

## 2. Summary

### Section A

#### *Introduction and warnings*

This Prospectus relates to the issue of bonds of the "**Green Finance Capital AG Step-Up CHF Bond 2024-2032**" with an aggregate nominal amount of up to CHF 25,000,000.00, which is divided into registered, fixed-interest Bonds with a nominal amount of CHF 1.00 per bond ("**Bond**"/"**Bonds**") and with a maturity on 2 May 2032 ("**Maturity Date**"). The term of the Bonds ends on 30 April 2032 (including). The Bonds constitute direct, unsecured obligations of the Issuer, ranking pari passu among themselves. The Bonds will be issued by Green Finance Capital AG (the "**Issuer**") and publicly offered in Liechtenstein, Austria, Bulgaria, Croatia, Czech Republic, Germany, Italy, Luxembourg, Poland, Romania, Slovakia, Slovenia and Switzerland ("**Offer States**").

#### *Warnings*

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Bonds should be based by an investor on consideration of the Prospectus as a whole. Investors could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, a plaintiff investor might, under national law, have to bear the costs of translating this Prospectus prior to initiating legal proceedings. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Bonds.

#### *The name and international securities identification number (ISIN) of the Bonds*

The name of the Bonds is Green Finance Capital AG Step-Up CHF Bond 2024-2032. The international securities identification number (ISIN) is: LI1338129011.

#### *The identity and contact details of the Issuer, including its legal entity identifier (LEI)*

The Issuer is Green Finance Capital AG, which has its seat in FL-9490 Vaduz, Fürst-Franz-Josef-Straße 68, Liechtenstein. The other contact details of the Issuer are: telephone number +423 376 44 88, e-mail: office[at]greenfinance-capital.com. The legal entity identifier (LEI) of the Issuer is: 52990003C6FKCKSZS240

#### *The identity and contact details of the competent authority approving the prospectus and, where different, the competent authority that approved the registration document or the universal registration document*

This Prospectus has been approved by the Financial Market Authority Liechtenstein as competent authority under the Prospectus Regulation (Regulation (EU) 2017/1129). The address and other contact details of the Financial Market Authority Liechtenstein are Landstrasse 109, Postfach 279, 9490 Vaduz, Liechtenstein, telephone number +423 236 73 73, email [info@fma-li.li](mailto:info@fma-li.li) and fax +423 236 73 74.

#### *The date of approval of the prospectus*

This Prospectus has been approved on 2 April 2024.

### Section B – Issuer

#### *Who is the issuer of the Bonds?*

The Issuer is Green Finance Capital AG, a stock corporation, incorporated, organized and existing under the laws of Liechtenstein and registered with the commercial register of the Office of Justice of the Principality of Liechtenstein ("**Commercial Register**") under registration number FL- 0002.581.256-8 since 4 May 2018.

#### *Principal Activities of the Issuer?*

The Issuer is a special purpose entity, which is established to issue debt instruments to be offered to, and placed with, investors. Proceeds to be collected in the course of such issuances, offers and placements will be made available via subordinated loan agreements to borrowing companies of the Green Finance Group ("**Green Finance Group**", basically consisting of: Green Finance Group AG, Green Finance Capital AG, Green Finance Broker AG, ImmoWerte GmbH, LVA24 Prozessfinanzierung GmbH, Green Business Center Linz GmbH, Green Business Center Graz GmbH, Green Assets AT GmbH, Green Business Center Wien GmbH, Green Castle Hantberg GmbH, Green Hotel Römerstein GmbH and Zenith GmbH; the "**Group Companies**"). The proceeds of such issues, offers and placements to be made available to Group Companies via subordinated loans ("**borrowing Group Companies**") will be used by such borrowing Group Companies for their respective general corporate purposes, such as: property development, financial services, litigation funding, insurance broking, letting, trading with all kinds of assets and brokering of photovoltaic systems and agreements with regard to photovoltaic contracting (which is a business model according to which a surface area (usually a roof surface area) is being made available by its owner to facilitate the installation of a photovoltaic system. The electricity to be generated via the photovoltaic system will either be sold to the owner of the surface area or fed into the grid during the term of an underlying agreement.

#### *Major shareholders, including whether it is directly or indirectly owned or controlled and by whom?*

The total nominal share capital of the Issuer as registered in the Commercial Register amounts to EUR 50,000.00 and is divided into 100 registered shares with a portion of the share capital attributable to each share of EUR 500.00. The shares are issued and fully paid. As of the date of this Prospectus the shares in the Issuer are wholly owned by Green Finance Group AG, which is a stock corporation, incorporated, organized and existing under the laws of Liechtenstein and registered with the Commercial Register under registration number FL-0002.576.495-3. Green Finance Group AG has its seat in FL-9490 Vaduz, Fürst-Franz-Josef-Straße 68, Principality of Liechtenstein. As of the date hereof, Dipl. Ing. (FH) Christian Schauer is the sole indirect beneficial owner of Green Finance Group AG. Through CSchauer Beteiligungs AG, Dipl. Ing. (FH) Christian Schauer holds more than 25% of Green Finance Group AG within the meaning of article 3 item 6 of Directive 2015/849/EU.

