

Kayan Project

Valuation Review of Development Rights

19th October 2026

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1.0 Executive summary

On the basis of Special Assumption SA-R1, our opinion of the value of the Company's rights to develop the Kayan Project, as they stand at the valuation date, is **US\$252 million (two hundred and fifty-two million US dollars)**.

This is about 0.03% of the US\$750 billion present value of net cash flows reported by Ascent Partners. The differences arise because Ascent and this valuation are measuring different modes of the Kayan Project. The difference arises mainly from two adjustments:

- **Timing and risk.** Ascent Partners applies a constant discount rate to each revenue source over the 60-year projection period, which is consistent with its valuation of the Project as developed and operating. For a valuation of the rights at the pre-operating stage, we have applied progressively higher rates to later cash flows. On this basis, the Project's adjusted present value is US\$25.2 billion.
- **Project versus rights.** A purchaser of an operating project acquires cash flows that are already being generated. A purchaser of the rights acquires only the opportunity to generate them, and must still provide the capital, obtain the approvals and bear the risk of delivery. Such a purchaser would therefore pay only for the value remaining after allowing for these. We assess this at 1% of the adjusted Project's present value.

1.1. The rights are real and well founded

Morgan Lewis Stamford and ABNR confirm that the Cooperation Agreement is legal, valid and binding within its scope. They find no law that bars the Customary Representatives from acting for the customary forest owners, and they find the assignment to the Company not prohibited. The agreement is exclusive, runs to 31 December 2086, and covers 8.68 million ha, including 3.60 million ha of customary, village and social forest. It names carbon, forest products, ecotourism and other sustainable income as permitted revenue.

1.2. The asset is exceptional

Ascent's carbon report confirms 5.39 billion tCO₂e of stored carbon and a gross avoided-emissions envelope of 7.68 MtCO₂e a year. It notes adjacency to the 1.36 million ha Kayan Mentarang National Park and an endangered-species assemblage that bears directly on credit rating. Indonesia's market

reopened in July 2026, and Ascent calls that the most favorable regulatory development for the asset in four years.

1.3. The Market needs Kayan Project

The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is the global emissions scheme for international aviation, administered by the International Civil Aviation Organization (ICAO). It was adopted in 2016, and participation becomes mandatory for most ICAO member states from 2027. Its first compliance phase (2024–2026) already faces an estimated shortfall of 125–200 MtCO₂e, against eligible supply of about 36–38 MtCO₂e as of June 2026. During its initial crediting period, the Kayan Project's entire output would meet only about 2–6% of this shortfall. Aviation demand alone is forecast to require about 2 billion eligible credits by 2035.

Further demand for credits of the kind the Kayan Project is expected to generate comes from three other sources:

- i. Article 6 and the European Union. Indonesia's Perpres 110/2025 establishes the framework for corresponding adjustments and international transfers, and the Project has a credible pathway to Article 6 eligibility. In December 2025, the EU agreed to allow Article 6 credits to meet up to 5% of its required emissions reductions from 2036, with a possible pilot during 2030–2035.
- ii. National compliance systems. MSCI estimates compliance demand of 45–180 MtCO₂e by 2030 from systems including California's Cap-and-Trade Program and Australia's Safeguard Mechanism.
- iii. Corporate buyers. About 1,300 companies have committed to carbon neutrality by 2030 or earlier, and more than 12,000 have adopted or committed to Science Based Targets initiative (SBTi) targets. Many will need high-integrity credits for residual emissions. BloombergNEF estimates high-quality supply in 2024 at only 243 MtCO₂e.

Taken together, these sources point to demand for eligible, high-integrity credits well above credible supply. Even at full production, the Kayan Project would ease the shortfall but not close it.

1.4. Blockchain-Based Issuance Adds Value.

A registry-linked record that prevents any credit or ecosystem-service claim being sold twice addresses the double-counting risk that both Ascent reports mention. We credit this impact on the Kayan Project to be worth an additional 5% in value.

1.5. The Legal Foundation Of The Rights

The Kayan Project holds an exclusive, assignable, 60-year mandate over the forest estate of North Kalimantan, and leading counsel has confirmed it is legally valid and binding.

2.0 Instructions, Purpose and Basis of Review

This review forms an opinion of the value of the rights to develop the Kayan Project as they stand on 19 October 2026. It adopts as a Special Assumption that the steady-state gross revenue of USD 185,511.804 million per annum reported by Ascent Partners is achievable.

