Version 1.1, March 25th, 2025

1. INTRODUCTION

1.1 CannaGreen Project Overview

CannaGreen is an innovative project in the field of medical cannabis cultivation that combines advanced cultivation technologies, stable plant genetics and quality control at every stage of production. Located in the village of Rusanov, just 45 km from Kyiv, the farm includes 800 m² of greenhouse space, 700 m² of laboratories, warehouse and office space, as well as a land plot of 1.02 hectares.

1.2 Project mission

Humanitarian Mission: Supply non-psychoactive CBD products to support veterans, civilians, and healthcare facilities in war-affected Ukraine.

- Innovations in the agricultural sector: The use of microcloning technology (Tissue Culture) to ensure stable plant genetics.
- Financial transparency: A project participation model that involves the participation of both small and large participants. Projected Expected Return Model is based on forecasts but is not a guarantee of income. Actual results may vary depending on market conditions per annum with a payback period of 12-18 months.
- Entering the international market: Supplying products in accordance with international quality standards.

1.3 Market problems

The medical cannabis market in Ukraine is at the stage of formation. Despite the prospects, there are significant challenges:

- Limited access to high-quality planting material.
- Lack of technologies for genetic control of plants.
- High risk of viral diseases among crops.
- War as a catalyst for demand for CBD: The armed war in Ukraine has led to an increasing need for non-psychoactive alternative remedies for the rehabilitation of military and civilians. Medical institutions and humanitarian organizations are increasingly considering CBD as a safe treatment for pain relief, stress reduction, and sleep improvement, which contributes to the growth of the market.

CannaGreen aims to address these challenges by creating an efficient, transparent, and profitable model for growing medical cannabis.

2. Market opportunities: CBD in wartime in Ukraine

2.1 Humanitarian crisis and medical demand

Consequences of the war

- More than 1 million Ukrainian soldiers and millions of civilians suffer from chronic pain, PTSD, and physical injuries.
- Traditional analgesics and opioids have a high risk of addiction and limited availability in war zones.
- CBD is a safe, non-addictive alternative that helps reduce pain, anxiety, and improve sleep.
- The WHO recognizes the potential of cannabinoids for palliative care and mental health support in war and conflict zones.

2.2 CBD as a solution

1. Non-psychoactive relief

- CBD products (oils, creams) help with pain and inflammation without psychoactive effects.
- Studies confirm the effectiveness of CBD in reducing anxiety and improving sleep quality in injury victims.

2. Rehabilitation support

- Cooperation with Ukrainian hospitals and humanitarian organizations to supply affordable CBD products for veterans and civilians.
- Example of an initiative: A pilot project with the Ministry of Health of Ukraine to test CBD balms for the treatment of burns.

3. Long-term mental health initiatives

- Collaborating with psychologists to develop CBD protocols for the treatment of PTSD (in the regulatory approval stage).

2.3 Market opportunities

Immediate demand

- The Ministry of Defense of Ukraine estimates that 60% of the military suffer from chronic pain or symptoms of PTSD.
- Post-war reconstruction will focus on the development of the health care system, including alternative medicine.

Export potential

- The European CBD market continues to grow:
    - The expected market size in the EU is €3.2 billion by 2027 (Prohibition Partners, 2024).
    - Poland and Romania are ramping up imports of CBD for medical use.
    - Ukraine can become a strategic producer of high-quality CBD for export.

2.4 Ethical and regulatory aspects

Avoiding medical claims

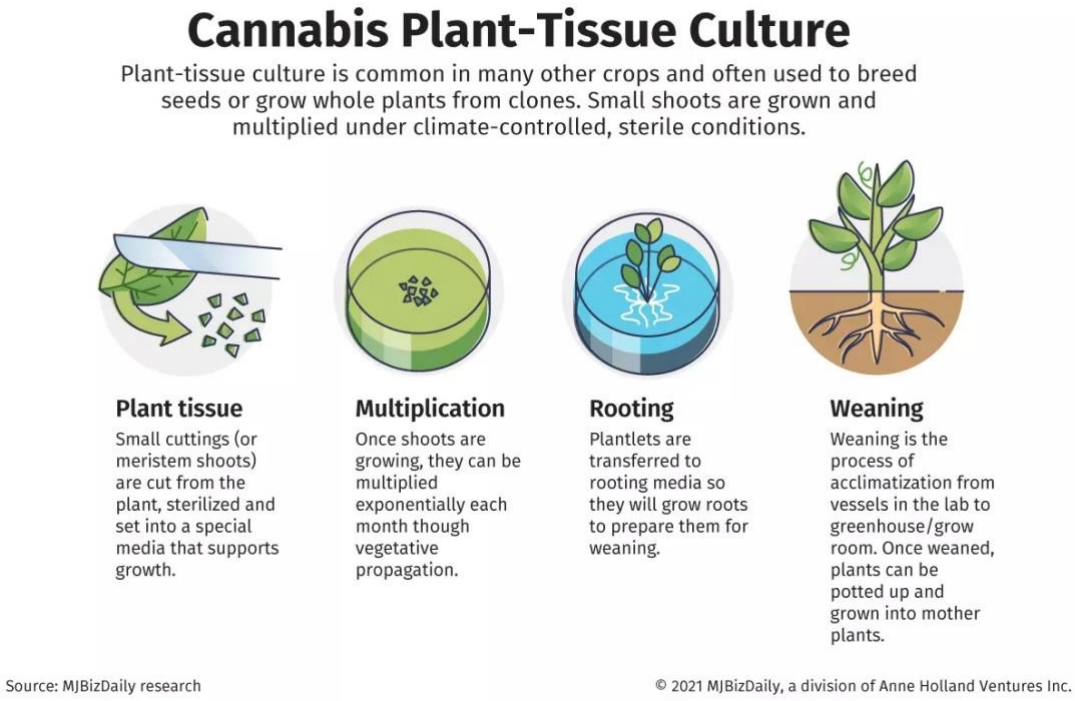
- We do not claim that CBD cures or cures certain diseases.
- We affirm that CBD is recognized as a remedy that can support well-being and reduce pain.

Regulatory Compliance

- The products comply with EU and Ukrainian standards for medical CBD (GMP certification).
- Full transparency: All clinical trials will be made public and used for further registrations.

🚀 Thus, CBD not only has economic potential, but is also an important part of the health recovery strategy in Ukraine.

3. TISSUE CULTURE TECHNOLOGY (MICROCLONING)



3.1 **What is Tissue Culture?**

Tissue Culture (microcloning) is a method of vegetative propagation of plants under sterile conditions. This technology allows you to obtain genetically identical plants with the best characteristics.

Basic principle:

- A small tissue sample is taken from the mother plant.
- In laboratory conditions, the sample is cleaned of pathogens and viruses.
- Identical clones are grown with stable characteristics.

