INVESTMENT MEMORANDUM

AGRO-INDUSTRIAL ASSETS 2026

Jurisdiction: Zug, Switzerland

MANAGING COMPANY

Web3Eco AG

Aegeristrasse 5, 6300 Zug, Switzerland

1. EXECUTIVE SUMMARY

This memorandum sets out the terms of direct fractional participation in an agro-industrial fund of forest assets managed by **Web3Eco AG** . The FastForest project focuses on the operation of high-tech Paulownia plantations in Central Asia.

Unlike traditional forestry, FastForest applies an intensified cultivation model that ensures industrial revenue within a short horizon. To date, the fund manages assets totalling 150,000 trees.

TARGET ASSET
Paulownia Shan Tong

JURISDICTION
Zug, Switzerland

PLANTING DENSITY
420 units / hectare*

TYPE OF OWNERSHIP
Direct Equity

*Combined density including agricultural intercrops.

2. BIOLOGICAL ASSETS

The Shan Tong hybrid is selected as the base asset thanks to its rare combination of extreme growth rate and high-quality industrial timber. The tree reaches commercial maturity within a 7-year cycle.

Regenerative potential

A defining feature of Paulownia is its ability to fully regenerate from the root system after felling. This allows a single plantation to be operated for **8–12 cycles** without further capital investment in replanting, significantly improving the long-term profitability of the asset.

3. THE "ETERNAL FOREST" STRATEGY (1/7 MODEL)

To ensure annual liquidity, the fund applies a cyclical revenue strategy based on a conveyor principle:

- The plantation is divided into 7 equal sectors by tree age.
- Each year, 1/7 of the total area (the 7-year-old sector) is harvested and sold.
- Regenerative growth of a new cycle begins immediately on the harvested site.
- Investors receive distributions from the annual timber sale (biological rent).

Density parameters

To maximize the yield of premium first-grade (A-grade) timber, a strict biological planting density of **600 trees per hectare** is applied. The combined commercial hectare contains 420 trees because the model integrates agro-crops. This configuration minimises competition for resources and guarantees the projected biomass output.

4. ESG PROFILE

Paulownia's high rate of photosynthesis ensures intensive CO_2 absorption, which produces a positive ESG profile for the fund and aligns with global standards of responsible investment.

5. FINANCIAL METRICS (PER 1 HECTARE)

Calculations based on 2026 Kiri Wood market quotations.

INDICATOR	VALUE	COMMENT
Investment (CAPEX)	**$59,500**	Per-hectare income share
Tree density	**420 units / ha**	"Eternal Forest" model
Agro-crops	**2,500 units / ha**	Combined crop income
Annual harvest	**60 trees**	1/7 of the fund
Timber yield	**~30 – 36 m³**	0.5 – 0.6 m³ per unit
Sale price	**$450 – $600 / m³**	Forecast for industrial timber
Biological rent	**$13,500 – $21,600**	Annual distribution

Liquidity analysis

Thanks to the 1/7 model, the full payback period effectively amounts to **5 years from the start of the operational cycle** . Core profitability begins from 2029; until then, income is generated from the sale of agro by-products. With regeneration, the asset generates revenue across an unlimited number of cycles.

6. LEGAL STRUCTURE & RISKS

Investments are structured under Swiss corporate law (Canton of Zug).

Climate: Israeli Netafim systems with soil-moisture sensors.
Physical loss: Insurance programme against fires and natural disasters (Summer 2026).
Biology: Sterile Shan Tong hybrids resistant to pests.

7. SOURCES & METHODOLOGY

This memorandum is based on the current 2026 regulatory framework:

- IPCC (2024): Carbon sequestration efficiency study for fast-growing tree species.
- World Bank (2025): State and Trends of Carbon Pricing 2025/2026.
- Swiss Federal Office of Justice: Federal Act on DLT (DLT Bill).
- EU Commission: CBAM Implementation Guidelines 2026.
- FINMA Guidance 03/2025: Regulation of tokenised assets and RWA.
- FAO (2025): Global Forest Resources Assessment. Timber deficit in Eurasia.
- FastForest Internal Audit: Biological reports — Fergana region (2024–2026).

CONTACT INFORMATION

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