value of the reforestation assets:

Price assumptions: The price assumptions are split by the different qualities of wood being energy wood, poles, value wood and wood laminates. All prices used are based on current traded prices and indexed by the currently applicable and expected inflation rates in Paraguay.

Harvesting cycle: The revenue at each point of harvest is calculated by the number of trees harvested and the respective revenue for the specific wood class in accordance with the maturity of the harvested trees.

Harvest costs: The costs of harvesting are assumed to be 10%

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Discount rate: In determining the pre-tax weighted average cost of capital (WACC) a group rate of 10.34 % (2023: 12.13%) has been applied considering the following input-factors:

	31.12.2023	**31.12.2024**
WACC for Framing / Agriculture US	7.06%	7.43%
WACC for Paper / Forest Products US	10.35%	8.32%
Average US Comparable Industry WACC (A)	***8.71%***	***7.88%***
Risk Free Rate Paraguay	6.58%	6.38%
US Risk Free yield (30 year treasury yield)	4.04%	4.79%
Paraguay Risk Free Rate Adder (B)	***2.55%***	***1.59%***
Small Company Risk Premium (C)	0.88%	0.88%
Adjusted Paraguay Timber Rate (A + B + C)	***12.14%***	***10.35%***

Risk management strategies

The Group is exposed to a number of risks relevant to its natural reforestation management activities, namely:

Operational risks: The TREECYCLE Project is subject to various operational risks. This includes, but is not limited to, force majeure events (such as fires, explosions, earthquakes, cyclones, hurricanes, floods, droughts or such other extreme weather or environmental conditions), plant diseases, climate changes, temporarily or permanently insufficient workforce, temporary or permanent unavailability of proper infrastructure, theft of machinery, equipment and/or wood as well as improper execution of logging, transport and interim storage of harvested timber. Adverse weather conditions (long periods of rain or drought) may damage the new plantings and make replanting necessary, which would result in considerable additional costs and delays in realizing planned harvests.

Market-related risks: The TREECYCLE Project is subject to various market-related risks. These risks include, but are not limited to, volatility of wood prices, collapse of the wood market, lack of demand for the timber produced and harvested. Demand for products might also adversely be affected by adverse economic developments such as high inflation leading to higher applicable discount rates.

Political risks: The TREECYCLE Project is subject to various political risks, including, but not limited to, political turmoil, unrest, war, hostilities, requisition, embargo, rebellion, revolution, insurrection, military or usurped power or civil war.

Legal and regulatory risks: The TREECYCLE Project is subject to various legal and regulatory risks, including, but not limited to, the change or different interpretation of laws and regulations concerning land ownership, forestation, environmental protection and timber trade.

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Sensitivity analysis

Assuming all other unobservable inputs are held constant, the following changes in these assumptions below will cause a change in the fair value of the biological assets. The below sensitivity analysis as per 31 December 2024 shows how the present value of the discounted cash flows would be affected if the key sensitivity parameters were used to determine discounted cash flows. An increase by the same percentage would have the opposite effect on the valuation.

		Change in fair value	
		31.12.2023	**31.12.2024**
Sales price of harvested wood	-20.00%	-1'002'112	-1'909'595
Harvest Costs	50.00%	-278'364	-522'574
Delay in harvesting cycle	2 years	-925'966	-1'764'494
Loss in harvested volume	-30.00%	-1'503'168	-3'324'075
Increase in industry WACC	50.00%	-1'629'591	-3'355'773
Country adder to Risk Free Rate	50.00%	-560'301	-799'248

Additionally, management is observing relevant scenario analysis which depart from the applied management base case scenario. Such deviation would have the following effect on the fair value of the biological assets.