Cultivation process via Tissue Culture

1. Selection of mother plants with high CBD content and minimal THC levels to maintain stable genetics.

2. Sterile cloning in the laboratory to eliminate pathogens and prevent diseases.

3. Production of more than 5,000 identical, high-yielding plants in each cultivation cycle.

3.2 Importance of genetic control

- Genetic stability is key to obtaining predictable crop quality and regulatory compliance.
- The use of traditional propagation methods often leads to plant heterogeneity, changes in chemical composition and loss of productivity.

3.3 Genetic stabilization techniques

1. CRISPR/Cas9 – Genetic Precision:
    - Removal of genes that contribute to plant instability.
    - Improving disease resistance and adaptation to climatic conditions.
2. Marker-Assisted Selection (MAS):
    - Using molecular markers to select optimal genetic lines.
    - Identification of the best plants at the seedling stage.
3. Haploid technologies and microcloning:
    - Creation of genetically identical plants with improved characteristics.
    - Guarantee stable performance without genetic mutations.

3.4 Genetic quality control

- Laboratory monitoring of plants – regular analysis DNA, stability testing.
- Breeding programs - work on breeding optimal varieties of CBD plants.
- International certification of genetic lines for compliance with EU standards.

3.5 Cooperation with scientific laboratories in Ukraine:

- Institute of Cell Biology and Genetic Engineering of the National Academy of Sciences of Ukraine – research of genetics and implementation of CRISPR.
- Agrobiotech Ukraine – selection of varieties with a high CBD content.

In Europe:

- Phytoplant Research (Spain) – development of genetically stable hemp lines.
- Swiss Biotech Association (Switzerland) – certification of biotechnological developments.

- CBD Test Lab (Germany) – analysis and confirmation of compliance with CBD products.

3.6 Main Benefits of Tissue Culture

✅ Genetic stability: Each plant is identical to the mother, which ensures the uniformity of the crop.

✅ Absence of viruses: Removal of pathogens such as TMV (tobacco mosaic) and HpLV (Hop Latent Viroid).

✅ High performance: Optimal CBD/THC ratio in accordance with regulatory requirements (THC is stable <0.3%), which guarantees legal compliance.

✅ Efficient use of space: Reducing the need for large seedling areas, which increases production efficiency.

✅ Projected yield: Each crop is predictable and controlled, providing 30% higher yields compared to traditional methods.

Tissue Culture allows you to get stable results, minimize the risks of diseases and increase the efficiency of cultivation.

Yield comparison

Methods:

1. Traditional cultivation (seeds/clones from open ground).
2. Tissue cultivation (sterile clones from the laboratory).

Setting	**Traditional method**	**Tissue cultivation**
Average yield (kg/m²)	0.5	0.8
Disease losses (%)	30%	5%
Stability of genetics	Low	High
Predictability of the harvest	60%	95%

3.7 Why is Tissue Culture important for CannaGreen?

The problem of traditional methods:

- The use of ordinary seeds leads to genetic abnormalities.
- The presence of latent viruses often reduces plant productivity.
- The unpredictability of the results makes harvest planning difficult.

Tissue Culture Solutions:

- Continuous Quality Control: Each clone meets quality standards.
- Stable harvest: Minimizing losses from viral and fungal infections.
- Long-term efficiency: Based on internal modeling and industry benchmarks, the implementation of Tissue Culture technology may lead to significantly reduced crop loss rates and a faster path to operational breakeven — typically within 12–18 months under optimal conditions (according to Canadian manufacturers)

3.4 Economic Benefits of Tissue Culture:

- Reduced costs: Fewer plants affected by diseases.
- Faster capital recovery: The project may reach operational breakeven within 12–18 months, depending on market conditions and execution efficiency.
- Higher financial result: A potentially higher result allows you to optimize your business plan.

3.8 Example of the application of Tissue Culture in the world:

Case study: Cannabis growers in Canada reduced crop losses by 30% and increased plant productivity by 50% after implementing Tissue Culture.

CannaGreen plans: to achieve similar results by implementing Tissue Culture in all greenhouses.

Conclusion: The use of advanced genetics stabilization technologies and cooperation with leading laboratories ensures quality stability, reduces the risks of crop loss and opens the door to exports to the EU.

🧬 4. Genetic potential of plants

4.1 The importance of genetics for a successful harvest

Genetic potential is the main factor determining the productivity and quality of the crop. For medical cannabis, this is especially important, as the main goal is to ensure a stable content of active ingredients such as cannabidiol (CBD) and control of tetrahydrocannabinol (THC) levels in accordance with legal requirements.

4.2 Challenges in Genetic Control of Cannabis

❗ Genetic instability: Traditional breeding methods often result in differences in CBD/THC content between plants.

❗ Low uniformity: High variability among seed plants.

❗ Danger of exceeding the regulatory level of THC: At the initial stage of business formation, we plan to cultivate hemp varieties licensed and registered in Ukraine, focusing on increasing CBD levels, while ensuring that THC levels remain within the regulatory limits (no more than 0.3%). This will allow us to comply with current legislation, minimize risks and prepare for obtaining a license to grow medical cannabis

4.3 Genetic control methods in CannaGreen

✅ Uses of mother plants with high CBD rates:

- Each mother plant is selected for the stability of the cannabinoid content.
- Studies are carried out before each cultivation cycle.

✅ Implementation of microcloning methods (Tissue Culture):

- Ensuring the complete genetic identity of plants.
- Minimizing abnormalities in the CBD/THC ratio.

✅ Monitoring at each stage of development:

- Regular laboratory tests to determine the content of active substances.
- Control of potential mutations.

✅ CRISPR technology to stabilize strains with high CBD content.

✅ Monthly laboratory testing in cooperation with Kyiv National Agrarian University.

4.4 Examples of applications of genetic control

Case study: In the US, one of the leading cannabis growing companies has implemented genetic monitoring through Tissue Culture and has achieved:

- An 85% reduction in abnormalities in CBD/THC.
- Reduction of losses from genetic instability by 40%.

CannaGreen plans to achieve similar results through its innovative genetics control program.

4.5 Impact on financial performance

- 📊 Cost reduction: Less plant rejection costs.
- 📈 Increased profitability: A stable and predictable product ensures a high price in the market.
- ✅ Legal compliance: Eliminating the risk of exceeding the acceptable THC limits.

4.6 Chapter Conclusion

Genetic control is the foundation for the successful cultivation of medical cannabis. In the CannaGreen project, each plant undergoes a thorough selection and control process, which guarantees a stable harvest and compliance with international quality standards.

🛡️ 5. Control of diseases and viruses

5.1 The importance of disease control in cannabis cultivation

Protecting plants from viruses and diseases is a critical step in the process of growing medical cannabis. Even minimal infestation can lead to significant crop losses and financial losses.

Main threats:

- 🦠 Tobacco mosaic virus (TMV): A common virus that causes stunted plant growth and reduced yields.
- 🦠 Hop Latent Viroid (HpLV): A virus that affects the structure of plants and significantly reduces their productivity potential.
- 🍂 Fungal infections: Mold and other fungi that infect leaves, stems, and roots.

