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P R Ü F U N G S V E R B A N D
der Deutschen Verkehrs-, Dienstleistungs- und
Konsumgenossenschaften e. V.
H a m b u r g

Report
on the statutory audit as of
2024
(Translation of the German signed audit report)

The Generation Forest eG,
H a m b u r g

Report No.: P 41 / 2024

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Please note that the German version of this translation of the audit report is authoritative.

The English version is for information purposes only.

Abbreviation

DATEV eG	Datenverarbeitung und Dienstleistung für den steuerberatenden Beruf eG, Nürnberg (Data processing and services for tax consultants eG)
eG	eingetragene Genossenschaft (registered cooperative)
Forest eG	The Generation Forest eG, Hamburg
Forestal S.A.	Forestal Filo del Tallo S.A, Panama
GbR	Gesellschaft des bürgerlichen Rechts (Civil law society)
GenG	Gesetz betreffend die Erwerbs- und Wirtschaftsgenossenschaften (German cooperatives act)
GmbH	Gesellschaft mit beschränkter Haftung (limited liability company)
HGB	Handelsgesetzbuch (German Commercial Code)
IDW	Institut der Wirtschaftsprüfer in Deutschland e. V., Düsseldorf (Institute of Auditors in Germany e.V.)
IDW PS	IDW Prüfungsstandard (IDW auditing standards)
KEUR	EUR '000
p. y.	previous year
USD	US-Dollar
Waldmensen S.A.	Waldmensen S.A., Panama City/Panama

A. Audit engagement

This report is addressed to our member cooperative, the

**The Generation Forest eG,
Hamburg,**

where we conducted the statutory audit 2024 in the period from June 24 to July 5, 2024 in accordance with §§ 53 et seq. GenG. An audit of the annual financial statements as of December 31, 2023 did not take place because the size limits of § 53 (2) GenG were not exceeded. We notified the chairman of the supervisory board of the start of the audit in accordance with § 57 (2) GenG.

The terms of § 62 GenG are leading to the execution of the engagement and our responsibility, also in relation to third parties. Furthermore our engagement terms in the version dated August 1, 2017, attached as appendix 6, are valid.

There was no verbal reporting yet to the members of the supervisory board and the executive board on the expected result of the audit this year in accordance with § 57 (4) GenG, but will take place later this year.

We have prepared this report on the results of our audit in accordance with the terms of § 58 GenG.

The annual financial statements as of December 31, 2023 are attached to the report as appendixes 1 to 3.

In accordance with § 59 GenG, the written audit report has to be announced at the next general meeting as an important point for discussion and possible adoption of a resolution.

In accordance with § 321 (4a) HGB, we confirm that we have complied with the applicable regulations on independence in our audit.

B. Basic statements**Matters that may adversely affect the development or going concern**

From its foundation in 2015 until the acquisition of the shares in Waldmensen S.A. (July 2017), the cooperative has built up its own structures. Afterwards, the cooperative started to use the liquid funds collected from the members to cover its own costs and to finance the acquisition of land and reforestation projects in Panama via Waldmensen S.A. respectively Forestal S.A. As expected, sustainable earnings will not be generated before 15 years. Until then, the cooperative is dependent on the payment of new equity capital to cover its own costs. This may endanger the development of the cooperative.

We were unable to conclusively assess the recoverability of this investment during our audit review.

C. Subject, nature and scope of the audit

I. Subject of the Audit

In accordance with § 53 (1) GenG, the subject of our audit was the cooperative's facilities, asset situation and management. The purpose is to determine the economic circumstances and the proper conduct of business.

An audit of the annual financial statements as of December 31, 2023 did not take place because the size limits of § 53 (2) GenG were not exceeded.

Our audit does not cover whether the continued existence of Forest eG can be ensured.

In our audit, we have observed the principles laid down by the DGRV Deutscher Genossenschafts- und Raiffeisenverband e. V. (German Cooperative and Raiffeisen Confederation) for the audit of small cooperatives in accordance with § 53 (1) of the German Cooperatives Act (GenG) (as of August 28, 2006) which are based on the auditing standard IDW PS 900 "Principles for the Audit Review of Financial Statements" when performing the critical appraisal of the annual financial statements.

II. Nature and scope of the audit

The basis for the substantive planning of our audit was information about the business activities and the economic environment, the control environment, the accounting system and the internal control system of the cooperative.

The assessment of the economic situation extends to the net assets, to the financial position and to the results of operations as well as to the key aspects of economic efficiency.

The audit of the compliance of the management extends to the management organization, the management tools and the definition and implementation of the principles of management policy (decisions and activities of the management).

As part of the risk-oriented audit approach, we first gained an overview of the company's processes and determined thereof our audit approach.

In the specific program of the cooperative, we determined the focus of our review, the type and scope of the assessments as well as the timing of the review and the assignment of employees. In doing so, we observed the principles of materiality and of risk orientation.