			Change in fair value	
	Prices	**Costs**	**31.12.2023**	**31.12.2024**
Pessimistic Scenario	50%	25%	-2'616'479	-5'732'953
Management Scenario	0%	0%	0	0
Optimistic Scenario	50%	-25%	2'616'479	5'733'691

17. PROPERTY PLANT AND EQUIPMENT

	Land	**Equipment**	**Total**
Cost	CHF	CHF	CHF
1 January 2023	823'392	17'540	840'932
Additions		33'879	33'879
Disposals		0	0
Currency Difference	58	0	58
31 December 2023	***823'450***	***51'419***	***874'869***
Accumulated depreciation			
1 January 2023	0	-5'531	-5'531
Depreciation	0	-4'402	-4'402
Disposals	0	0	0
31 December 2023	***0***	***-9'933***	***-9'933***
Carrying amount 31 December 2023	***823'450***	***41'486***	***864'936***

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	Land	Equipment	Total
Cost	CHF	CHF	CHF
1 January 2024	697'329	51'419	874'869
Additions	1'788'606	67'204	1'855'810
Reclassification to reforestation assets	-146'740	0	-146'740
Disposals	0	0	0
31 December 2024	***2'339'195***	***118'623***	***2'583'939***
Accumulated depreciation			
1 January 2024	0	-9'933	-9'933
Depreciation	0	-19'009	-19'009
Disposals	0	0	0
31 December 2024	***0***	***-28'942***	***-28'942***
Carrying amount 31 December 2024	***2'339'195***	***89'681***	***2'554'997***

Land includes all land acquired in Paraguay for conducting subsequent reforestation. The land has an indefinite useful life subject to impairment which was nil in 2024 (2023; nil). Equipment consists of minor office equipment and IT Hardware. Which is linearly depreciated over the useful life of 5 years.

18. FINANCIAL LEASES

Right of use assets

	Vehicles	Office Rent	Total
Cost	CHF	CHF	CHF
1 January 2023	0	0	0
Additions	0	0	0
Disposals	0	0	0
31 December 2023	***0***	***0***	***0***
Accumulated depreciation			
1 January 2023	0	0	0
Depreciation	0	0	0
Disposals	0	0	0
31 December 2023	***0***	***0***	***0***
Carrying amount 31 December 2023	***0***	***0***	***0***

	Vehicles	Office	Total
Cost	CHF	CHF	CHF
1 January 2024	0	0	0
Additions	32'326	275531	307'857
Disposals	0	0	0
31 December 2024	***32'326***	***275'531***	***307'857***
Accumulated depreciation			
1 January 2024	0	0	0
Depreciation	-10'775	-60'116	-70'891
Disposals	0	0	0
31 December 2024	***-10'775***	***-60'116***	***-70'891***
Carrying amount 31 December 2024	***21'551***	***215'415***	***236'966***

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Right of use assets comprise of the office lease at the head-quarter of the company and the corporate vehicle, which are both amortized by way of straight-line monthly depreciation over the term of the lease agreement until first termination right on 1. August 2028 for the office lease and 1. June 2027 for the vehicle. Both agreements contain extension options, which have not been accounted for.

Lease liabilities

	31.12.2023	31.12.2024
	CHF	CHF
At 1 January	0	0
Additions	0	307’857
Interest expenses	0	-3’997
Downpayments	0	-83’691
At 31 December	***0***	***220’169***
Thereof current	0	70’778
Thereof non-current	0	149’391

19. INTANGIBLE ASSETS

	TREE Platform	Total
Cost	CHF	CHF
1 January 2023	0	0
Additions	603’900	603’900
Disposals	0	0
31 December 2023	***603’900***	***603’900***
Accumulated depreciation		
1 January 2023	0	0
Additions	0	0
Disposals	0	0
31 December 2023	***0***	***0***
Carrying amount 31 December 2023	***603’900***	***603’900***

	TREE Platform	Total
Cost	CHF	CHF
1 January 2024	603’900	603’900
Additions	0	0
Disposals	0	0
31 December 2024	***603’900***	***603’900***
Accumulated depreciation		
1 January 2024	0	0
Depreciation	-120’780	-120’780
Disposals	0	0
31 December 2024	***-120’780***	***-120’780***
Carrying amount 31 December 2023	***483’120***	***483’120***

Acquired intangible assets are the third-party costs incurred for the development of the customized platform allowing to onboard subscribers to the TREE Token, to conduct relevant

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checks on compliance, the handling customer-related marketing and information activities as well as providing all essential information to manage the TREE Token. The development was completed end 2023 and will be amortized over its estimated useful life of 5 years using the straight-line method starting with the financial year 2024.