5.2 CannaGreen approaches to disease control

✅ Preventive measures:

- Use of sterile equipment during planting and care.
- Regular treatment of greenhouses with antibacterial and antiviral agents.
- Strict control over the quality of water and fertilizers.

✅ Monitoring and laboratory analysis:

- Regular laboratory tests to detect early signs of viral and bacterial infections.
- Tracking plant health at all stages of growth.

✅ Isolation of affected plants:

- Quick isolation and removal of plants with detected infections.
- Prevent the spread of diseases through the air or tools.

5.3 Technological solutions for disease control

- 🌡️ • Climate control: Adjusting temperature and humidity to create conditions that minimize the risk of fungal infections.
- 💧 Water filtration: Using purified water for drip irrigation.
- 🔬 Genetic purity through Tissue Culture: Guaranteed absence of viruses in plants derived from sterile cloning.

5.4 Technology integration

To reduce the risks of developing plant diseases, we introduce modern monitoring and prevention technologies, which include:

- IoT sensors for constant measurement of humidity, temperature, and CO2 levels.
- An artificial intelligence system to detect early signs of plant damage by fungal or bacterial diseases.
- Automated notification of agronomists about potential threats for prompt response.

5.5 Preventive measures for pest and disease control

In order to minimize the risks of infection, we use comprehensive biological and physical protection measures:

1. Biological methods:

- Biopesticides: Natural microorganisms that destroy pathogens without harming plants.

- Beneficial insects: Use of predatory mites and entomophages to control pest populations.
- Microbiological preparations: Biofungicides to combat mold and fungal diseases.

2. Physical methods:

- UV sterilization: The use of ultraviolet lamps to disinfect the air in greenhouses.
- Ozonation: Removal of bacteria and fungal spores in the water supply system.
- Microclimate control: Automated humidity and temperature control to prevent the development of pathogens.

5.6 Laboratory Monitoring

- Weekly analysis of soil and plant samples for pathogens.
- Microbiological air control for early detection of fungal spores.
- Individual approach to each section of the greenhouse, depending on the risks of infection.

✅ The combination of monitoring technologies and preventive measures allows minimizing crop losses and improving product quality.

5.7 Case study

Case study: A company in the Netherlands has implemented a comprehensive disease control system that includes regular laboratory monitoring and sterile cloning through Tissue Culture.

Results:

- Reducing the spread of diseases by 85%.
- Increase in yield by 40%.

5.8 Economic effect of disease control

- 📉 Reduction of crop losses: Losses from diseases are reduced to a minimum.
- 📈 Increased profitability: Healthy plants ensure stable yield levels.
- ✅ Less waste: Fewer plants have to be destroyed due to infestation.

5.9 CannaGreen Disease Control Strategy

1. Continuous monitoring: Weekly laboratory tests.
2. Preventive measures: Regular cleaning and disinfection of equipment.

3. Reactive measures: Rapid isolation and removal of affected plants.
4. Technology Funding: Implementation of automated climate and humidity control systems.

5.10 Chapter Conclusion

Disease and virus control is a key element in the success of the CannaGreen project.

The use of innovative technologies, preventive measures and regular monitoring ensures the stability of the harvest and minimizes risks for participants

6. Launch Stage Budget

6.1 Main items of expenditure:

1. Equipment purchase:

- LED lighting for 3 greenhouses: CHF 37,500 (approx. CHF 12,500 per greenhouse)
- Greenhouse Climate System: CHF 30,000
- Drip irrigation system: CHF 15,000
- Generators, backup power supplies and solar panels: CHF 350,000
- Additional greenhouse insulation: CHF 30,000

2. Operating expenses (first 100 days):

- Fertilizers and plant protection products: CHF 10,000
- Power consumption: CHF 25,000
- Employee Salary: CHF 20,000
- Administrative Expenses: CHF 5,000

3. Additional costs:

- Laboratory Plant Monitoring: CHF 5,000
- GMP & ISO Licensing & Auditing: CHF 10,000

Total Launch Stage Budget: CHF 537,500

6.2 Estimated ROI (projection only, not guaranteed or contractual)

- **Production area: 800+ m²**
- **Projected yield: 600 kg of cannabis dry matter**
- Average price per 1 kg: CHF 1,200
- Seedling Sales Income: 100,000 seedlings × CHF 3 = CHF 300,000

Annual Income:

600 kg × CHF 1 ,200 = CHF 720,000

Annual operating costs:

- Electricity Costs: CHF 75,000
- Fertilizers and protective products: CHF 30,000
- Employee Salary: CHF 60,000
- Other costs: CHF 20,000

Estimated annual financial result:

CHF 1,020,000 – CHF 185,000 = CHF 865,000

Payback period:

- Initial Launch Budget: CHF 537,500
- Estimated annual financial result: CHF 865,000
- Theoretical return: 7 months

  The global CBD market demonstrates high profitability. Studies show that companies implementing Tissue Culture (including CRISPR-based technologies) tend to achieve EBITDA margins of 30–50% and demonstrate accelerated pathways to operational profitability. Examples are OrganiGram (25% revenue growth) and Verano Holdings ($65 million in free cash flow).

According to the profitability of growing CBD in Ukraine is up to 180%

https://agroreview.com/content/vyroshhuvannya-kanabisu-fermer-rozkazav-yakym-budeprybutok/

6.3 Competitive analysis

The CBD market in Europe and Ukraine is growing rapidly, which creates both opportunities and challenges.

✅ Competition in the Ukrainian market:

- Ukraine is just beginning to legalize medical CBD, so the market has not yet been formed.
- There are several local companies, such as Hempy UA and Hemp Farm Ukraine, but they operate without large-scale laboratory technologies.
- Lack of mass production with genetic standardization (Tissue Culture + CRISPR).

✅ Competition in the European market:

- Main players: Canopy Growth (Canada), Aurora Cannabis (Canada), Swiss Extract (Switzerland).
- Competitors are focused on mass production, but do not use CRISPR for genetic stabilization.
- CannaGreen wins by:
    - Tissue Culture + CRISPR, which ensures the quality and stability of the crop.
    - Energy efficiency (solar panels), which reduces operating costs by 30-50%.
    - Advanced asset tokenization, providing transparency and liquidity to participants.

  The CBD market in the EU is growing by 25% annually, and its volume will reach €3, 2 billion by 2027 (Prohibition Partners, 2024). The main competitors are Aurora Cannabis (€500M turnover) and Canopy Growth (€1B turnover).

  However, unlike them, CannaGreen has a unique combination of Tissue Culture + CRISPR, as well as energy efficiency 50% higher thanks to solar panels. This enables significant cost efficiency in production and may accelerate the project's path to breakeven.

6.4 Target audience

✅ B2B Segment (Main Focus)

- Pharmaceutical companies – the use of CBD extracts in the production of medicines.

