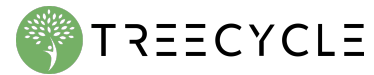


# KEY INFORMATION DOCUMENT



## Purpose

This document provides you with essential information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains, and losses of this product, and to help you compare it with other products.

## Product

|  |  |
|--|--|
| Name of the Product                      | TREE   |
| ISIN Number                              | CH1305377918   |
| Name of the Manufacturer                 | TREECYCLE AG, Hünenberg, Schweiz   |
| Manufacturer's Website                   | <a href="http://www.treecycle.ch/prospekt">www.treecycle.ch/prospekt</a> |
| For further information, please call     | +41 41 588 13 08   |
| Competent Authority for the Manufacturer | Financial Market Authority Liechtenstein (FMA)                           |

You are about to purchase a product that is not simple and may be difficult to understand.

## What type of product is this?

### Type

TREE is a digital representation of a fractional entitlement to participate in the operating cash flow ("**Net Operating Cash Flow**") generated by the issuer from the afforestation project in the Guaira Villarrica region of Paraguay ("**TREECYCLE Project**"). The TREE is issued in the form of a registered uncertificated security (Registerwertrecht) pursuant to Article 973d of the Swiss Code of Obligations.

### Product Description

By acquiring a TREE, the investor has a claim to participate in the **Net Operating Cash Flow** generated by the issuer from the sale of timber and timber products (e.g., high-quality and energy wood).

The investors' participation is structured as follows:

1. 40.0% is distributed proportionally per TREE to the investors;
2. 50.0% is reinvested in the TREECYCLE Project for the benefit of the investors; and
3. 10.0% is allocated to support conservation and social projects.

An investor's claim arises only if the issuer's consolidated Net Operating Cash Flow, as stated in an audited consolidated annual financial statement prepared in accordance with IFRS, is positive. The relevant metric is disclosed in the published consolidated financial statement under the line item "Net Operating Cash Flow" in the "Consolidated Statement of Cash Flows." Distributions are expected in years when timber harvesting occurs (anticipated in years 6, 10, and 13 following planting). Investors do not participate in negative Net Operating Cash Flows.

### Term

This product has no maturity date. The investor has no entitlement to the repayment of the invested capital. However, the investor is granted an initial termination right in the year 2036 and subsequently every four years, provided that the TREE is not admitted to trading on a regulated market at that time.

### Retail Investor Target Group

This product is intended for investors with a long-term investment horizon. The investor should have advanced knowledge and/or experience with financial products and be able to bear the complete loss of the invested amount.

## What are the risks and what could I get in return?

|   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

← Lower Risk

Higher Risk →



This risk indicator is based on the assumption that the product is held for the recommended holding period of 24 years. If the product is terminated early, the actual risk may differ significantly, and distributions or repayments to the investor may be substantially lower.

The summary risk indicator is designed to help you understand the level of risk associated with this product in comparison to other products. It indicates how likely it is that you may lose money on this product due to market developments or because we are unable to make payments. We have classified this product as a risk class 6 on a scale from 1 to 7, where 6 represents the second-highest risk level. The risk of potential losses due to future performance is considered "high." Under adverse market conditions, it is very likely that the issuer's ability to make payments will be impaired. Furthermore, please note that the realization of the product relies on a blockchain platform; a failure of this platform would have a significant impact on the product. This product does not include any protection against future market developments, so you could lose some or all of your invested capital.

#### Performance Scenarios

Future market developments cannot be predicted. The scenarios presented are only an indication of some possible outcomes based on projections.<sup>1</sup> Actual results may be worse.

| Investment CHF 10,000 – Scenario Overview | 1 Year       | 12 Years      | 24 Years      |
|---|--------------|---------------|---------------|
| <b>Stress Scenario</b>                    |              |               |               |
| What you might receive                    | CHF 0.00     | CHF 0.00      | CHF 0.00      |
| Annual average return                     | -100.00%     | -100.00%      | -100.00%      |
| <b>Pessimistic Scenario</b>               |              |               |               |
| What you might receive                    | CHF 1,121.36 | CHF 4,829.72  | CHF 10,661.83 |
| Annual average return                     | -88.79%      | -4.87%        | 0.81%         |
| <b>Moderate Scenario</b>                  |              |               |               |
| What you might receive                    | CHF 5,838.50 | CHF 25,036.75 | CHF 64,136.34 |
| Annual average return                     | -41.61%      | 9.54%         | 11.35%        |
| <b>Optimistic Scenario</b>                |              |               |               |
| What you might receive                    | CHF 8,430.74 | CHF 36,254.11 | CHF 96,734.40 |
| Annual average return                     | -15.69%      | 13.11%        | 13.98%        |

**This table shows how much investors could receive under different scenarios if they invest CHF 10,000.**

The short-term scenario refers to a one-year period, the medium-term scenario to the first termination opportunity after 12 years, and the long-term scenario to the recommended holding period of 24 years.

The scenarios illustrate how the investment could perform over these time periods. They can be compared with the scenarios of other products<sup>2</sup>.