20. TRADE AND OTHER PAYABLES

	31.12.2023	31.12.2024
	CHF	CHF
Accounts payables suppliers and administration	365’349	406’188
Accounts payables social security	15’550	27’522
Other payables	366’000	925’679
Total	***746’899***	***1’359’389***

Accounts payable as per 31 December 2024 contain the remaining CHF 123’900 downpayment for the development of the TREE Token platform. It also contains an unsettled payment obligation for the acquisition of land in Paraguay in the amount of CHF 948’519 (PY 150’000) which is accrued as contractually agreed short term payment obligation.

21. FINANCIAL LIABILITIES

	31.12.2023	31.12.2024
	CHF	CHF
Long term share of payment obligation	141’900	0
Long term interest bearing liabilities	0	400’889
Long term non interest bearing liabilities	100’000	100’000
COVID-19 Loan	470’981	478’045
Total	***712’881***	***978’934***
Thereof subordinated	***570’981***	***578’045***

The Long-term share of payment obligation has been reclassified to short term liabilities due to the short-term nature of finalization of the downpayment on the development of the TREECYCLE Platform.

The long-term interest-bearing liability in the amount of CHF 400’889 refers to the obligation to pay final instalments on the acquisition of 945 ha of land in Santa Lucia (Paraguay) which has been acquired in fourth quarter 2024.

The CEO of the company signed a subordination on CHF 100’000 on his accrued non-interest-bearing compensation for work rendered in the past. The amount remains restricted from being repaid for the duration of the subordination.

In April 2020 the Company applied for and received a state arranged long-term bank overdraft in the amount of CHF 0.5 million to support during the hazards of COVID-19. The facility was granted through a Swiss Bank and backed by an indirect state guarantee whereby the commercial terms are determined through the respective state ordinance allowing for an interest free-period of three years followed by a 1.5% p.a. interest rate until maturity of initially 5 years and subsequently

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extended to 7 years with early repayment right. In Mai 2022, the issuing bank past the loan to the state guarantee institution, whereby the state ordinance allows the bank to do so on an informal conduct with unchanged commercial terms. By article 24 of said state ordinance, loans COVID-loans are disregarded for the purpose of determining any potential capital loss or over indebtedness according to Art 725 CO.

22. SHARE CAPITAL

The Balance as at 31 December 2024 comprises 10'000'000 common shares (prior year: 10'000'000) at CHF 0.01 par value per share, fully paid in, in one single share-class with no preferential rights of any kind. None of There are no potential shares in the form of permissioned capital or any form of conversion rights outstanding.

23. PERPETUAL INSTRUMENTS

		2023		**2024**
	TREE	CHF	TREE	CHF
Issued TREE Token 1 January	630'254	12'745'296	791'608	16'298'651
Annual Issuance	161'354	3'553'355	165'283	3'198'707
Issued TREE Token 31 December	***791'608***	***16'298'651***	***956'891***	***19'497'358***

The Perpetual Instruments are substantially a Subordinated Perpetual Participatory Bond which is represented by the issuance of maximum 9'430'000 TREE Token. The funds are used to cover the comprehensive costs and expenses of the TREECYCLE Project, which comprises of the acquisition of land in Paraguay, the afforestation of said land and the sale of harvested wood in different forms to local wood markets. The TREECYCLE Project includes the acquisition of about 10,000 hectares of land and the planting of about 10 million trees. As per the terms of the TREE Token, the Group will distribute 40% of net operating cash flow to Tokenholders, reinvest 50% of net operating cash flow back into the TREECYCLE Project and use 10% of net operating cash flow to support projects for the protection of jungle and natural forests as well as social projects designated by the Issuer's Board of Directors.

The TREE Token neither gives any right of regular payments in the form of fixed interest nor for a repayment. Due to the nature of the TREECYCLE Project net operating cash flows will be generated only if and when the afforestation and the sale of harvested wood can be successfully completed. Such is subject to, and conditional upon, successful afforestation and distribution of harvested wood. Since the issuer has no contractual obligation for interest payments, repayment may only arise upon the liquidation of the company and the returns are dependent on the performance of the assets which factually stipulates the profile of an Equity investment.