- Medical institutions and clinics - cooperation with military hospitals, rehabilitation centers.
- Cosmetic companies – supply of CBD ingredients for cosmetic products.

✅ B2C segment (Through partner channels)

- Online stores and marketplaces (Amazon, Shopify, Rozetka).
- Offline sale through pharmacy chains and organic stores.
- Direct interaction with end users through the CannaGreen online platform.

6.5 Marketing strategy

✅ B2B model:

- Contracting for the supply of CBD extracts with EU pharmaceutical companies.
- Entering world exhibitions (MJBizCon, Spannabis) to attract strategic partners.
- GMP and ISO product certification, which opens the door for export.

✅ B2C model:

- Digital marketing: targeted advertising in Facebook Ads, Google Ads.
- Collaborations with bloggers and doctors specializing in alternative medicine.
- Extended loyalty program for repeat buyers (cashback in tokens).

CannaGreen products will be launched on Amazon and Shopify international marketplaces in Q1 2026. Negotiations are underway on placement in EU pharmacy chains (Apotheke Deutschland, DocMorris). This will allow us to reach the end consumer directly and ensure rapid growth in sales in the B2C segment

📌 Thus, CannaGreen's marketing strategy combines B2B and B2C approaches, ensuring a stable flow of customers through various sales channels.

6.6 Theoretical Financial Model in Ideal Conditions: Risks and Scenarios

Script	Expected income	Costs	Net profit	Payback Period
Optimistic	CHF1200,000	CHF250,000	CHF950,000	5-6 months
Base	CHF1,050,000	CHF185,000	CHF865,000	7 months

Pessimistic	CHF900,000	CHF200,000	CHF700,000	8-10 months

✅ Examples of high profitability in the CBD field

The global cannabis market demonstrates a high level of profitability, which is confirmed by the cases of leading companies:

- OrganiGram Holdings Inc. (Canada) – posted 25% revenue growth and a net financial result of CAD 2.82 million in Q3 2023

  https://www.marketwatch.com/story/organigrams-stock-rises-as-canadian-potcompanys-revenue-top-analyst-estimate-dbe0bc22?utm_source=chatgpt.com
- Verano Holdings Corp. (USA) – demonstrates stable EBITDA and forecasts free cash flow of 65-75 million USD

Our project uses similar effective business models, which confirms the realism of the forecasted Expected Profitability model is based on forecasts, but is not a guarantee of income. Actual results may vary depending on market conditions. under conditions of a stable economy and stable business conditions.

6.7 Energy independence

✅ Solutions for autonomous power supply

CannaGreen implements an energy-efficient strategy that reduces operating costs by 50% compared to traditional power supply. The main components of the energy system:

1. Solar system – 650 kW panels

- Generation: ≈ 650 kWh/day (average daily at 5 hours of sunlight).
- Covers 80% of the needs in the warm season.

2. Battery system – 1600 kWh

- Provides 2-3 days of battery life, accumulating excess energy.
- Reduces dependence on unstable grid power supply.

3. Backup diesel generator

- It is used only in critical situations.
- Guarantees complete independence from external power grids.

Financial savings calculations - traditional electricity costs (without autonomy):

✅ Monthly electricity consumption = 650 kW × 5 hours × 30 days = 97,500 kWh/month

✅ Monthly cost of electricity without autonomy = 97,500 × 12 ₴ = 1 170,000₴/month

✅ Annual costs without an autonomous power system = 1 170,000₴ × 12 = 14,040,000₴

Impact of the solar power system

- Solar panels cover 80% of annual consumption.
- Annual savings = 11 232 000₴ = CHF 245,000 (80% of 14,040,000₴). • Annual costs after the implementation of the solar system =CHF 61,000
- The estimated cost recovery period for the solar system is approximately 5 years, depending on usage patterns and energy prices.

📌 Conclusion

🔷 The implementation of a solar system reduces operating costs by 80%.

🔷 Savings on electricity – CHF 245,000 per year.

🔷 Stability of production even in the face of energy crises.

✅ Advantages of energy independence:

- 100% coverage of energy needs even in winter (thanks to battery systems).
- Protection against tariff fluctuations – the energy strategy stabilizes operating costs.
- ESG standards – 100% renewable energy attracts green participants.

📌 Conclusion:

Thanks to solar generation, energy storage system and backup power, the CannaGreen project is independent of external energy resources, which reduces operating costs by 50% and increases long-term profitability.

6.8 Factors affecting Economic Performance Estimate (EPE):

✅ Efficient energy management: Implementation of solar panels and backup power supplies.

✅ Plant quality control: Minimization of losses through laboratory monitoring.

✅ Genetic stability: Using Tissue Culture technology to ensure crop uniformity.

✅ Market Access: Entering international markets to increase profitability.

Sensitivity Analysis Table

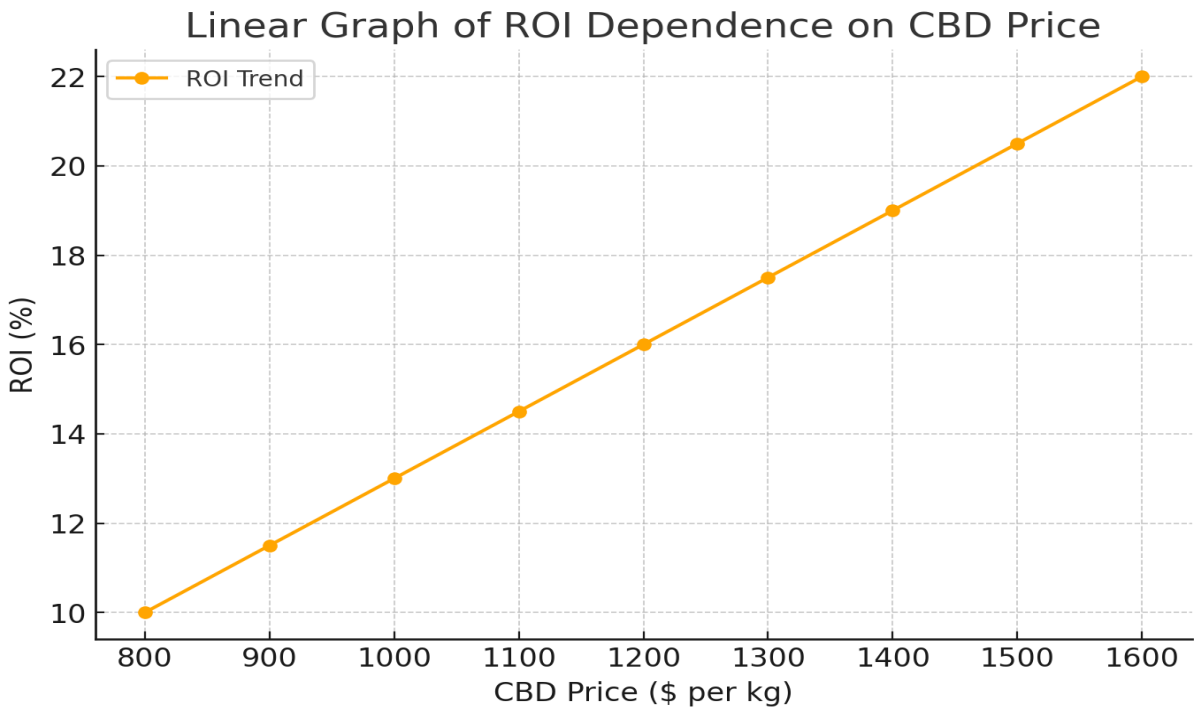
The baseline scenario in the conditions of stable energy supply, a stable market, a stable geopolitical situation and the termination of martial law:

- CBD Price: CHF 1,200/kg
- Energy Costs: CHF 75,000/year
- Annual financial result: CHF 865,000
- The expected profitability model is based on forecasts, but is not a guarantee of income. Actual results may vary depending on market conditions.