#### *Key managing directors*

Key managing directors of the Issuer are Dipl. Ing. (FH) Christian Schauer and Mag. Ekaterina Todorova Yaneva, who are also members of the board of directors (*Verwaltungsrat*).

#### *Statutory auditors*

The statutory auditors of the Issuer are AREVA Allgemeine Revisions- und Treuhand AG, FL-9490 Vaduz, Drescheweg 2, Liechtenstein. The Issuer's financial statements for the financial years, which ended on 31 December 2020 and on 31 December 2021 were audited by Grant Thornton AG.

#### *What is the key financial information regarding the issuer?*

The key financial information is derived from the interim financial statements of the Issuer as of 31 December 2023, and the audited annual financial statements of the Issuer as of

31 December 2022, which were prepared in accordance with the Persons and Companies Act of the Principality of Liechtenstein (PGR) and with generally accepted accounting principles. Source of the following information: interim financial statements of the Issuer as of 31 December 2023, which have neither been audited nor reviewed, and audited annual financial statements of the Issuer as of 31 December 2022.

Balance Sheet (in EUR)	31/12/2023	31/12/2022
<b>ASSETS</b>		
A. Financial Assets		
I. Loan receivables from related parties	63,401,200.25	44,155,888.25
<b>Total Financial Assets</b>	<b>63,401,200.25</b>	<b>44,155,880.25</b>
B. Current Assets		
I. Receivables	91,390.00	91,390.00
II. Deposits with banks	275,728.66	685,637.02
<b>Total Current Assets</b>	<b>367,118.66</b>	<b>777,027.02</b>
<b>C. Prepaid expenses</b>	<b>0.00</b>	<b>3,225.18</b>
<b>TOTAL ASSETS</b>	<b>63,768,318.91</b>	<b>44,936,132.45</b>
<b>LIABILITIES</b>		
A. Equity		
I. Share capital	50,000.00	50,000.00
II. Legal reserves	5,000.00	1,967.00
III. Brought Forward	75.75	0.00
IV. Annual profit for the year	3,626.14	10,956.02
<b>Total Equity</b>	<b>58,701.89</b>	<b>62,923.02</b>
<b>B. Provision for income tax</b>	<b>1,936.11</b>	<b>1,822.88</b>
C. Liabilities		
I. Tax liability	7,846.63	1,534.14
II. Loans third	61,345,198.55	43,613,087.00
III. Liabilities against related parties	2,342,614.36	1,246,638.31
IV. Liabilities from deliveries and services	1,265.21	0.00
<b>Total Liabilities</b>	<b>63,696,924.75</b>	<b>44,861,259.45</b>
<b>D. Expenses not yet paid</b>	<b>10,756.16</b>	<b>10,127.10</b>
<b>TOTAL LIABILITIES</b>	<b>63,768,318.91</b>	<b>44,936,132.45</b>

Income Statement (in EUR)	01/01/2023 to 31/12/2023	01/01/2022 to 31/12/2022
Personnel expenses	0.00	-19,036.77
Other operating expenses	-133,629.72	-54,462.49
<b>Operational Result</b>	<b>-133,629.72</b>	<b>-73,499.26</b>
Interest income	2,194,168.55	1,372,509.76
Interest expense on liabilities	-2,053,142.42	-1,286,134.87
<b>Result of ordinary expenses</b>	<b>7,396.41</b>	<b>12,875.63</b>
Taxes	-3,770.27	-1,919.61
<b>Annual Profit/Loss</b>	<b>3,626.14</b>	<b>10,956.02</b>

Cash flow Statement (in EUR)	01/01/2023 to 31/12/2023	01/01/2022 to 31/12/2022
Profit / (loss) for the year	3,626	10,956
Changes in provisions	113	86
Changes in receivables	0	0
Changes in loans	-19,245,320	-16,518,358
Changes in prepaid expenses and deferred charges	3,225	8,539
Changes in liabilities	18,835,665	16,764,770
Changes in accruals and deferred income	629	3,178

<b>Cash flow from operating activities</b>	<b>-402,061</b>	<b>269,171</b>
Investment payments	0	0
<b>Cash flow from investing activities</b>	<b>0</b>	<b>0</b>
Capital payment	-7,847	-8,707
Cash flow from financing activities	-7,847	-8,707
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-409,908</b>	<b>260,464</b>
Cash and cash equivalents as at January 1	685,637	425,173
Cash and cash equivalents as at December 31	275,729	685,637
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-409,908</b>	<b>260,464</b>

*What are the key risks that are specific to the Issuer?*

The risk factors have, within each category, been listed in an order of priority that reflects their materiality based on the probability of their occurrence and the expected magnitude of their negative impact on the Issuer.