The scenarios presented are an estimate of future performance based on historical changes in the value of this investment; they are not a precise indicator. What investors actually receive will depend on how the market performs and how long the product is held. The stress scenario illustrates what investors could receive under extreme market conditions. It does not take into account the possibility that we may be unable to make the payment under such circumstances.

The investor has no entitlement to the repayment of the invested capital. However, you have an initial termination right in the year 2036 and then every four years thereafter, provided that the TREE is not admitted to trading on a regulated market at that time. For this reason, it is difficult to estimate how much investors would receive if they were to sell before the end of the recommended holding period. It is possible that a sale may not be feasible, and selling before the end of the recommended holding period could result in a significant loss.

The figures shown include all costs associated with the product itself. They do not include any fees or other costs that you may pay to your advisor or distributor. The figures also do not take into account your personal tax situation, which may affect how much you receive back.

#### What happens if the issuer is unable to make the payment?

If the issuer is unable to meet its payment obligations related to the profit participation, you may incur losses from this product. The product constitutes an unsecured liability of the issuer. It is not covered by any investor compensation or protection scheme. As a result, a total loss of the capital invested is possible in the event of the issuer's insolvency.

#### What are the costs?

The Reduction in Yield (RIY) illustrates the impact of total costs paid by investors on the return they may receive from the investment. The total costs include one-off, ongoing, and incidental costs. The amounts shown here represent the cumulative costs of the product for three different holding periods. The figures are based on an investment of CHF 10,000. These are estimates and may change in the future.

#### Costs over time

| Investment CHF 10,000 – Scenario Overview | First Year | After 12 Years | After 24 Years |
|---|------------|----------------|----------------|
|---|------------|----------------|----------------|

<sup>1</sup> The investment amount of CHF 10,000 assumed in this Key Information Document is required by law to enable comparability between different Key Information Documents for different products. It is a hypothetical scenario.

<sup>2</sup> The total return consists of the ongoing distribution yield from timber sales, net of all costs, and the appreciation in the value of the plantations.

| Total Costs                     | CHF 4,671.73 | CHF 19,922.42 | CHF 46,413.43 |
|---------------------------------|--------------|---------------|---------------|
| Impact on Return (RIY) per year | -46.72%      | -5.77%        | -4.20%        |

The issuer does not charge you any fees in connection with this product. However, the person selling you this product or advising you on it may charge you fees. If so, they will inform you of these fees and show you how all costs will impact your investment over time.

### Composition of Costs

The table below shows how the different types of costs impact the investment return you may receive each year over the recommended holding period, and what each cost category includes.

| This table shows the impact on the return per year. |        |  |
|---|--------|--|
| <b>One-time Costs</b>                               |        |  |
| Entry Costs   | -1.07% | Impact of the costs you must pay when you make your investment. Shown are maximum costs; you may pay less.   |
| Exit Costs  | 0.00%  | Impact of the costs incurred when you exit your investment at maturity.  |
| <b>Ongoing Costs</b>                                |        |  |
| Management Performance Bonus                        | -1.17% | Impact of the costs we incur for buying and selling the underlying product.  |
| Management Fees                                     | -0.11% | Impact of the annual costs charged to you for portfolio management.  |
| Profit Participation for Social Purposes            | -1.78% | Impact of the 10.0% profit sharing allocated for social causes. This amount is deducted from the (proportional) capital gains and used by the company for social purposes. |

### How long should I hold the investment, and can I take money out early?

#### Recommended holding period:

The business model is designed for a recommended holding period of 24 years. This product has no maturity date. The investor has no entitlement to the repayment of the invested capital. However, the investor has an initial termination right in 2036 and subsequently every four years, provided that the TREE is not admitted to trading on a regulated market at that time. While the TREE is transferable, no liquid market currently exists. The issuer does not charge any fees for the sale of TREE, but selling the product may incur other costs (such as execution fees charged by your intermediary or transaction fees on the blockchain). The amount you receive from such a sale may be—potentially significantly—lower than the amount you would have received had you held the product for the full recommended period.

#### How can I complain?

Complaints with regard to the product, the conduct of the PRIIP manufacturer, or any person advising on or selling the product can be submitted in written form by email to [info@treecycle.ch](mailto:info@treecycle.ch) or by post to **Rothusstrasse 15, 6331 Hünenberg, Switzerland**.

#### Other Relevant Information

The most recent Key Information Document is available online at [www.treecycle.ch/basisinformationsblatt](http://www.treecycle.ch/basisinformationsblatt). The prospectus for the product can be accessed at [www.treecycle.ch/prospekt](http://www.treecycle.ch/prospekt), where you will also find information about the risks associated with investing in the product. The applicable Terms and Conditions can be found at [www.treecycle.ch/Terms and Conditions](http://www.treecycle.ch/Terms and Conditions).

*Legal Disclaimer: The General Terms and Conditions (GTC) / Key Information Document outlined herein is a translation from the original document in German. This translation has been performed for ease of understanding. We are reminding that only the German version will legally be binding.*