*ROI (Model-Based ROI) = EPE (Economic Performance Estimate) Estimated Capital Efficiency projection only, not guaranteed or contractual

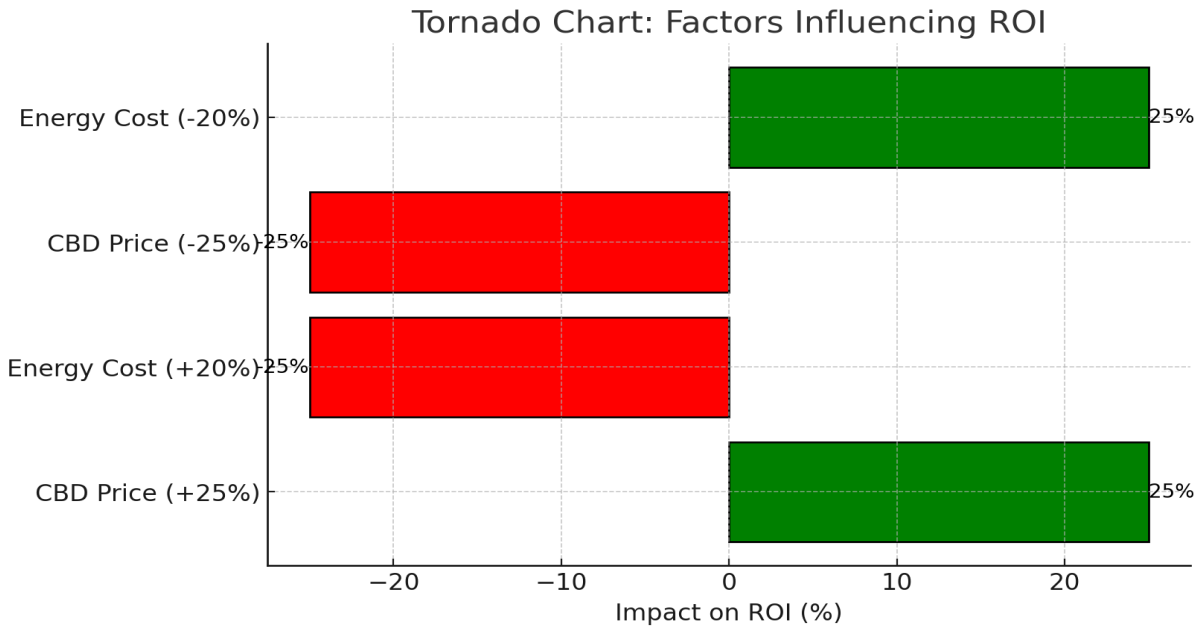
Script	**Price CBD (/kg)**	**Energy costs (/year)**	**Annual profit**	**EPE**
Optimistic	CHF 1,500 (+25%)	CHF 50,000 (-20%)	CHF 1,150,000	**95%**
Base	CHF 1,200	CHF 75,000	CHF 865,000	**70%**
Pessimistic	CHF 900 (-25%)	CHF 90,000 (+20%)	CHF 580,000	**45%**

EPE vs CBD Price Sensitivity Analysis Graph



Here is a tornado chart showing the impact of various factors on EPE. The green bars indicate a positive impact (EPE growth) and the red bars indicate a negative impact (a drop in EPE).

It demonstrates the symmetrical effect of CBD price and energy costs on EPE, and that the price of CBD is the most sensitive factor.



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📌 Thus, our financial strategy is based on proven market models and the efficient use of energy-efficient technologies.

✅ The impact of solar panels on cost reduction

- Energy savings: Solar panels can reduce energy costs by up to 55%.
- Cost Recovery Period for Energy Infrastructure:
    - The company's electricity costs are 1,000,000 kWh/year.
    - A solar station with a capacity of 500 kW generates 500,000 kWh/year.
    - Annual savings – CHF 127,000.
    - The payback of the solar system is 5-7 years, after which it provides a net financial result.

✅ How does this affect ROI?

- Reducing electricity costs increases the net financial result, which makes the expected financial result predictable and is based on forecasts, but is not a guarantee of income. Actual results may vary depending on market conditions and may be more realistic under stable conditions.
- The use of ESG (renewable energy) standards increases the interest of sustainable participants and gives a competitive advantage.

6.9 Realistic ROI and Financial Risks under Martial Law

✅ A balanced approach to profitability forecasting

Taking into account risks such as geopolitical instability, possible changes in EU regulations, and competitive pressures, we propose a conservative financial model with a realistic ROI:

📌 Conservative assessment:

- ROI 30-40% per annum.
- The payback period is 18-24 months.
- The calculation takes into account possible fluctuations in demand and logistical constraints.

✅ Risk management mechanisms

To reduce the impact of market and geopolitical risks, the company implements:

- Reserve fund in the amount of 20% of annual profit to cover:
  - Disruptions in logistics due to the war.
  - Sudden changes in exchange rates.
  - Regulatory changes in the EU and Ukraine.
- The fund is held in liquid assets (USD, CHF) in accounts with UBS and AMINA.
- Dynamic pricing policy that allows you to adjust prices when competition increases.

6.10 Asset insurance

The company protects its key assets with the help of leading international insurance providers:

✅ Insurance companies:

- Zurich Insurance covers the risks of war and force majeure in Ukraine.
- Lloyd's of London specializes in the agricultural sector and asset protection of agricultural enterprises.

✅ Cost of insurance

- Average cost of insurance coverage: 2-4% of the value of assets per year.
- For assets with a total value of CHF 1.5 million:

Annual insurance costs – CHF 30,000–60,000.

- This guarantees protection from unforeseen circumstances and minimizes risks for participants.

Variant of the financial model under martial law, taking into account the analysis of risks and opportunities:

Script	Annual Revenue (CHF)	Net Profit (CHF)	ROI (%)
Optimistic	1200000	400000	40
Base	900000	300000	30
Pessimistic	700000	200000	20

- Even in a pessimistic scenario, the company remains profitable with an ROI of 20%.
- The baseline forecast (30-40%) is the most realistic taking into account current market factors.
- An optimistic scenario (40%) is possible if the regulatory environment stabilizes and quickly enters new markets.

