Blu Green Token

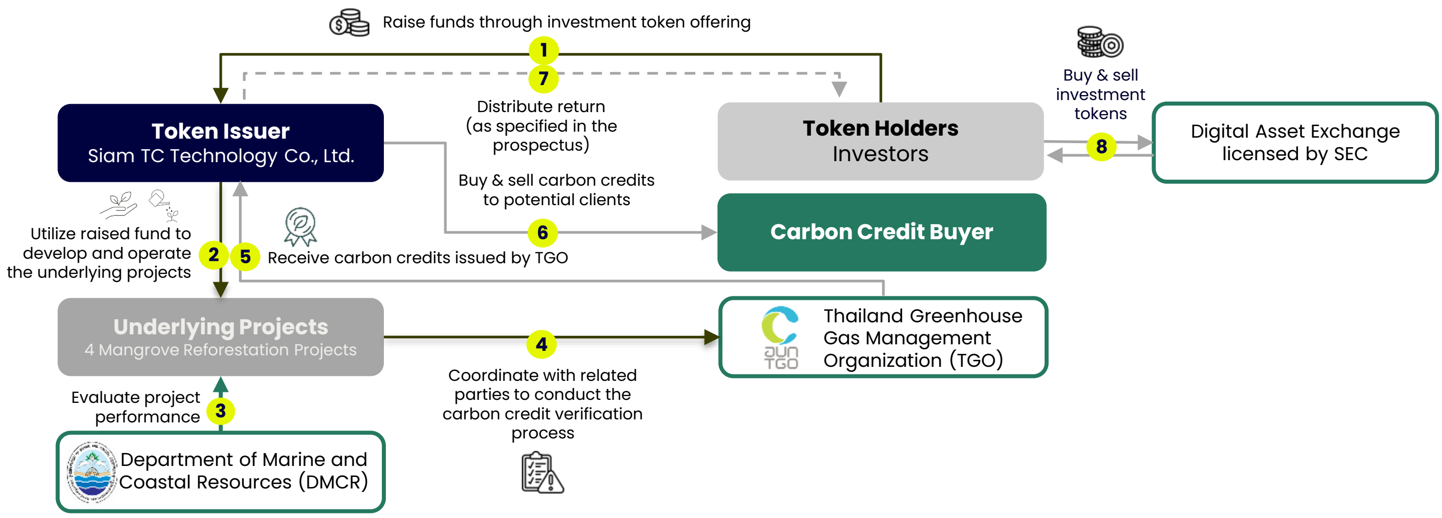
Green Token

Digital Tokens involve risks; investors should carefully review information and make investments according to their own risk profile.

Overview of Blu Green Token

Name of Digital Token	:	**BLU**
Type of Digital Token	:	Green Token
Token Issuer	:	Siam TC Technology Company Limited
ICO Portal	:	Token X Company Limited
Property Manager	:	Licensed digital asset exchanges approved by the SEC, such as Bitkub Online Co., Ltd. (Bitkub), are currently under consideration
Project's Duration	:	7 years
Blockchain	:	TKX Chain

Structure of Blu Green Token



Offering Information

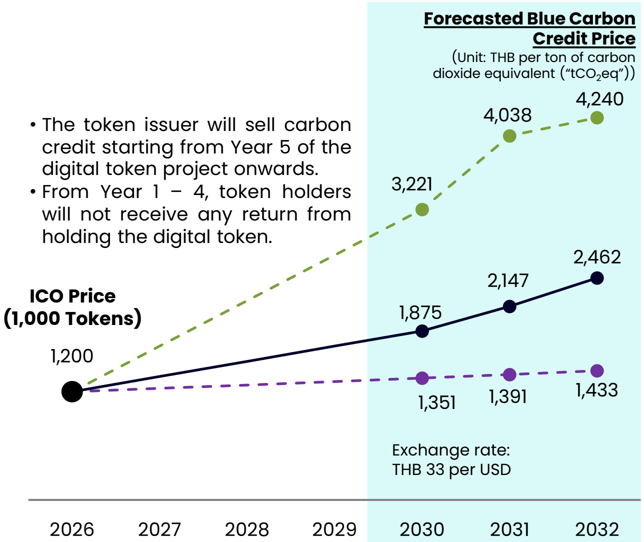
Purposes of Fund Raising	:	1. Settlement of project-related expenses which have already been partially paid, including plantation, project registration, and other operational costs 2. Investment in the development and operation of the underlying projects over the project duration, including plantation, maintenance, carbon credit certification and other operational costs 3. Payment of tokenization expenses
Expected Internal Rate of Return (IRR)		**10.35 per annum**/1 throughout the digital token project's duration
Fundraising Amount and Number of Issued Tokens	:	Fundraising Amount up to 480,000,000 THB Number of Digital Tokens Issued up to 400,000,000 Tokens
Offering Price	:	1.20 THB per token
Rights of Token holders	:	• Right to receive returns from net proceeds from sale of underlying carbon credits/2 during year 5-7/3 of the digital token project's duration. • Right to express the intention to sell the digital tokens to DITTO/4 during year 5-7 of the digital token project's duration. • Right to receive accumulated compound return and initial investment at the end of the digital token project. • Voting rights in decisions related to the digital token project.
Digital Token Burning Mechanism	:	Upon allocation of the returns from net proceeds from sale of underlying carbon credits and initial investment, the digital tokens will be burned proportionately to the volume of underlying carbon credits sold in each respective year.