The TREE Token is governed by a securities offering prospectus, that is prepared in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC in connection with Commission Delegated Regulation (EU) 2019/980 of 14 March 2019. The first prospectus has been approved by the Liechtenstein Financial Market Authority on 14 February 2024 with incremental validity until 15

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February 2025. The second prospectus has been approved by the Liechtenstein Financial Market Authority on 11 June 2025 with incremental validity until 10 June 2026.

According to the passporting-rights in the European Union, the approved prospectus has been notified to Germany and Austria. In addition, the Swiss Financial Market Authority granted respective distribution permission for Switzerland.

24. OTHER FINANCIAL OBLIGATIONS AND CONTINGENT LIABILITIES

As part of the terms of the TREE Token, the issuer has the contingent obligation to distribute 40% of net operating cash flow to holders of the TREE Token. Neither in 2024 nor 2023, there was a positive net operating cash flow.

The Company previously outsourced the comprehensive handling of the land preparation, the plantation and the harvesting to La Rivera. In the third quarter of 2024, the Company has given notice of termination to La Rivera on the existing contract and invited the same for renegotiations. According to the previous contract and subject to successful harvesting plus distribution of the harvested wood, the Company had a contractual obligation to pay 18.75% of the revenue to La Rivera as a success fee on plantations taken care of by La Rivera. Given the terminated agreement the likelihood of such performance component is unlikely but may still occur depending on the outcome of ongoing settlement negotiations.

Despite the Company being the legal owner of the plantation in Paraguay, there is risk, that its activity on the grounds of Paraguay may constitute a taxable branch, leading to an additional direct and indirect tax obligation in Paraguay. The Company is assessing the likelihood of occurrence below 50%. In view of the first harvest in 2027, the Company will assess further and consider corrective structural measures.

25. SEGMENT REPORTING

In the reporting periods 2024 and 2023, the strategy of the Group continued to be concentrated on the development of the TREECYCLE project as one comprehensive line of business under direct decision making by and reporting to the Board of Directors with no further segmentation. The TREECYCLE project consists 1) of the issuance of perpetual instruments basically in the form of the TREE Token, 2) the acquisitions of land and its afforestation in Paraguay and 3) the distribution of respective profit shares to Tokenholders. Consequently, the consolidated statement of profit and loss as well as the consolidated statement on comprehensive income is identical to the income statement for the sole operating segment. Likewise, the assets and liabilities for the sole operating segment are identical as reported in the consolidated statement of financial positions.

Geographic information

The Group is operationally active in Switzerland and Paraguay, whereby the GTP SA owns the land with all other assets and liabilities owned by the Company. Except for immaterial costs at GTP SA, all revenues and costs are incurred by the Company. Likewise, all funding through issuance of the perpetual instrument is arranged and incurred by the Company in Switzerland.

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Geographic allocation of assets - 31 December 2023	**Paraguay**	**Switzerland**	**Group**
	CHF	CHF	CHF
Reforestration Assets	4'565'768	0	4'565'768
Ready to use land	847'329	0	847'329
Office Equipment and furnishing	0	17'607	17'607
Intangible Assets	0	603'900	603'900
Total	***5'413'097***	***621'507***	***6'034'604***

Geographic allocation of liabilities - 31 December 2023	**Paraguay**	**Switzerland**	**Group**
	CHF	CHF	CHF
Accounts payable	180'338	696'798	877'136
Tax payable	0	109'538	109'538
Deferred tax liabilities	0	506'072	506'072
Long-term share of payment obligation	0	141'900	141'900
Long term financial liabilities	0	570'981	570'981
Total	***180'338***	***2'025'289***	***2'205'627***
Perpetual Instrument	***0***	***16'298'651***	***16'298'651***

Geographic allocation Statement of Profit and Loss 2023	**Paraguay**	**Switzerland**	**Group**
	CHF	CHF	CHF
Gain from changes in fair value of biological assets - reforestration	928'425	0	928'425
Operating expense	-21'881	-1'953'124	-1'975'005
Depreciation, amortization and impairment	0	-4'402	-4'402
Financial Expense net	995	-186'590	-185'595
Taxation	0	-142'822	-142'822
Net Profit (+) / Loss (-)	***907'539***	***-2'286'938***	***-1'379'398***