Planning and execution of the audit are at the auditor's discretion. The principles of materiality and risk orientation are applied.

The analysis of the net assets, financial position and results of operations up to the reporting date of December 31, 2023 was based on the annual financial statements as of December 31, 2023.

We assessed the net assets, financial position and results of operations after the reporting date using the business analysis and a list of totals and balances for the months January to March 2024.

We also performed the following standard audit procedures:

Audit of the membership development including the business assets and the capital reserve.

The information and evidence we requested were provided. The executive board has confirmed in writing that these disclosures and evidence as well as the accounting records and the annual financial statements are complete.

D. Statement on the economic circumstances

Analysis of the net assets, financial position and results of operation

1. Net assets

The cooperative uses the business assets paid in by members as follows:

On the one hand, financial resources are passed on to its subsidiaries in Panama as loans to acquire and reforest land in Panama. On the other hand, the funds received in this way are used to cover the cooperative's own costs. In total, loans to the Panamanian companies amount to kEUR 17,478 (p. y. kEUR 13,485).

We would like to point out that we are unable to conclusively assess the recoverability of the investments and the loans to Waldmensen S.A. or Forestal S.A. as part of our audit review.

On the liabilities' side, the equity is the main item at kEUR 23,411 (p. y. kEUR 20,401). The equity ratio is 98 % (p. y. 99 %). In the 2023 financial year, the cooperative received business assets of kEUR 4,177 and capital reserves of kEUR 2,505. This was offset by a loss of kEUR 3,691.

2. Financial position

The cooperative received funds from members in the financial year totalling to kEUR 5,285. kEUR 2,591 of this amount were passed on as a loan to Waldmensen S.A. and kEUR 1,403 as a loan to Forestal S.A. The remaining funds were used to finance running costs.

The solvency of the cooperative was guaranteed at all times during the reporting period.

As long as the cooperative has not yet established its own business operations, the cooperative is dependent on the payment of financial resources by its members.

3. Results of operation

The 2023 financial year ends with a net loss for the year of -kEUR 3,691 (p. y. -kEUR 3,565).

The main expense items were personnel expenses of kEUR 880 (p. y. kEUR 691) and other operating expenses of kEUR 2,851 (p. y. kEUR 2,847).

Personnel expenses of kEUR 880 (p. y. kEUR 691) increased by kEUR 189 compared to the previous year due to an increase in the number of employees and collective bargaining adjustments.

Other operating expenses mainly include advertising costs (kEUR 2,180, p. y. kEUR 2,223).

E. Statements on the appropriateness of the management and on the purpose of funding

Based on the statements and conclusions of our audit, which we have presented in this report, the proper conduct of business during the reporting period is ensured.

Our audit of the management organization, the management tools and the main activities in the reporting period did not lead to any objections.

We also examined the conduct of the supervisory board's duties accordingly. The supervisory board fully complied with its supervisory and advisory duties. These audits did not give rise to any objections.

The cooperative's promotional purpose of realizing sustainable reforestation projects and thus achieving long-term returns for its members is consistently pursued.

The cooperative has fulfilled its promotional purpose by financing land acquisitions and reforestation projects through subsidiaries in Panama.

F. Summarized results of the audit

I. Economic situation

We conducted our economic analysis on the basis of the annual financial statements as of December 31, 2023 and the accounting records for that financial year.

We have subjected these documents to a critical appraisal. We did not perform an audit of the annual financial statements as of December 31, 2023 or of the accounting records. We have therefore not issued an audit opinion.

We have not made any statements that speak against the reliability of these documents.

Furthermore, we draw attention to the fact that our audit review does not enable us to conclusively assess the recoverability of the investments and the receivables from Waldmensen S.A. or Forestal S.A.

Based on the annual financial statements as of December 31, 2023, the net assets, financial situation and results of operations of the cooperative are as follows:

The **net asset** situation is characterized by an equity ratio of 98 % (p. y.99 %).

Fixed assets, in particular loans to affiliated companies, are financed on a long-term basis.

After deduction of the capital reserve, 18.6 % of the business assets have been used up by losses.

With regard to the **financial situation**, it should be noted that the cooperative received a total of kEUR 5,284 from members, of which kEUR 3,993 were passed on as loans to affiliated companies. The remaining amount was mainly used to finance the cooperative's running costs.

The solvency of the cooperative was ensured at all times.

The **results of operations** of Forest eG are as follows:

New staff were recruited and advertising costs of EUR 2,180 thousand (p. y. kEUR 2,223) were maintained at almost the same level as the previous year in order to acquire new business assets. The 2023 financial year ends with a net loss for the year of -kEUR 3,691 (p. y. -kEUR 3,565).

The **executive board's proposal** for the appropriation of earnings for the 2023 financial year complies with the terms of the GenG and the Articles of Association.

The economic analysis as of January to March 2024 shows a provisional loss of kEUR 394.