Remark: /1 In the case that the Issuer can sell carbon credits in accordance with the plan and the base-case carbon credit price growth prepared by independent researcher (AWR Lloyd).
/2 Net proceeds from sale of underlying carbon credits refer to revenue from the sale of the carbon credits, net of any selling-related expenses (if any), and the initial investment of the digital tokens as of the offering date.
/3 As the Issuer does not plan to sell the carbon credits during Years 1–4 of the digital token project, token holders will not receive net proceeds from sale of underlying carbon credits and initial investment during such period.
/4 Ditto (Thailand) Public Company Limited, which is a major shareholder of the digital token issuer, and which provides the necessary financial support for the payment of accumulated compound return and initial investments to token holders.

Digital Tokens involve risks; investors should carefully review information and make investments according to their own risk profile.

Internal Rate of Return (IRR) Sensitivity Analysis

Digital Token Expected Return

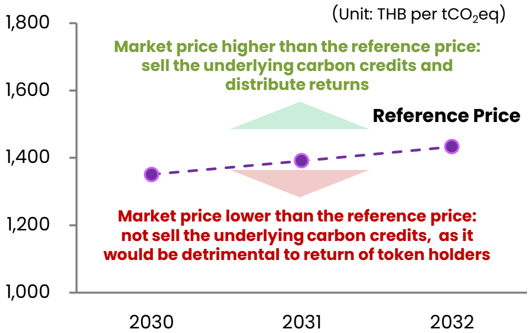


Scenario	Expected Internal Rate of Return (IRR)
Scenario 1 Market conditions are favorable for underlying carbon credit sales, with high carbon credit price growth (Best Case)/1	Token holders are projected to receive an IRR of **20.04% p.a.**
Scenario 2 Underlying Carbon credit sales and forecasted price growth align with the projection (Base Case)/1	Token holders are projected to receive an IRR of **10.35% p.a.**
Scenario 3 Market conditions are unfavorable for underlying carbon credit sales, with low carbon credit price growth than the accumulated compound return rate, or the issuer's financial position is insufficient to pay the accumulated compound return and initial investment to token holders (Worst Case)	The token issuer and/or DITTO shall pay the accumulated compound return and initial investment to token holders in proportion to the underlying carbon credits that are not sold, ensuring that the token holders will receive an IRR of **not less than 3.00% p.a.**

According to AWR Lloyd, Blue Carbon credits tend to trade at a premium of 2.5–10.0 times compared to general carbon credits due to supply constraints, credit quality, and environmental and social co-benefits.

The forecasted carbon credit price for the year 2024 is approximately THB 825 per tCO_2eq and may increase to more than THB 1,875 per tCO_2eq after 2030 onwards.

Underlying Carbon Credit Sales Plan



The token issuer will proceed with the sale of verified underlying carbon credits starting from Year 5 of the digital token project, by offering for sale not more than 10.00% per year during Years 5 to 6, and the remaining portion in Year 7, respectively. The token issuer will consider selling at market price, provided that **the selling price shall not be lower than the reference price** (being the price on the fundraising date compounded at a rate of 3.00% p.a.).

During Years 5 to 7, DITTO will support the project and provide alternative option to receive the initial investment for token holders by offering to buyback tokens from token holders who express the intention to sell the digital tokens. The buyback will be at a price equal to the par value or the price on the fundraising date (THB 1.20 per token) with limited volume at **not more than 10.00% of the total digital token offered**, or a maximum of 40,000,000 tokens per year, in accordance with the procedures and conditions specified in the prospectus.