#### Risks related to the Issuer

Non-operating company. The Issuer is set up to issue debt instruments, such as financial instruments, investments (*Veranlagungen*) and/or capital investments (*Vermögensanlagen*). The proceeds will be provided by the Issuer (via unsecured loans) to Group Companies. Bondholders are not, and will not be, entitled to enforce loans or have a direct recourse whatsoever vis-à-vis the borrowing Group Companies; will not have a direct claim for such outstanding amount against a borrowing Group Company; and may not file a motion or a claim with the insolvency court. The Issuer does not pursue any other activities save for the issues, offers and placements of debt instruments in order to provide the proceeds thereof to borrowing Group Companies.

Indebtedness. According to its financial statements as of 31 December 2022, the total liabilities of the Issuer amount to EUR 44,936,132.45, total borrowed capital amounts to EUR 44,861,259.45, whereas its total equity amounts to EUR 62,923.02. Its financial gearing, its debt-to-equity ratio, is very high and the Issuer is more sensitive to changes in operating profit. The Issuer neither has entered, nor agreed to enter, into restrictive covenants in connection with the issue of the Bonds as far as its ability is concerned to incur additional indebtedness or to obtain guarantees ranking pari passu or senior to the obligations under the Bonds. Any additional indebtedness may significantly increase the likelihood of a delay of, or default in, payments of interests or principal under the Bonds and/or may reduce the amount recoverable by Bondholders in the event of insolvency or liquidation of the Issuer.

Reliance on key personnel. Dipl. Ing. (FH) Christian Schauer holds executive roles in the Issuer, Green Finance Group AG and several subsidiaries of Green Finance Group AG. The success of the Green Finance Group hinges on decisions to be taken by Dipl. Ing. (FH) Christian Schauer with respect to e.g. strategy, capital expenditures, etc.. Further, the Group Companies are not obligated to borrow from the Issuer (they may turn to third party lenders instead. Any decision to be made by Dipl. Ing. (FH) Christian Schauer on behalf of one of the Group Companies may have an adverse impact on the other Group Companies.

#### Risks related to the Issuer's business

The Issuer and its ability to pay interest on, and redeem, the Bonds will be subject to all the risks to which each of the borrowing Group Companies is exposed. As a company that provides intra-group funding, the ability of the Issuer to honour its obligations pursuant to

the Bonds and to make corresponding payments with regard to interest and Principal is and will depend on whether the Issuer will receive interests on unsecured subordinated loans and repayments of unsecured subordinated loans from such borrowing Group Companies, which it will grant or has already granted unsecured subordinated loans. The Issuer will be adversely affected by defaults from any borrowing Group Company. If repayments of subordinated loans fall short of the amount necessary to redeem the Bonds and to pay interest on the Bonds on or prior to the Maturity Date or any other redemption date (in case of a termination), then the Issuer may not be able to honour its obligations pursuant to the Bonds. Hence, the Issuer and its ability to make payments under the Bonds will be subject to all the risks to which each of the Group Companies is subject. The activities of the Group Companies are exposed to and subject to extensive laws and regulations. The Group Companies may also be required under applicable law to seek governmental licences, permits, authorisations, concessions and other approvals in connection with their activities. Obtaining the necessary governmental permits may be a complex and time-consuming process and may involve costly undertakings. Each Group Company is exposed to the risk, that it may not have obtained all governmental licences, permits, authorisations, concessions and other approvals regarding its respective activities. The operating Group Companies, which are engaged in the real estate market are exposed to the risk that the values of the assets being held may decrease significantly in value due to a downturn or a general collapse of the real estate market. Such companies are also exposed to the risk that they may not be able to procure tenants and/or buyers for such properties. LVA24 Prozessfinanzierung GmbH is providing services with respect to litigation funding and is subject to the risk that a reliable forecast on the outcome of litigation procedures is impossible and that no guarantees whatsoever can be given in connection with the outcome of any litigation procedures accordingly.