With regard to the **economic situation**, we can conclude from our audit that the financial position is in order due to the acquisition of new business assets. The financial position is not satisfactory due to the reduced business assets resulting from the loss. The earnings situation is not orderly due to the net loss for the year and the lack of sales.

In addition to our opinion, we would like to point out that long-term investments are made in forest projects in Panama via its subsidiaries, which are financed by the members' business credit balances, in order to comply with the promotional purpose.

The credit balances are also used to finance the current expenses of the cooperative (e. g. acquisition of credit balances). The cooperative will not be able to expect sustainable returns for at least 15 years. Until then, it can be assumed that further losses will be incurred as planned.

II. Appropriateness of the management and of the purpose of funding

In accordance with § 53 GenG, the subject of our audit also included the management of the executive board and the conduct of the supervisory board. In doing so, we examined the management organization, the management instruments and the activities of the management.

The executive board performed its duties with due care. The supervisory board essentially fulfilled its monitoring and advisory duties.

The cooperative has pursued its purpose of funding in accordance with § 1 (1) GenG.

G. Concluding remark

We have drawn up this report to the best of our knowledge on the basis of our careful examination of the books, papers and other documents submitted to us. Based on the final results of our audit, we have no significant objections to raise with regard to the results of operations. We have not made any statements that would have required immediate notification of the chairman of the supervisory board pursuant to § 57 (3) GenG.

Hamburg, July 5, 2024

**Prüfungsverband
der Deutschen Verkehrs-, Dienstleistungs- und
Konsumgenossenschaften e.V.**

**Schmidt
Auditor**

(originally signed in German report)

The Generation Forest eG , Hamburg

	Assets		Liabilities	
	EUR	Prior Year EUR	EUR	Prior Year EUR
A. Payments in arrears due on business shares	4.394.524,00	2.997.934,86		
B. Long-term fixed assets				
I. Property, plant and equipment				
1. Other plant, operating and business equipment	4.287,00	5.993,00		
II. Financial Assets				
1. Investments	1.436.863,74	1.426.970,80		
2. Loans to companies in which an investment relationship exists	17.478.181,77	0,00		
Long-term fixed assets	<u>18.919.332,51</u>	<u>1.432.963,80</u>		
C. Short-term fixed assets				
I. Receivables and other current assets				
1. Receivables to affiliated companies	0,00	13.484.891,78		
- thereof with a remaining term of more than one year EUR 0,00 (EUR 13.484.891,78)				
2. Other assets	<u>324.092,37</u>	<u>262.787,26</u>		
II. Cash on hand, Bundesbank balances, Balances with credit institutions and Checks	324.092,37	13.747.679,04	335.338,20	97.312,46
			10.776,38	28.034,35
Total current assets	<u>574.652,85</u>	<u>16.139.276,94</u>		
D. Prepaid expenses	19.413,15	12.117,60		
	<u>23.907.922,51</u>	<u>20.582.293,20</u>	<u>346.114,58</u>	<u>125.346,81</u>
			<u>23.907.922,51</u>	<u>20.582.293,20</u>
Equity				
I. Capital stock			28.753.200,00	24.576.000,00
1. of the remaining members			4.918.156,00	2.412.735,00
II. Capital reserve			6.588.940,38	3.022.705,89
III. Loss carried forward				
IV. Loss for the year			3.691.476,98	3.564.961,72
Total equity			<u>23.410.938,64</u>	<u>20.401.067,39</u>
Accruals				
1. Other provisions			150.869,29	55.879,00
Liabilities				
1. Trade payables				
- thereof with a maturity up to one year EUR 335,338.20 (EUR 97,312.48)			335,338.20	97,312.46
2. Other payables				
- thereof due to taxes EUR 6,594.99 (EUR 8,461.64)				
- thereof social securities EUR 945,14 (EUR 911,87)				
- thereof with a maturity up to one year EUR 10,776.38 (EUR 28,034.35)			10,776.38	28,034.35

Statement of profit and loss for the period from January 1 to December 31, 2023

The Generation Forest eG , Hamburg

	EUR	Current Year EUR	Prior Year EUR
1. Other operating income		50,866.31	17,319.22
- thereof income due to exchange rates EUR 184.95 (EUR 0.69)			
2. Cost of materials			
a) Expenses for raw materials and supplies	9.67-		3,152.78
b) Expenses for purchased services	<u>13,962.50</u>	13,962.50	<u>14,584.82</u>
			17,737.60
3. Personnel expenses			
a) Wages and salaries	702,351.09		562,974.01
b) social security contributions and expenses for Pension plan and for support	177,883.72		128,186.74
- thereof pension plan EUR 15,834.85 (EUR 12,847.99)	<u></u>	880,234.81	<u>691,160.75</u>
4. Depreciation			
a) on intangible assets and property, plant and equipment		7,593.12	14,688.63
5. Other operating expenses		2,850,950.77	2,847,124.33
- thereof income due to exchange rates EUR 196.57 (EUR 377.09)			
6. Other interest and other income		10,321.14	496.01
- thereof from affiliated companies EUR 9,958.34 (EUR 0.00)			
7. Interest and other expenses		<u>67.00-</u>	<u>2.40</u>
8. Earnings before income taxes		-3,691,477.08	-3,552,898.48
9. Other taxes		0.10-	12,063.24
10. Loss of the period		<u><u>3,691,476.98</u></u>	<u><u>3,564,961.72</u></u>