🚀 Thus, the risk management model, including the reserve fund and asset insurance, offers participants transparency into the project's economic performance and includes legal safeguards aligned with Swiss compliance standards.

6.11 Project Development Funding and Potential Market Perception of Token Value

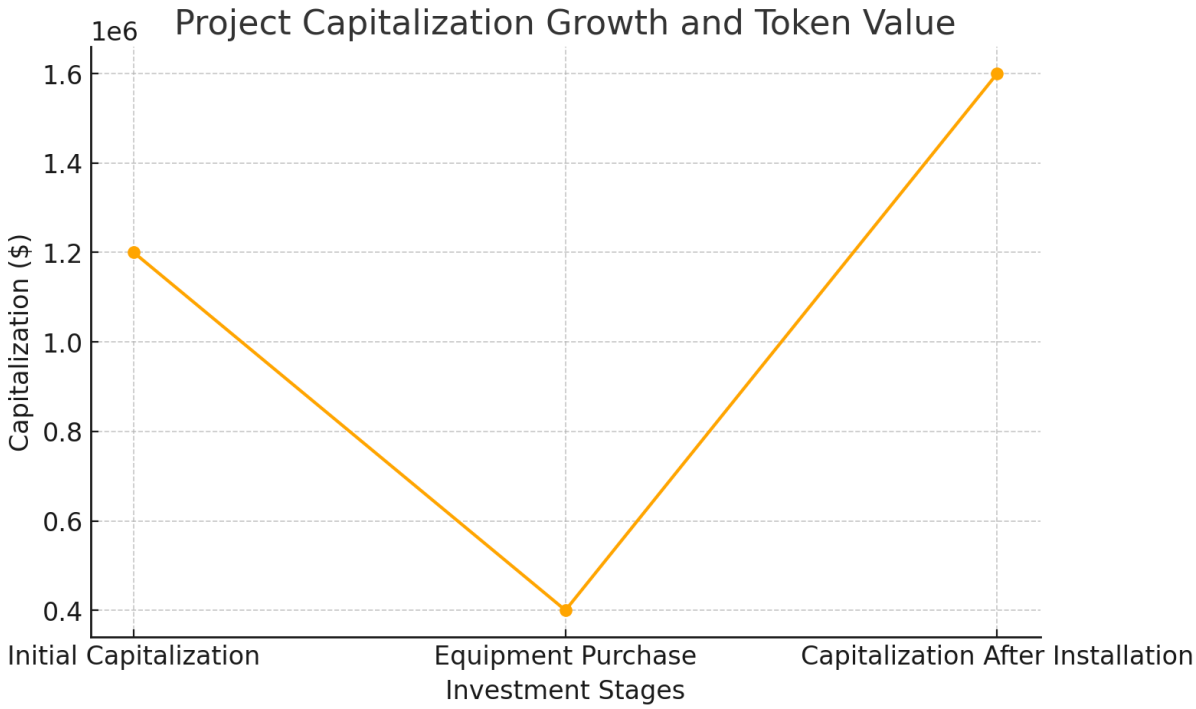
The purchase and installation of key equipment worth CHF 462,500, as well as licensing and audit costs of CHF 10,000, have a direct impact on the capitalization of the farm. This allows you to significantly increase the market valuation of the project's assets, which, in turn, leads to an automatic increase in the value of tokens confirming the share of participants in the project.

Calculation of the increase in the value of tokens:

1. Current capitalization of the object: CHF 1,200,000.
2. Budget allocated for equipment installation and licensing: CHF 472,500.

3. Estimated project capitalization upon completion of initial funding phase: CHF 1,200,000 + CHF 472,500 = CHF 1,672,500.
4. Capitalization Gain: CHF 472,500.
5. Expected Token Value Growth:

- The capitalization growth at CHF 472,500 provides a 39.38% increase in capitalization.
- Accordingly, the value of tokens will also increase by this percentage.



Stage	Value (CHF)	Token Value Change (%)
Initial capitalization	1,200,000	100.0
Purchase of equipment	462,500	139.38
Capitalization after installation	1,672,500	139.38

Such increase may contribute to early project valuation growth, which participants may indirectly benefit from as token holders.

6.12 Chapter Conclusion

The CannaGreen project offers a stable and predictable income for participants. Through the introduction of innovative technologies, risk reduction and effective resource management, we achieve a high level of profitability and transparency.

Key indicators:

- Net financial result: up to CHF 300,000 per year
- Payback period: 18-24 months
- Profitability: up to 30% per year

CannaGreen offers a structured participation model in the future of medical cannabis, combining technology, efficiency, and transparency.

🤝 7. Prospects for participants

7.1 Introduction to the Innovation Model

The CannaGreen project opens up unique opportunities for participation for both local and international stakeholders. Thanks to technological innovation, transparency of management and a predictable economic model, participants can count on potential benefits associated with the development of the project.

7.2 What do participants get?

The participant receives:

1. Legal documentation of token ownership and project participation:
    - Official agreement on participation in the project.
    - Access to the company's financial statements.
    - Protection of the rights of the project participant in accordance with Ukrainian and international legislation.

2. Financial benefits:
    - Potential payments depend on the financial results of the project and are not fixed or guaranteed.
    - The potential for additional profits by scaling production.
3. Share in the company (optional):
    - Opportunity to become a co-owner of the business.
    - The right to vote at key meetings of shareholders (for large participants).
4. Access to the international market:
    - Get a financial result from the export of products.
    - Access to global medical cannabis partnerships.

7.3 How can a participant confirm their rights to assets or financial results?

1. Contractual basis:

- Each token buyer receives a signed token purchase agreement with a detailed description of the terms of participation in the project.
- Regular financial statements (quarterly and annual).

2 Digital assets (tokenization)

✅ Linking tokens to real assets

- Each token confirms the right to participate in the company's performance related to the assets it owns, including:
    - Production facilities (greenhouses, equipment, products).
    - Financial flows – revenue from B2B/B2C sales of CBD oils and extracts.
    - Future financial result of the company, distributed among the participants.

✅ How does the tokenization mechanism work?

- The ERC-1400 standard on Ethereum provides legal and technical protection for participants.
- Smart contracts automatically:
    - The financial result is distributed among token holders.
    - Track ownership and confirm assets by tokens.

- Provide complete transparency through the blockchain.

✅ Secondary market and token liquidity

Token holders can transfer tokens to other participants within the following mechanisms:

- P2P agreements (OTC) or the company's internal marketplace in accordance with internal rules and KYC/AML policies.
- After further legal evaluation, listing on centralized exchanges (CeFi) may be considered.
- Technical connectivity to DeFi platforms (e.g. Uniswap) may also be considered, subject to regulatory compliance.