## **Section C – Securities**

*What are the main features of the Bonds?*

- The Bonds, with the International Securities Identification Number (ISIN) LI1338129011, constitute direct, unsecured obligations of the Issuer, ranking *pari passu* among themselves.
- The Bonds are denominated in CHF (swiss franc), are being issued in denominations of CHF 1.00 and are only transferable in minimum nominal amounts of CHF 1.00 and any integral multiples of CHF 1.00 in excess thereof. The minimum subscription amount is CHF 1,000.00.
- The Bonds have a term of 8 years, from and including 1 May 2024 until and including 30 April 2032 and are scheduled to be redeemed on 2 May 2032 ("**Maturity Date**").
- The Bonds shall bear interest on their aggregate nominal amount (i) from 1 May 2024 (including) to 30 April 2027 (including) at a rate of 4.00 % per annum and (ii) from 1 May 2027 (including) to 30 April 2032 (including) at a fixed interest rate of 8.00% per annum.
- Payments of interest in relation to the Bonds will not be made during the term of the Bonds. The Issuer will pay compound interest of either 4.00 % or 8.00 % (depending on the Interest Period) per annum on accrued and unpaid interest. Accordingly, the amount of annual interest yield for an Interest Period shall be computed after expiry of an Interest Period and added to the nominal amount of subscribed Bonds. An Interest Period shall be the period from and including the First Value Date (as defined in Section D) or from and including any relevant Further Value Date (as defined in Section D) up to 30 April 2025 (including) and thereafter from the 1 May of each year (including) until the 30 April of each year (including).

- Any interest payments are repayable at the end of the term of the Bonds, or – if the Bonds are terminated in an event of default or repurchased by the Issuer prior to the end of the term – at the time of repayment of the nominal amount of the Bonds.

*Where will the Bonds be traded?*

The Issuer does not intend to file an application for the Bonds to be listed on a Regulated Market, a Multilateral Trading Facility ("**MTF**"), an Organised Trading Facility ("**OTF**") or any other trading venue.

*What are the key risks that are specific to the Bonds?*

The risk factors have been listed in an order of priority that reflects their materiality based on the probability of their occurrence and the expected magnitude of their negative impact on the Issuer.

Investors are subject to the risk of very limited liquidity of the Bonds and are exposed to the risk that there will be no secondary market for the Bonds. The Bonds will not be admitted to trading on a Regulated Market, an MTF, an OTF or any other trading venue ("**Listing**"). The liquidity in the Bonds will be very limited. Bondholders are exposed to the risk that they may not be able to sell Bonds at all or only under less favourable conditions or not at prices they are seeking. Due to the lack of a Listing, a trading price of the Bonds may be difficult to be assessed (let alone on a constant basis).

The Bonds are unsecured and neither savings accounts nor insured deposits of a bank. The Bonds are neither insured nor guaranteed by any governmental agency or other institution. The Bonds are unsecured and not insured or guaranteed by any governmental agency, by any other institution or by any other third party. An investment in the Bonds is not a bank deposit and is not within the scope of a deposit protection scheme (deposit guarantee or investor compensation). In the event of an insolvency of the Issuer, Bondholders may not and should not expect a repayment of the invested funds from any third party.

Currency exchange risk. The Bonds are denominated in CHF and all payments related to the Bonds will be made in CHF. The operating Group Companies are predominantly active in member states of the European Economic Area, where the domestic currency is the Euro. Revenues to be generated by the Group Companies are and will primarily be in Euro. The Issuer is facing a risk that the CHF may increase in value compared with the Euro, because the burden of the debt pursuant to the Bonds (being denominated in CHF), will increase likewise.

The Bonds are complex financial instruments and may not be a suitable or appropriate investment for investors. The obligations under the Bonds are structurally subordinated; there is neither an amortization nor are there any interest payments prior to Maturity Date, prior to a termination or prior to a repurchase by the Issuer. Potential investors are recommended to seek individual advice before making an investment decision, taking into account their knowledge, experience, financial situation and investment objectives (including risk tolerance).

## **Section D – Offering**

*Under which conditions and timetable can investors invest in the Bonds?*

The Bonds will be publicly offered to investors who have their respective seat or residence in any of the Offer States in the period from presumably 3 April 2024 to presumably 1 April 2025. Investors who intend to subscribe for the Bonds shall submit their subscription offer online and directly with the Issuer via its website <https://www.greenfinance-capital.com/chfbond24/>. The identification process of an investor entails the review of a

copy of an official identification document of an investor which is to be uploaded on the subscription platform of the Issuer. Investors will be informed by the Issuer via e-mail whether their subscription offers have been accepted or rejected. Subscribed Bonds are payable on 1 May 2024 ("**First Value Date**"), or – if Bonds are subscribed at a later date – on the first or the fifteenth day of each month (each a "**Further Value Date**").

*Why is this Prospectus being produced?*

Each of the Group Companies is relying on debt capital to pursue and expand their respective business. The reason behind this offer of Bonds by the Issuer is to collect funds, which will be forwarded to borrowing Group Companies via subordinated loan agreements to enable such companies to pursue and expand their respective corporate purposes. The net proceeds from the issue of the Bonds is expected to be approximately CHF 23,750,000.00 after deduction of commissions and estimated expenses pertaining to the Offer payable by the Issuer (if the issue volume is completely placed with investors).