The Generation Forest eG, Hamburg

Notes

A. General Information

1. The structure of the balance sheet and the statement of profit and loss complies with the provisions of the German Commercial Code (HGB). The statement of profit and loss has been prepared using the total cost method.
2. The cooperative is small within the meaning of § 267 (1) HGB. The preparation of a fixed assets schedule was not required in accordance with § 336 (2) in conjunction with § 288 HGB.
3. The cooperative has its registered office in Hamburg and is entered in the register of cooperatives at the Hamburg Local Court under GbR 1083.

B. Specification of the accounting and valuation methods

The following accounting policies have been applied in preparing the balance sheet and the statement of profit and loss:

- The statement of credit balances has been prepared on a gross basis in accordance with § 337 (1) sentence 3 of the German Commercial Code (HGB).
- Low-value assets with acquisition costs up to EUR 800.00 on an individual basis are written off in the year of purchase in full amount and are shown as acquisition and disposal in the fixed assets schedule in the year under review.
- Financial assets were valued at acquisition cost. There was no reason to recognize an impairment loss. Receivables and other assets were valued at nominal value. There was no need for a valuation allowance because the mean spot exchange rate on December 31, 2023 was EUR 1 = USD 1.1050 (December 31, 2022: 1 EUR = 1.0666).
- Cash and cash equivalents were recognized at nominal value in all cases.
- Receivables and other assets were valued at their nominal value. There was no need for value adjustments.
- Other provisions consider all identifiable risks and contingent liabilities, they were valued taking into account the basic principle of financial prudence with respect to the expected amount of claim.
- Liabilities are valued with their settlement amount.

C. Specification of the balance sheet and statement of profit and loss

I. Balance Sheet

1. In 2017, the cooperative had purchased 10 shares of B/. 1,000.00 (=USD 1,000.00) of Waldmensen S.A., in Panama City, Panama, for a total purchase price of B/. 475,000.00 (=USD 475,000.00) was acquired. EUR 380,000.00 had been paid on this by the reporting date 2018. The remaining amount of EUR 28,901.00 was paid at the beginning of 2019. The cooperative was the single shareholder of Waldmensen S.A.

In 2019, the cooperative had acquired 10 shares of USD 1,000.00 each in VWT S.A., in San Felix, Panama, for a total purchase price of USD 514,645.00. The purchase price was paid in full in 2019. The cooperative was the sole shareholder of VWT S.A.

On May 6, 2020, the merger of Waldmensen S.A. (acquiring legal entity) and VWT S.A. (acquired legal entity) was executed and confirmed by public deed no. 4162. The amount of the participation as of 12/31/2023 is EUR 878,824.26.

Financial statements of the merged company as of 12/31/2022 are available. The equity as of 12/31/2022 amounts to USD 26,548.00. The fiscal year 2022 ended with a net income of USD 1,958.00.

2. The cooperative acquired 7,500 shares of USD 80.00 each in Arboreal B.V., in Amsterdam, The Netherlands, in 2022 for a total purchase price of USD 600,000.00. The purchase price was settled in full in March 2022. The cooperative holds a 3.3% interest in Arboreal B.V. In December 2022, the company was renamed Generation Forest Invest BV. The amount of the participation is EUR 548,146.54 as of 12/31/2023.
3. The cooperative acquired 10 shares of USD 1,000.00 each in Forestal Filo del Tallo S.A., Panama, in 2023 for a total purchase price of USD 10,000.00. The purchase price was settled in full in January 2023. The cooperative holds a 100.0% interest in Forestal Filo del Tallo S.A. The amount of the participation is EUR 9,392.94 as of 12/31/2023.

The company's annual financial statements as at December 31, 2023 are available. Equity amounted to USD 10,000.00 as at December 31, 2023. The 2023 financial year ended with net income of USD 0.00.

4. The loans to companies in which participations are held have a remaining term of more than one year. As of December 31, 2023, they amounted to EUR 16,075,678.08 in relation to Waldmensen S.A. and EUR 1,402,503.69 in relation to Forestal Filo del Tallo S.A. Interest income from previous years reduced the loss carried forward by EUR 18,727.23.
5. The receivables and other assets have a remaining term of less than one year.
6. All liabilities have a remaining term of less than one year.

II. Statement of profit and loss

There are no special comments.