Geographic allocation of assets - 31 December 2024	**Paraguay**	**Switzerland**	**Group**
	CHF	CHF	CHF
Biological Reforesration Assets	10'144'304	0	10'144'304
Property Plant and Equipment	2'363'858	191'139	2'554'997
Right to use Assets	0	236'966	236'966
Intangible Assets	0	483'120	483'120
Current assets	7'478	904'385	911'863
Total	***12'515'641***	***1'815'610***	***14'331'250***

Geographic allocation of liabilities - 31 December 2024	**Paraguay**	**Switzerland**	**Group**
	CHF	CHF	CHF
Trade and other payables	1'202'668	311'972	1'514'640
Deferred tax liabilities	0	1'190'894	1'190'894
Long term financial liabilities	0	978'934	978'934
Lease liability	0	220'168	220'168
Total	***1'202'668***	***2'701'968***	***3'904'636***
Perpetual Instrument	***0***	***19'497'357***	***19'497'357***

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Geographic allocation Statement of Profit and Loss 2024	Paraguay	Switzerland	Group
	CHF	CHF	CHF
Gain from changes in fair value of biological assets - reforestration	5'513'037	0	5'513'037
Other income	0	25'495	25'495
Operating expense	-20'747	-2'311'032	-2'331'779
Depreciation, amortization and impairment	-16'728	-210'680	-227'408
Financial Expense net	230	45'371	45'601
Taxation	0	-696'762	-696'762
Net Profit (+) / Loss (-)	***5'475'792***	***-3'147'609***	***2'328'184***

Reforestation Assets are legally owned by the Swiss Company but physically planted in Paraguay.

26. RELATED PARTY TRANSACTIONS

Intercompany Transactions

Transactions between the company and the subsidiary, which is a related party, have been eliminated on consolidation.

Parent and ultimate controlling party

Shareholder - 31 December 2023	*Beneficiary*	*Shares*	*Percent*
Harmonia Beratungs AG, Buchs (Switzerland)	Alf Schröter	2'550'000	25.50%
MC Freedom Holding GmbH, Hünenberg (Switzerland)	Jörg Schäfer	2'930'000	29.30%
Alf Schröter, Cottbus (Germany)	Alf Schröter	1'660'000	16.60%
Jörg Schäfer, Risch (Switzerland)	Jörg Schäfer	1'660'000	16.60%
Proindex Capital AG, Wülfershause (Germany)	Andreas Jelinek	1'200'000	12.00%
Total		***10'000'000***	***100.00%***

In April 2024 the beneficiaries Alf Schröter and Jörg Schäfer, each consolidated their previously segregated shareholding under one fully controlled entity each.

Shareholder - 31 December 2024	*Beneficiary*	*Shares*	*Percent*
Alffs GmbH, Hünenberg (Switzerland)	Alf Schröter	4'210'000	42.10%
MC Freedom Holding GmbH, Hünenberg (Switzerland)	Jörg Schäfer	4'590'000	45.90%
Proindex Capital AG, Wülfershausen (Germany)	Andreas Jelinek	1'200'000	12.00%
Total		***10'000'000***	***100.00%***

Key management compensation

Members of the Board of Directors are all directly or indirect shareholders of the Company and are currently not compensated for the performance of their duties. Except for one executive, management members are currently not compensated in cash. The compensation paid was CHF 365'247 (prior year CHF 256'288).

The Company plans to compensate Board members and selected members of the management with bonus payments if certain thresholds in the fund raising through the issuance of the TREE Token are reached or exceeded. As per the 31 December 2024, the Company has not entered into any legally binding agreements in that regard.

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In addition to the above salary, management and consulting services, amounting to CHF 308’927, were paid to various key management.

Referral Fees

The Company is compensating the shareholding entities Harmonia Beratungs AG, Masterclass Freedom and Proton Energy AG for referrals of subscribers to the TREE Token with a schedule of 5% up to CHF 1 Million, 7.5% between CHF 1 Million and CHF 2 Million and 10% for over CHF 2 Million of referrals. The total amount paid was CHF 280’851 (prior year: CHF 239’375).

Grupo Empresarial La Rivera S.A

The afforestation agreement with La Rivera has been terminated by the Company in the third quarter of 2024, whereby La Rivera ceased to be a related party to the Group. The Company has entered a new afforestation with AGRO Waibel, an independent provider of relevant services.