A company can create a liquidity pool in order to technically support the circulation of tokens among project participants. Such a pool is not an exchange or financial intermediary and operates in accordance with internal policies and regulatory requirements.

✅ Benefits for token holders

- The possibility of participating in the distribution of the company's income at the discretion of the board, subject to a positive financial result. Payments will be made through smart contracts.
- It is possible to circulate tokens between participants subject to AML/KYC requirements and in accordance with the company's policy.
- Full transparency of financial flows thanks to blockchain.

3. **Registration of assets in state registers:**

• Property involved in the project is registered in the relevant state registers.
• It provides legal transparency and protection of the rights of tokenization participants.

4. **Tokenization participant certificate:**

• Each participant can receive an official certificate confirming their participation in the project and the number of tokens.

5. Tokenization and circulation opportunities:

- CannaGreen tokens are based on the Ethereum standard and can be used by participants to interact with the platform and the company. The company may consider the possibility of technical connection to decentralized platforms (e.g. Uniswap, Balancer) in the future, provided it meets regulatory requirements.
- The possibility of listing on centralized exchanges can be evaluated after passing all legal checks. Currently, token trading is assumed in the company's internal environment or through OTC agreements between participants.

📌 Thus, tokenization creates a new format for participating in the project and a potential opportunity to interact with other token holders in accordance with the company's policy.

7.4 Formats of participation in the project

1. Direct participation in CannaGreen GmbH:
    - A participant can become a partner of the company on the terms determined by a separate agreement on participation in the authorized capital.
    - This is not part of the token sale and requires individual legal registration.
2. Participation via digital token:
    - The buyer purchases the CannaGreen token, which confirms participation in the project's digital ecosystem.
    - If there is a financial result of the company, payments can be made in accordance with internal policy and through smart contracts.
    - Tokens can be transferred to others within the framework of the AML/KYC policy.
3. Strategic participation (for professional players):
    - For large participants, the opportunity to participate in strategic project consulting can be provided.
    - Additional rights are determined individually within the framework of Swiss law.

7.5 Conditional Token Sale Participation Levels (Not a Guarantee of Income)

Category	Notional amount of participation	Potential interaction	**Additional features**
Basic Level Member	CHF 10,000	Can participate in a loyalty program	N/a
Partner	CHF 50,000	Access to advanced information	Consultative voice
Strategic partner	CHF 100,000	Can be invited to a strategic discussion	Special rights under a separate agreement
Strategic participant	CHF 600,000	Extended Participation	Invited to a strategic dialogue with the company's management. All rights and forms of participation are determined on the basis of a separate agreement, taking into account Swiss law.

7.6 International potential of the project

✅ Export of products: Access to the international markets of the EU, Canada and Australia.

✅ International Quality Certificates: Compliance with GMP and ISO standards.

✅ Partnerships: Collaborate with scientific institutions to develop new products.

7.7 Legal structure and protection of participants' rights

We ensure transparency and compliance with current legislation by implementing the following mechanisms:

1. Regulatory compliance
    - The company's activities are carried out in accordance with the legislation of Ukraine (license No. 667/23) and international standards, including FATF recommendations and EU directives.
2. Independent audit
    - The company's financial statements are audited annually by external auditors.
3. Transparency of finances
    - Key performance indicators are provided in the form of periodic reports for project participants.
4. Protection of participants' rights
    - Interaction with token holders is carried out in accordance with Swiss corporate law.
    - In case of a positive financial result, the company can implement incentive mechanisms through smart contracts in accordance with internal policy.
5. Licenses and standards
    - Cultivation license: No. 667/23, THC < 0.3% (Ukraine).
    - International standards: ISO 9001 (in progress), EU-GMP (expected in Q3 2024).
    - AML/KYC: compliance with the requirements of the Swiss GwG law and FINMA Circular 2017/1 recommendations.

Our legal team accompanies the project in accordance with the current norms of Swiss law, which allows us to act in accordance with FINMA and SRO standards.

7.8 Chapter Conclusion

The CannaGreen project offers participants the opportunity to transparently join the initiative at the intersection of technology, sustainability, and real assets. With the ability to choose between direct participation and digital tokens, participants receive a tool to interact with the project's platform.

Key benefits for token holders:

- The potential for economic growth based on the real business model.
- A legally structured mechanism for confirming the rights and conditions of participation.
- The ability to interact with the project at the level of a strategic partner — depending on the format of participation.

7.9. Risk Management

Geopolitical risks

✅ Diversification of export markets

- Our strategy for minimizing the risks associated with geopolitical instability involves focusing on international markets.
- The main export destinations are the EU countries (Germany, Poland, Romania) and Canada, which reduces dependence on local regulatory changes.
- The use of international certificates (GMP, ISO) ensures that products meet the requirements of the global market.

Regulatory safeguards

✅ Full compliance with Swiss and Ukrainian legislation

- Compliance with FINMA (Switzerland) requirements:
    - All financial transactions comply with the requirements of Swiss legislation on digital assets.
    - The use of AML/KYC procedures guarantees transparency for participants. o
- Compliance with the legislation of Ukraine on the cultivation of hemp:
    - Use of licensed raw materials and conducting activities in accordance with Ukrainian control standards.
    - Compliance with product traceability requirements and compliance of CBD levels with international standards.

    Thus, our risk management strategy is aimed at increasing the sustainability of the project model and ensuring its functioning in accordance with international legal requirements.

8. Exit Strategy: Optimizing Token Profits and Liquidity

Since our goal is to effectively exit the business with maximum benefits, it is necessary to implement a comprehensive approach that includes increasing the value of assets, attracting a strategic buyer, and ensuring token liquidity.

8.1 Increasing the value of the business before selling

To increase the market valuation of the company and attractiveness for buyers before the sale, the following steps are implemented:

✅ Legal and financial training:

- Licensing: Obtaining FINMA/SRO + GMP/ISO certification will increase the credibility of the business.
- Financial transparency: Audit, confirmed financial result, regular financial statements.
- Legally registered real estate: A lease agreement or ownership of a land plot.

✅ Increase in profitability:

- Filling production facilities is reaching full capacity by the end of 2026.
- Supply contracts: Conclusion of B2B agreements with EU pharmaceutical companies.
- Marketing strategy: Increasing brand awareness to increase asset value.

✅ Ensuring token liquidity:

- Inclusion of secondary market capabilities (Binance, Uniswap, centralized exchanges).
- A mechanism for redeeming tokens by the buyer when selling a business.

Goal: To increase EBITDA and overall business valuation before selling.

8.2 Finding a Strategic Buyer

🔎 Potential buyers:

- Pharmaceutical companies that produce CBD drugs.
- EU/US investors interested in a stable business in the CBD.
- Competitors in the market who are looking for ways to scale.
- Developers and landowners seeking to participate in real estate-backed projects.

Methods of attracting buyers:

- Participation in conferences (MJBizCon, Spannabis, CannaTrade).
- Cooperation with M&A consultants to attract strategic participants.
- Targeted advertising to attract participants in the EU, USA and Asia.