D. Other information

1. Member movement

	<u>Members</u>
Jan 01, 2023	6,550
Additions (incl. transfers)	889
Disposal (incl. transfers)	<u>48</u>
Dec 31, 2023	<u><u>7,391</u></u>

	<u>Shares</u>
Jan 01, 2023	20,480
Additions	3,486
Disposal	<u>5</u>
Dec 31, 2023	<u><u>23,961</u></u>

The credit balances of the remaining members increased by EUR 4,177,200.00 in the financial year. In 2023, there were 155 transfers of shares, the amount of which did not affect the share capital. Of these 84 members, 48 left the cooperative. They account for 5 shares sold and 103 share transfers. 47 share transfers were attributable to 36 active members.

The amount of the business share is EUR 1,200.00.

The payments due on shares are installment payments granted to members. They developed as follows:

Jan 01, 2023	EUR 2,997,934.86
Additions (payments received)	EUR 2,402,456.86
Disposal (open)	EUR 3,799,046.00
Dec 31, 2023	EUR 4,394,524.00

There are no commitments for total liability. There are other financial obligations in the form of rental obligations amounting to EUR 80,400.00 per year.

2. Headcount

The cooperative employs an average of 13 people.

3. Minimum capital

As of the reporting date, the minimum capital pursuant to § 37 (4) of the Articles of Association amounts to EUR 27,315,540.00. This corresponds to 95% of the business assets.

4. Name and Address of Audit Association

Prüfungsverband der Deutschen Verkehrs-,
Dienstleistungs- und Konsumgenossenschaften e.V.
Gotenstraße 17
20097 Hamburg

5. Management Board

Iliana Armién	until June 30, 2023
Andreas Eke	until June 30, 2023
Dr. Mathias Hein	Chairman
Charline Joost	as of July 01, 2023

6. Supervisory Board

André Marius Le Prince	until February 15, 2023
Dr. Hans Joachim Bellmann	
Dr. Verena Sandner Le Gall	
Andreas Eke	Chairman as of September 1, 2023
Axel Kleinfenn	Chairman until August, 30 2023
Simon Daum	

7. Going-Concern

The cooperative was founded to produce forest and agricultural products sustainably and collectively. The implementation of the business idea is a long-term one and can be divided into two phases:

Phase 1: Seeking members in order to finance land purchases and their reforestation and maintenance with the help of their paid-in capital. Recruitment of members and establishment of distribution channels.

Phase 2: Approximately 20 years after planting, trees can be removed and processed or sold.

In phase 1, hardly any income will be generated. The cooperative therefore closes the fiscal year with a loss. Only through sales in phase 2 can these be offset by then sustained positive results and surpluses paid out to members.

8. Value of the forests

As at December 31, 2023, Waldmensen S.A. had an expert opinion prepared by an independent third party, Ecowood Panama Services S.A., on the valuation of the forests. All fincas owned by Waldmensen S.A. were assessed and valued. The aim of the valuation is to meet the requirements of IAS 41 for the recognition and measurement of the biological asset as at December 31, 2023.

The estimate is based on the following methods and weightings

- Net present value approach: USD 20,569,391 (70%)
- Cost capitalization approach: USD 5,885,336 (30%)

The net present value (NPV) is the present value of all future cash inflows and outflows of an investment, discounted to the present date.

The cost capitalization approach determines the value of an investment by dividing the replacement cost by the capitalization rate.

The weighted average value is therefore USD 16,164,175. After taking into account a risk premium of 25% as compensation for the risk carrier in recent years, which is applied exclusively to the biological assets, the resulting value is USD 20,205,219. As a final step, the market value of the undeveloped land was estimated at USD 16,709,277, which contributes to the overall valuation.

Overall, this results in an estimated total valuation of the fincas of USD 36,914,496 (EUR 33,406,783.71).

This valuation is valid as at the valuation date in December 2023 and may change due to fluctuations in the timber market and the costs of management and harvesting. A discount rate of 8% and an inflation rate of 0% for income and costs were taken into account. Income from the sale of CO₂ certificates was not included.

The total investments (participations and loans to companies with which a participation relationship exists) in Panama amount to kEUR 18,366.

The difference between the investment in Panama of kEUR 18,366 and the total valuation of the fincas of kEUR 33,407 is to be understood as an increase in value of kEUR 15,041 over the last few years according to the available appraisals. In order to finance the investment for Panama, cumulative expenses of kEUR 10,260 were necessary in Germany.


9. Others

As of the balance sheet date, there were no receivables from members of the Board of Management or the Supervisory Board.

Hamburg, April 30, 2024

The Generation Forest
Management Board

M. Hein



C. Joost



Legal and economic relationships

I. Legal and statutory basis

Foundation year:	2015
Registration took place on:	November 14, 2016
Registered court:	Hamburg
Registration number:	1083
Financial year:	Calendar year

The Statute is valid in the version of November 27, 2015, last amended on June 30, 2023. The registration of the amendment (§ 1 company name) took place on November 30, 2023.