GTP SA, Paraguay

To finance the acquisition of land by GTP SA Paraguay, the Company grants GTP Paraguay collateralized loans at an interest rate of 8.5%. In return, GTP SA entered into a land use agreement with the company that permits the Company to use the land for conducting the afforestation on its own expense. The land use agreement is valid for 25 years with three extension options for a further five years. The annual fee payable for the use of the land is staged by years and increases from initially CHF 275/hectare to CHF 444/hectare after the initial term. It may subsequently increase to a maximum of CHF 597/hectare.

Related party balances

	31.12.2023	**31.12.2024**
	CHF	CHF
Other receivables		
Shareholder	1’060	360’342
Trade and other payables		
Employees	0	6’188
Key management	130’237	149’063
Financial liabilities		
Shareholder	100’000	100’000

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27. FINANCIAL ASSETS AND LIABILITIES AND FAIR VALUE MEASUREMENT

Categories of financial assets and liabilities

31 December 2023	**Amortised cost**	**FVTPL**	**Total**
	CHF	CHF	CHF
Cash and cash equivalents	961'055	0	961'055
Trade and other receivables	50'533	0	50'533
Total financial assets	***1'011'588***	***0***	***1'011'588***
Trade and other payables	877'136	0	877'136
Share of payment obligation	141'900	0	141'900
Financial liabilities	570'981	0	570'981
Total financial liabilities	***1'590'017***	***0***	***1'590'017***

31 December 2024	**Amortised cost**	**FVTPL**	**Total**
	CHF	CHF	CHF
Cash and cash equivalents	354'015	0	354'015
Trade and other receivables	424'535	0	424'535
Total financial assets	***778'550***	***0***	***778'550***
Trade and other payables	1'514'640	0	1'514'640
Lease liabilities	220'168	0	220'168
Financial liabilities	978'934	0	978'934
Total financial liabilities	***2'713'742***	***0***	***2'713'742***

Use of fair value and fair value hierarchy

As per 31 December 2023 and 2024, biological assets in the form of afforestation trees were measured at fair value. The fair value was determined under Level 3 by using an internally generated, income based, discounted cash flow model as disclosed in Note 16 There are no other assets or liabilities that were measured for fair value on either Level 1 or 2.

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28. EARNINGS PER SHARE

	31.12.2023	31.12.2024
	CHF	CHF
Ordcinary Shares 1. January	10’000’000	10’000’000
Change in ordinary Shares	0	0
Ordcinary Shares 31 December	***10’000’000***	***10’000’000***
Average outstanding ordinary shares	***10’000’000***	***10’000’000***
Potential dilutive shares 31 December 2024	***0***	***0***

	2023	2024
	CHF	CHF
Net Profit	-1’379’399	2’328’184
Undiluted earnings per share	***-0.14***	***0.23***
Diluted earnings per share	***-0.14***	***0.23***

29. EVENTS AFTER BALANCE SHEET DATE

On 14 February 2025, the Issuance Prospectus for the distribution of the TREE Token for public sale expired. The Company filed a new prospectus for a second round of public distribution whereby relevant adjustments have been made to improve transparency, fairness and the rights of the investors such as 1) The permission to adjust the issuance price to avoid value related of early-stage investors, 2) the introduction of a termination right after 12 years with every following 4 years in case the TREE is not traded on a regulated exchange venue, 3) an adjusted model for management compensation and 4) increased transparency on the Financial Model based of a recommended investment period of 24 years. The new Prospectus has been approved by the Liechtenstein Financial Market Authority on 11 June 2025. It has been notified to Germany and Austria and the distribution permission in Switzerland has been received.

In March 2025 MC Freedom GmbH and Alffs GmbH, which previously controlled 88% of all shares in the Company jointly incorporated Global TREE Project AG, Hünenberg (Switzerland) by way of contributing in kind all shares held on the Company leading to a new shareholding with 88% held by Global TREE Project AG (beneficial ownership of 47.8 by Alf Schröter and 52.3% by Jörg Schäfer). 12% of all shares in the Company remain to be held by Proindex Capital AG with Andreas Jelinek as the sole beneficial owner.

30. APPROVAL

These financial statements were approved by the Board of Directors and authorized for issue on 28 July 2025.