Project Risk Mitigation Mechanism

Risk Mitigation Mechanism	Description
1. Carbon Credit Buffer	The underlying project will have an estimated cumulative carbon credit volume of **approximately 1,079,391 tCO_2eq** by Year 7 of the project. Meanwhile, the underlying carbon credits allocated to token holders are set at **400,000 tCO_2eq** for the project duration. This provides a carbon credit buffer to mitigate risks that may impact the actual volume of credits received.
2. Obligation to source and provide substitute carbon credits	If carbon credits volume are lower than the specified volume, the token issuer will source and/or purchase carbon credits from other certified mangrove reforestation, restoration, or development projects in an amount equal to the shortfall. The return from sales of carbon credits will be distributed to token holders. In addition, the token issuer, a subsidiary of DITTO, is involved in developing a total of **175,196.05 rai** of mangrove reforestation for carbon credit benefits project with the Department of Marine and Coastal Resources, which supports the potential to source additional carbon credits (if necessary).
3. Right to Extend the Project Duration	If the token issuer cannot sell all underlying carbon credits or partially sell by Year 7, token holders can exercise their right to vote to extend the project duration for **no more than 2 years.** This provides the token issuer additional time to sell the remaining underlying carbon credits and fully distribute returns to the token holders.
4. Minimum Return Mechanism for Unsold Carbon Credits	If the project duration has been extended for 2 years but the token issuer still cannot sell the carbon credits within the extended period, the token issuer will pay the initial investment with an **accumulated compound return at a rate of 3.00% p.a**. The accumulated compound return is calculated on a daily basis for the unsold proportion of the underlying carbon credits.

Remark: /1 The carbon credit prices are estimates based on the carbon credit market study for Thailand and Southeast Asia conducted by AWR Lloyd. Investors may find further details regarding the industry outlook in Section 3, Clause 7.5.2 of the prospectus

Digital Tokens involve risks; investors should carefully review information and make investments according to their own risk profile.

Investment Highlights

1 The adoption of digital token for fundraising allows investors to participate in environment restoration initiatives through digital tokens, enabling broader and more inclusive participation

- Accessible initial investment
- Blockchain technology and smart contracts
- Transparent, reliable, and secure transactions
- Enabling 24/7 trading on the secondary market

2 The digital token offering is strategically aligned with international environmental policies and Thailand's carbon credit market development

Key policies and regulatory actions to address climate change

Paris Agreement

- ETS
- Carbon Tax
- CBAM
- CORSIA

Objective and Implemented Policies

2050 Carbon Neutrality

2065 Net Zero

- National Strategy Plan for Ecosystem and Nature Conservation
- Draft of Climate Change Act
- Mandatory Carbon Market
- Carbon Tax (for Industry)
- Signing of the Paris Agreement

3 Transparent and Credible Verification of the Underlying Project's Implementation Process

Under SEC Notification No. KorJor. 15/2018 and its amendments, issuers of green tokens are required to clearly disclose the digital token offering framework. The Framework is developed with reference to the **Green Bond Principles (GBP)** issued by the **International Capital Market Association (ICMA)**, which are internationally recognized standards for the issuance of green bonds.

DNV (Thailand) Co., Ltd. provides the framework verification of the Blu Green Token.

4 Opportunity to Receive Returns from Domestic and International Blue Carbon Prices Growth

Carbon credit is a factor in reducing greenhouse gas emission and enhancing the global carbon credit market, especially blue carbon from mangrove forest, possesses carbon dioxide reduction several times higher than green carbon. It also provides environmental, economic, and community benefits. Despite project development constraints and high costs leading to limited supply, influencing high value and upward price trends of blue carbon. Thailand has potential and is actively promoted through mangrove forest restoration projects, which offer attractive long-term returns. However, actual returns remain dependent on project quality and market conditions.

5 Financial Support for Accumulated Compound return and initial investment Payments, and the Buyback Option Offered by DITTO Before Project Maturity

In the event of negative impacts on the underlying project and/or underlying carbon credits, the token issuer is required to pay accumulated compound return and initial investment to token holders. If the token issuer is unable to meet these obligations, the major shareholder of the token issuer, DITTO, will provide the necessary financial support.