II. Business operations (§ 2 Statutes)

The purpose and object of the cooperative is:

- 1) The sustainable afforestation of forests, the subsequent agricultural and forestry use in compliance with ecological, economic and ethical principles, and the marketing of products from sustainable production. The object/business purpose of the or cooperative therefore includes:
 - a) The joint purchase and lease of land areas required for the planting of forests.
 - b) The planting and exploration of forests according to the "Generation Forest" principle.
 - c) To inform and advise the members and the public on all matters related to the object of the cooperative.
 - d) The cooperative can extend its business operations to the use of other sustainable and environmentally compatible forms of forest land and agricultural use.

- e) Furthermore, it may acquire, manage, broker, sell and supervise forest and agricultural land in all legal and utilization forms; it may undertake all work arising in the field of forestry and agriculture and also use third parties for this purpose.
- f) The further processing and sale of certified and sustainably produced precious wood as well as the objects of the cooperative mentioned in § 2 paragraph 2 lit. d of the Statute shall take place in particular in Germany.
- 2) The Cooperative may participate in other enterprises.
- 3) The extension of business operations to non-members is permitted.

III. Members

1. Membership

- | | |
|--|--|
| a) Shares: | EUR 1,200.00 |
| b) Liability amount per share: | no |
| c) Deposit obligation: | immediately, payment in installments upon request with the approval of the board possible |
| d) Maximum number of shares: | unlimited |
| e) Minimum number of mandatory shares: | one |
| f) Entrance fee: | from Jan 1, 2021 EUR 169.00
from Jan 1, 2022 EUR 231.00
from Jan 1, 2023 EUR 295.00
from Jan 1, 2024 EUR 363.00 |
| g) Notice period: | 12 months to the end of a financial year |

2. Member movement/balance of business

	Members	Shares	Shares nominal EUR
as of Jan 1, 2023	6,550	20,480	24,576,000.00
Additions	889,000	3,486	4,183,200.00
Disposal	48	5	6,000.00
as of Jan 1, 2024	7,391	23,961	28,753,200.00

IV. Executive bodies of the cooperative and authorized representatives

1. Executive board

According to § 19 of the Statute, the executive board consists of at least two and at most five members who must also be members of the cooperative and natural persons.

The members of the executive board are appointed by the supervisory board for a period of three years. The supervisory board is responsible for concluding, amending and terminating service contracts and as well concluding termination agreements. The Annual General Meeting is responsible for extraordinary termination of employment contracts.

The executive board comprised the following members as of July 5, 2024:

Name:	in function since:	last (re-) elected on:	Term of office until:
Mathias Hein	2019	08/31/2021	2024
Charline Joost	2023	06/30/2023	2025

2. Supervisory board

According to § 24 of the Statute, the supervisory board consists of at least three persons who are elected by the general meeting.

The term of office of the supervisory board members is four years; re-election is permitted.

The supervisory board comprised the following members as of July 5, 2024:

Name:	in function since:	last (re-) elected on:	Term of office until:
Andreas Eke	2023	06/30/2023	2026
Axel Kleinefenn	2019	06/30/2023	2026
Dr. Hans Joachim Bellmann	2015	06/30/2023	2026
Dr. Verena Sandner-LeGall	2015	06/30/2023	2026
Simon Daum	2023	06/30/2023	2026

The supervisory board was last constituted on September 25, 2023.

Acting Chairman of the supervisory board: Andreas Eke

Mr. Le Prince resigned from the supervisory board for professional reasons.

3. General Meeting

In accordance with § 48 (1) GenG, the General Meeting must be held six months after the end of the fiscal year.

In accordance with § 28 (3) of the Statute, the invitation period is at least two weeks.

The last ordinary General Meeting was held on June 30, 2023. Items on the agenda and main resolutions:

- Adoption of the annual financial statements as of December 31, 2022
- Discharge of the executive board and supervisory board
- Determination of an admission fee as of January 01, 2024
- Amendments to the Statute

V. Shareholding

As of December 31, 2020, Forest eG holds a 100 % interest in Waldmenschen S.A., registered under Panamanian law, with 20,000 shares acquired for a purchase price of EUR 878,824.26. As of December 31, 2022, the company reported total assets of USD 16,392,914.00 and net income of USD 1,958.00.

In March 2022, another investment in the amount of EUR 548,146.54/ USD 600,000.00 in Arboreal B.V., registered under Dutch law in Amsterdam, was acquired. The company was founded on January 11, 2021. Its main activities are the development and ownership of reforestation projects in Panama and forest management carried out through its wholly owned subsidiaries Arboreal FF S.A. and Arboreal VPV S.A., located in Panama, as well as the planting of seedlings in a certain selection of native species. In December 2022, the company was renamed Generation Forest Invest B.V.

In 2023, the cooperative has acquired all 10 shares of USD 1,000,00 of Forestal S.A. The annual statement as of December 31, 2023 shows an equity of US-\$ 10,000.00 and a net income of US- \$ 0.00.