Goal: To find a buyer who will buy out the business at the maximum valuation.

8.3 Business and token sale mechanism

✅ Financial valuation: EBITDA × a multiplier of 8-10x.

Transaction format:

1. Sale of a company with all assets.
2. In the event of the sale of the company, the buyer is obliged to redeem all the participants' tokens at the market price or commit to continue paying dividends in accordance with the profit-sharing mechanism. The market buyback price is determined at the time of the sale of the business or as the weighted average price over the last 30 days.
3. Payment for the transaction in Fiat / USDT / shares of the new owner.

Example of business valuation:

- Annual financial result: $500,000.
- Valuation by multiplier: 8x – 10x EBITDA.
- Estimated Selling Price: $4M – $5M.
- The buyer buys back all tokens → liquidity for participants.

Goal: Get the maximum amount for the business and avoid token redemption obligations.

8.4 Exit Roadmap

Final plan:

✅ Q1 2026: Reaching full production capacity.

✅ Q2 2025: Obtaining FINMA / GMP / ISO → market price increase.

✅ Q1-Q2 2026: Search for potential buyers, negotiations.

✅ Q3-Q4 2026: Business Sale and Token Redemption.

Strategic goal: To enable value growth of up to several multiples over initial funding, with timing and outcome dependent on execution and market dynamics.

9. Social Impact: Rebuilding Ukraine

9.1 Health partnerships

✅ Military hospitals: Pilot project with the Kyiv Military Hospital to provide CBD oils for pain relief in rehabilitation programs.

✅ Assistance to civilians: Cooperation with the Ukrainian Red Cross to support victims of trauma in areas affected by bombing.

9. 2 Ethical production

✅ Transparent Supply Chain: Traceability of all stages of production using blockchain – from seed to final product.

✅ ESG compliance: Using solar panels to power greenhouses and ensuring fair pay for staff.

Thus, our project is not only commercially promising, but also has an important humanitarian mission aimed at maintaining the health of the military and civilians in Ukraine.

10. Conclusions and call to action

10.1 CannaGreen Project Summary

CannaGreen is an innovative project in the field of medical cannabis cultivation that combines modern technologies, high standards of quality control, and an open digital model of participation in the company's development.

Key advantages of the project:

✅ Innovative Technologies: Using Tissue Culture for a stable plant genetic profile.

✅ Financial transparency: regular reporting, auditing, and legally structured activities.

✅ Profitability potential: according to the optimistic scenario, a payback of 18-24 months is possible (not a guarantee).

✅ Quality control: Monitoring the condition of plants at all stages of cultivation.

✅ International potential: Opportunity to enter the EU, Canada and Australian markets.

10.2 Why You Should Join CannaGreen

1. Rapid development: the business model is result-oriented for 18-24 months.
2. Risk reduction: technology minimizes crop losses.
3. Income opportunity: the company provides for the possibility of financial interaction with project participants based on the results of activities.
4. Transparency: openness of reports, legal support, cooperation with Swiss advisers.
5. Societal Relevance: Supporting the development of medical cannabis for healthcare.

10.3 Opportunities for token sale participants

📊 Participation levels: a flexible system for token holders of different levels — from minimal to strategic.

📄 Legal structure: digital agreements, smart contracts, auditing.

💼 Strategic interaction: participants at the strategic level can be invited to discuss key areas of development.

🌍 International perspective: integration with European partners and entering new markets.

11. Leadership Team

✅ Andriy Petrovitskyi (CEO): has more than 10 years of experience in agricultural technologies and management of innovative projects. You can learn more about his activities through public profiles:

https://www.instagram.com/petrovitskyfarm
https://www.youtube.com/@petrovitskywebinarchannel13

✅ Dr. Olga Kovalenko (Chief Agronomist): PhD in Biological Sciences, specialization – plant genetics, University of Zurich.

✅ Markus Fischerman (Compliance Officer), former advisor on financial regulation of the Swiss banking system.

11. Roadmap

✅ Q3 2025: Completion of solar panel installation, obtaining ISO certification.

✅ Q1 2026: Launch of B2B exports of CBD oils to Germany and Poland.

✅ Q1 2026: Reaching full production capacity.

✅ Q1-Q2 2026: Search for potential buyers, negotiations.

✅ Q3-Q4 2026: Business Sale and Token Redemption.

12. Next steps for participants

1. 📞 Contact us:

   Andre Petrovitsky

   📱 +380674409001 / +41754122838

   📧 andre_petrovitsky@yahoo.com
2. 📝 Choose a participation format:

   Determine the desired level of engagement and the number of tokens you plan to purchase.
3. 🤝 Sign a token purchase agreement:

   You will receive an official document describing the conditions for participating in the project through digital assets.
4. 🚀 Join CannaGreen:

   Be part of an initiative to develop medical cannabis and digital infrastructure for real business.

CannaGreen is not just a technology project. It is an opportunity to be part of the transformation of the healthcare industry through transparent digital participation.

13. Appendices

1. Cultivation license in Ukraine (Page 32).
2. Lab Test Results (CBD/THC Analysis, Page 33).

14. Glossary of technical terms

1. CRISPR

   Gene editing technology that allows specific sections of plant DNA to be precisely "cut" or altered to improve their properties (e.g., disease resistance, high CBD content).

2. Hop Latent Viroid (HpLV)

A virus-like pathogen that causes latent infections in cannabis plants, resulting in reduced yields and quality. It has no visible symptoms in the early stages.

3. Tissue culture (microcloning)

   A method of plant propagation under laboratory sterile conditions that guarantees the genetic identity of clones and the absence of viruses.

4. GMP (Good Manufacturing Practice)

   An international quality standard that regulates the production of medical products (from raw materials to packaging) to guarantee safety and effectiveness.

5. ROI (Return on Investment)

   This section presents a model for assessing the economic effectiveness of participation. The forecasted figures are illustrative only and should not be interpreted as a guarantee of return or profit. Actual outcomes may vary significantly depending on market trends, project execution, and regulatory context.

6. TMV (Tobacco mosaic)

   A virus that infects plants, causing leaf deformation and decreased photosynthesis.

7. Marker-Assisted Selection (MAS)

   A method of plant selection using DNA analysis, which allows you to select the best specimens in the early stages.

8. Haploid technologies

   The process of creating plants with half a set of chromosomes for accelerated selection.

9. IoT sensors

   Devices that automatically collect data on temperature, humidity and other parameters in greenhouses.

10. Tokenization

    Issuance of digital tokens (e.g. on the blockchain) that represent a stake in a company's assets or profits.

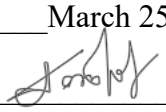
Disclaimer:

This Whitepaper is provided for informational purposes only. It does not constitute financial advice or an offer to sell securities. Previous results do not guarantee future performance.

Approved:

Andriy Petrovitskyi, Director

Date:_____March 25th, 2025_____

Signature: 

Location: Zug, Switzerland