6 The underlying project is developed and managed by a professional team with proven expertise and experience, enabling the creation of maximum benefits for all stakeholders

SIAM TC TECHNOLOGY

- **Transparent corporate governance**
- **Focused** on business development that promotes strong environmental policies and best practices
- **Implementation of the underlying project** to enhance benefits and support local community

Rolling Koncept Innovation

- **ROK**[/1] was registered as a mangrove forest project developer for carbon credit benefits in 2022.
- **ROK was ranked as Tier 1 contractor**, eligible to undertake projects ranging from 1 to 1,000 rai.

- **Local communities** are employed to plant and maintain mangroves in line with DMCR regulations.
- **Work closely** with ROK to support community-based monitoring and protection

Remark: /1 Rolling Concept Innovation Co., Ltd. ("ROK") is an operator registered with the Department of Marine and Coastal Resources (DMCR) as a mangrove reforestation operator for carbon credit purposes. The token issuer has considered and entered into an agreement appointing ROK as the mangrove reforestation operator for the entire project area.

Digital Tokens involve risks; investors should carefully review information and make investments according to their own risk profile.

Underlying Projects Details

Total Underlying Project Area

17,531.04 Rai

Premium T-VER
1,749.96 Rai

+

Standard T-VER
15,781.07 Rai

The Underlying Project Area Covers 15 Provinces

1. Samut Songkhram
2. Prachuap Khiri Khan
3. Chachoengsao
4. Rayong
5. Trat
6. Ranong
7. Chumphon
8. Phang Nga
9. Surat Thani
10. Krabi
11. Phuket
12. Trang
13. Satun
14. Pattani
15. Nakhon Si Thammarat

Mangrove Species in the Underlying Project

1. Large-leaf Mangrove
2. Small-leaf Mangrove
3. Red Mangrove
4. Siam Sorrel Tree
5. White Mangrove
6. Red-flowered Mangrove
7. Red-flowered Bruguiera
8. Beach Calophyllum
9. Beach Barringtonia
10. Poonga-oil tree
11. Cerbera Odallam Tree
12. White Cannonball Mangrove
13. Cedar Mangrove
14. Sea Trumpet
15. Cajuput tree

Underlying Projects Processes

1

2022

Area Approval from the Department of Marine and Coastal Resource (DMCR)
The token issuer participated in the development and implementation of the mangrove reforestation project for carbon credit benefits by the DMCR.

2

2022

Joint investment agreement with Visuddhi Consultants Co., Ltd. (VSD) as a project partner.
Appointed ROK as the mangrove reforestation contractor for all project areas.

3

2023

Development and Implementation of the Underlying Project.
ROK conducted site surveys, selected project areas, and carried out sapling planting. Preparation of documentation for project registration.

4

2024

Project Registration with TGO
The underlying project was registered and audited prior to the issuance and offering of the tokens.

5

Throughout the Project Duration

Project Area Maintenance
ROK is responsible for the maintenance, care, and monitoring of the survival rate throughout the entire digital token project duration.

6

2025

Approval by the SEC
The Securities and Exchange Commission (SEC) granted approval to the token issuer to carry out the offering of the Blu Green Token.

7

2030 and 2032

Carbon Credit Verification
The token issuer will apply for carbon credit verification from the TGO (Thailand Greenhouse Gas Management Organization) in Year 5 and Year 7 of the underlying project.

8

2030 to 2032

Sales of Underlying Carbon Credits
The token issuer will proceed with the sale of underlying carbon credits starting from Year 5 of the Underlying Project.
The Business Development department is responsible for sales planning, execution, buyer sourcing, and terms negotiation.

9

2031 to 2033

Distribution of Returns to Token Holders
Net proceeds from the sales during Year 5 onward will be allocated as returns to token holders as specified in the prospectus.

Digital Tokens involve risks; investors should carefully review information and make investments according to their own risk profile.