VI. Rental agreement

On April 12, 2022, a new rental for office space was concluded between Forest eG and Fischmarkt Hamburg-Altona GmbH, which commenced on June 1, 2022. The rent or cold rent is EUR 6,700.00 per month.

VII. Fiscal situation

The cooperative is registered with the Hamburg-Altona tax office under tax number 41/701/05325.

VIII. Further informationCredit restrictions according to § 49 GenG

The credit limits have been set at EUR 100,000.00 by the general meeting on November 27, 2015.

The credit limit of payments from Forest eG to its subsidiaries amounts to a maximum of 90 % of the subscribed equity (capital of the members in the form of cooperative shares and premium).

The reason for setting this percentage is based on the fact that the loan is only for the indirect reforestation of forests through the wholly owned subsidiaries.

If the funds were used directly for the reforestation of forests in Panama, this would be immediately possible as an operational business activity. Compliance with a credit ceiling, as provided for in the law, is foreseen for other cases.

Important Notes

1. Three copies of the audit report shall be sent to the management board of the cooperative. Copies No. 1 and 2 must be signed by all members of the management board and the supervisory board. If a managing director is active in the cooperative, he must also sign the report. Appropriate signature forms are attached. **Copy No. 2 is to be returned to the association with the required signatures. Furthermore, the Chairman of the supervisory board shall receive a copy of the audit report. The members of the supervisory board are obliged to take note of the contents of the audit report (§ 58 (3) GenG).**
2. The audit report shall be discussed immediately after receipt in a joint meeting of the management board and the supervisory board in accordance with Section 58 (4) GenG. This discussion shall mainly serve to evaluate the audit result. If the report contains objections, measures are to be resolved to eliminate the identified deficiencies. The resolutions shall be recorded in the minutes. **A copy of the minutes of this meeting of the management board and the supervisory board concerning the discussion of the audit report and the adoption of the resolution shall be submitted to the Association immediately.**
3. According to § 59 (1) GenG, the report on the statutory audit must be announced in the agenda of the next general meeting as an item for resolution, namely under the title

"Report on the Statutory Audit and Resolution on the Scope of Announcement of the Audit Report".

The report shall be discussed at an ordinary general meeting of shareholders before the annual financial statements are discussed (= adoption of the annual financial statements and resolution on the appropriation of profits) and before the members of the governing bodies are discharged from liability. In an extraordinary general meeting, it should be placed at the beginning of the agenda. The resolution relates to whether and to what extent the audit report should be disclosed. The general meeting does not have to approve the audit report. It is important that nothing be concealed that the general meeting needs to know in order to form an accurate picture of the cooperative's situation. False representations are subject to the penal provisions of § 147 (2) No. 1 GenG. Furthermore, we refer to § 60 GenG in this context.

4. Section 59 (2) of the Act requires the supervisory board (not the management board) to declare the results of the audit at the Annual general meeting. The resolution on the scope of the announcement of the audit report and the declaration of the supervisory board must be recorded in the minutes.

A copy of the minutes of the general meeting shall be submitted to the Auditing Association without delay.

5. Members have the right to inspect the summary results of the audit report. It is advisable to display this together with the annual financial statements and, if applicable, the management report before the Annual general meeting.
6. The Auditing Association keeps the report and the documents given to it in connection with the performance of the audit and documents prepared by it itself for seven years.

General Engagement Terms Prüfungsverband der Deutschen Verkehrs- und Dienstleistungs- und Konsumgenossenschaften e.V., Hamburg ("association")

as of August 1, 2017

1 Scope of application

(1) These engagement terms apply to all audits and consultations of the cooperatives that belong to the association as members, as well as to all other activities of the association in relation these cooperatives, except as otherwise agreed in writing or prescribed by a mandatory rule. They apply accordingly to engagements from member companies in other legal forms (e.g. in the case of Article 25(1) EGHGB) and from associations, who are members of the Association.

(2) Third parties may derive claims from the contract between the association and the cooperative only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

2 Object, scope and execution of the audits, consultations and other activities

(1) The object of the audit, consultation or other activity is the agreed service, not a specific economic result. The association does not assume any management functions in connection with his services. The Association is not responsible for the use or implementation of the results of his services.

(2) The object and scope of the statutory audit of cooperatives are defined in § 53 GenG and, in the case of credit cooperatives, in § 340k HGB as well as § 29 KWG and § 36 WpHG. For the audit of the consolidated financial statements, § 14 Para. 2 PublG applies, in the case of credit cooperatives § 340k HGB. The subject matter and scope of any other audit, consultancy or other activity shall be determined by the agreements made, and in the case of special audits ordered by the Association's Management Board, by the assignment given by the Association to its employees.