Risk Factors

Risk relating to Digital Token and Asset of this project

1) Risk that the project may be affected by natural disasters, deterioration in project capability, and increasing operating costs.
2) Risk that the token holders may receive the average internal rate of return (IRR) per year at a different rate from the forecasted rate.
3) Risk that the token holders who sell the tokens before the return and initial investment payment entitlement date during the accounting years 5 – 7 may not be allocated the net proceeds from sale of underlying carbon credits.
4) Risk regarding the payment of accumulated compound return and initial investment due to uncertainty surrounding the future financial status of the financial supporter.
5) Risk that a conflict of interest may occur with the token issuer, as the token issuer has participated in other mangrove reforestation projects in addition to the digital token project.
6) Risk that the forecast price of carbon credits prepared by the Independent Market Research (IMR) may not reflect the actual market price of carbon credits, and there is no assurance or guarantee that the price will correspond to the forecasted price.
7) Risk that the underlying carbon credits may be cancelled, revoked, or withdrawn because of changes in laws or government policies.
8) Risk that the underlying project may be delisted or deregistered by TGO, if the project developer is unable to comply with the specified criteria.
9) Risk that the project is unable to obtain expected volume of verification of the underlying carbon credits within the expected timeframe due to uncontrollable factors, such as unsuitable weather conditions and mangrove forest growth being dependent on environmental factors.
10) Risk arising from participating in the development of the project with DMCR, due to incomplete and/or inaccurate submission of project approval documents by the project developer, failure to complete the registration of the underlying project within the specified timeframe, or complaints related to the implementation of the underlying project.
11) Risk arising from changes in government policies, regulations, and legal frameworks, which may affect the operation and the Underlying Project.
12) Risk relating to the voluntary carbon market conditions in Thailand, which may affect the sale of underlying carbon credits due to supporting factors related to environmental laws and policies at both domestic and international levels, thereby affecting the supply and demand of carbon credits in Thailand.
13) Risk of invasion into the project area, as the underlying project consists of mangrove forest areas within forest zones where no physical barriers are in place to prevent access by external parties.
14) Risk relating to co-developers of the project, in cases where co-developers are unable to continue the Underlying Project, which may result in the cancellation of joint areas and affect the quantity of underlying carbon credits.
15) Risk related to potential litigation which may negatively affect the project in cases where members of the public or relevant sectors file claims or lawsuits against the relevant authorities.
16) Risk that the token holders may not receive higher returns from the sale of Premium T-VER underlying carbon credits as expected, if Standard T-VER underlying carbon credits are fully sold before the sale of Premium T-VER underlying carbon credits, which may have higher prices.

Risk relating to the Business Operation of Token Issuer

Since the token holders are not shareholders, they have no control or management authority over the token issuer. The token holders cannot control the operations of the token issuer, including any changes to management policies, nor demand or cause the token issuer to enforce token issuer's rights under the financial support agreement to secure the payment of accumulated compounded return returns and initial investment, if the counterparty, DITTO, fails to perform obligations under the agreement. If DITTO fails to comply with its obligations under the financial support agreement, the token issuer will be required to enforce DITTO's obligations under the agreement, including but not limited to issuing demands, providing notices of default, and taking legal actions and court proceedings. The details of the token holders' protection details are as described in the prospectus.

Risk relating to Digital Token and Token Offering

1) Risk that the token issuer may cancel the offering if it does not meet the specified conditions and requirement.
2) Risk that the Blu Green Tokens do not constitute as shares of the token issuer. Token holders are not entitled to participate in the determination, change of policy, or business operation of the token issuer.
3) Risk that the Blu Green Tokens may not be listed in the digital asset exchange, as the digital asset exchange may determine a different trading commencement date or may decide not to list the digital tokens.
4) Risk that the Blu Green Tokens may have low liquidity due to adverse impact factors, such as actual operating performance and changes in other external factors.
5) Risk relating to an increase in market return rate, which may cause the investors to select an alternative investment in the secondary market, affecting the price of Blu Green Token in the secondary market.

Risk related to the Use of Technology to implement the Offering of Blu Green Token

1) Risk that existing regulatory rules applicable to blockchain technology, digital tokens, and digital token offering are still under development, which may cause uncertainty on regulatory guidelines.
2) Risk related to cybersecurity threats, including hacking, malware infections, or other damage to Blu Green Tokens or the blockchain network used for the issuance of the tokens.

Other Risks

1) Risk related to changes in accounting standards or laws, which may affect the financial statements of the token issuer.
2) Risk related to changes in tax and fee policies associated with digital token investment, resulting in higher tax obligations. In the case of non-Thai investors, changes in withholding tax rates from those previously applicable may also have an impact.
3) Risk related to political situation, which may materially and adversely affect the financial position, operating results, and business opportunities of the token issuer.

Investors can study the full details of the prospectus at

 Digital Tokens involve risks; investors should carefully review information and make investments according to their own risk profile.