(3) The audit, consultation or other activities will be performed in accordance with the German Principles of Proper Professional Conduct (Grundsätze ordnungsmäßiger Berufsausübung). In individual cases, the Association may make use of competent persons; these are obliged in accordance with No. 8 para. 1.

(4) The audit generally does not extend to the performance of individual investigations to detect unauthorised acts and other irregularities, unless cause for this arises during the performance of the audit or this is expressly agreed in writing. The subject of the audit also does not generally include individual investigations with regard to compliance with fiscal and other regulations, e.g. labour, food, competition and foreign trade law, or the determination of whether subsidies, allowances or other benefits can be claimed.

(5) If circumstances or the legal situation change subsequent to the release of the final professional statement, the Association is not obligated to refer the Cooperative to changes or any consequences resulting therefrom.

3 The obligation of the engaging party to cooperate

(1) The management board of the Cooperative shall ensure that all documents and further information necessary for the performance of the audit or other engagements are provided to the Association on a timely basis, and that he is informed of all events and circumstances that may be of significance of the audit or other engagement. This also applies to those documents and further information, events and circumstances that first become known during the work of the association. The cooperative will also designate suitable persons to provide information.

(2) Upon the request of the Association, the management board of the Cooperative shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement (statement of completeness) drafted by the Association.

4 Ensuring independence

The cooperative shall refrain from anything that endangers the independence of the association's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

5 Reporting and oral information

To the extent that the association is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the Association are binding only when they are confirmed in writing. Statements and information of the association outside of the audit report are always non-binding. Verbal declarations and information provided of the association outside the engagement are always non-binding.

6 Distribution of written statements

(1) The distribution to a third party of the audit report or parts thereof, expert opinions and other opinions – whether in draft or in the final version – the corporation requires the written consent of the association, unless the cooperative is obliged to distribute or inform due to law or a regulatory requirement.

(2) The use of results or statements for promotion purposes is prohibited.

7 Deficiency rectification

(1) In case there are any deficiencies, the cooperative is entitled to specific subsequent performance by the association. The cooperative may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. The cooperative may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, subsequent non-performance, unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The cooperative must assert a claim for the rectification of deficiencies in writing (Textform) [Transistors Note: The German term "Textform" means in written form, but without requiring a signature] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in an association statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the association at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the association should first hear the cooperative, if practicable.

8 Confidentiality towards third parties, and data protection

(1) The Association and the persons working for it are obliged to maintain confidentiality about facts and circumstances which become confided or known to them in the course of their professional activities, unless the Association is authorised to use or pass on such information (e.g. anonymised statistics).

(2) When processing personal data, the association will observe national and European provisions on data protection.

(3) The association shall collect, process and use data of the cooperative to the extent necessary for the execution of the assignment. The association is only permitted to process and use data beyond this within the framework of its statutory tasks (e.g. for statistical purposes or presentations of the cooperative system), insofar as the data is made anonymous or is to be published by the cooperative anyway; the data concerned may in particular be annual financial statement figures, turnover, employee numbers.

9 Liability

(1) For statutory audits of the association, the respective legal limitations of liability, in particular § 62 (2) GenG § 323 (2) HGB apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the association for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: Produkthaftungsgesetz], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The association is entitled to invoke demurs and defences based on the contractual relationship with the cooperative also towards third parties.

(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship due to the Association negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the Association is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the cooperative has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

10 Supplementary provisions for audits

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report. If the Association has not issued an auditor's report, a reference to the audit conducted by the Association in the management report or any other public reference is permitted only with the Association's written consent and with a wording authorized by him.

(2) If the association revokes the auditor's report, the auditor's report, it may no longer be used. If the Cooperative made use of the auditor's report, then upon the request of the Association he must give notification of the revocation.

11 Supplementary provisions for consultations and other activities

(1) The association is entitled to assume that the facts and other information provided by the cooperative are correct and complete in all consultations and other activities, in particular in the case of consultation on individual issues as well as in the case of continuous consultation. The Association however has to point out to the cooperative any inaccuracies it has ascertained

(2) An assignment (e.g. tax consultancy assignment) does not include the actions required to meet deadlines, unless the association has expressly undertaken to do so. In this case, the cooperative shall submit to the Association all documents essential for meeting deadlines, in particular tax assessment notices, in good time so that the Association has an appropriate amount of time to process them.

(3) In its consultations and other activities, the Association takes into account the main published case law and, in the case of assistance in tax matters, also the main published administrative opinion.

12 Electronic Communications

Communication between the association and the cooperative may be via e-mail. In the event that the cooperative does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the association in writing (Textform) accordingly.

13 Remuneration

In addition to his claims for fees, the association is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses. Multiple engaging parties are jointly and severally liable.

The fees and charges are based on the rates set by the responsible Association management bodies. Unless otherwise agreed, the Association is entitled to collect the fees and charges, including the reimbursement of expenses, by direct debit.

14 Place of jurisdiction

The place of jurisdiction is the registered office of the association.