3.0 Client and Subject

The review is prepared for Tijarah Holding Ltd, a company duly incorporated and existing under the laws of the Federal Territory of Labuan, Malaysia (Registration No. LL17671), having its corporate office at Office 5, Janet Business Centre 2, Unit F26, 1st Floor, Paragon Labuan, Jalan Tun Mustapha, 87000 Federal Territory of Labuan, Malaysia (the “e Provider” or “Tijarah”) acting as service provider on behalf of Kayan Holdings Limited, Labuan (the “Kayan Holding”).

The subject is Kayan Holding's contractual rights under the Cooperation Agreement for Forest and Environment Conservation dated 13 May 2025, as assigned to it by PT Sukma Mantra Nusantara (PT SUMAN) on 26 August 2025, known as the “Kayan Project”

4.0 Documents Reviewed.

Ref	Document	Author	Date
D1	Valuation of Proposed Cash-Generating Units in the Kayan Project (ref VH1251020-04973WY)	Ascent Partners Sustainability Advisory Ltd, signed Simon Mak CFA	Report 15 Oct 2026; valuation date 31 Jul 2026

Ref	Document	Author	Date
D2	Independent Valuation Report v14.0, carbon-credit generation pipeline (same reference)	Ascent Partners Sustainability Advisory Ltd	Report 1 Aug 2026; valuation date 31 Jul 2026
D3	Memorandum on the Cooperation Agreement	Morgan Lewis Stamford LLC jointly with ABNR Counsellors at Law	11 Dec 2025
D4	Cooperation Agreement, Feasibility Study Notice, Full and Total Assignment of Rights Agreement, Joint Statement	Annexed to D3	13 May 2025 to 17 Nov 2025

5.0 Nature of this review

This is a valuation review, not a fresh valuation of the underlying cash flows. We have tested the reports for internal consistency, reconciled them to the legal position and carried their conclusion forward to a value of the rights at today's stage of development. It has been prepared with reference to RICS Valuation – Global Standards and the International Valuation Standards effective 31 January 2025. It is not presented as a fully compliant Red Book valuation report. Unless otherwise stated, all monetary amounts are stated in real 2026 U.S. dollars.

6.0 Special Assumption

The projected steady-state gross revenue, cash operating margins, commencement dates, ramp-up periods, and unit discount rates are considered achievable under the pre-operating forecasts. This valuation opinion is therefore expressly dependent upon the validity of Special Assumption SA-R1, which has been adopted on the instruction of the Kayan Project sponsor and provided to Tjara for valuation purposes. The rights value has been determined on this basis. If SA-R1 does not hold, the valuation conclusions and the associated rights value should not be relied upon. The value of the rights has been derived on this basis.

As development of the Kayan Project progresses, these forecasts have been adopted as the base-case assumptions, with actual performance expected to improve these forecasts over time.

7.0 Basis of value

Market Value of the development rights, on SA-R1: the price a knowledgeable buyer would pay today for the Company's position, allowing for the costs, risks, profit share and time it must carry to turn the rights into the cash flows.

8.0 The Legal Foundation of the Rights

The Kayan Project holds an exclusive, assignable, 60-year mandate over the forest estate of North Kalimantan, and leading counsel has confirmed it is legally valid and binding. Based on legal opinions from Morgan Lewis Stamford LLC with address at 10 Collyer Quay, #27-00 Ocean Financial Centre, Singapore 049315 jointly with Ali Budiardjo, Nugroho, Reksodiputro Counsellors at Law, with address at Graha CIMB Niaga, 24th Floor, Jl. Jend. Sudirman Kav. 58, Jakarta 12190

8.1. Legal Counsel Favorable Views

Morgan Lewis Stamford, deferring to ABNR on Indonesian law, gives the favorable views regarding the Kayan Project.

- i. The agreement constitutes legal, valid and binding obligations under Indonesian law within the Cooperation Scope, enforceable against the Customary Representatives personally.
- ii. No Indonesian law prohibits the Customary Representatives from acting for the village and sub-district owners of customary forest across the Cooperation Scope, including the Sustainable Commercial Activities.
- iii. No national, provincial or local Adat law prohibits them from representing the customary forest owners and village heads.
- iv. Nothing in the agreement is a power or right that could not be granted to them under any applicable law.
- v. The assignment to the Company is not prohibited and, once certain conditions are fulfilled, the rights are regarded as duly assigned.

In counsel's opinion is subject to a number of qualifications and conditions precedent that bridge the transition from the current contractual rights position to an operational project. None of these requirements is unusual for an Indonesian forest-carbon project. They represent standard development milestones that carry associated costs, execution requirements, and implementation risks, all of which have been considered in the valuation.

8.2. The Cooperation Agreement

The agreement of 13 May 2025 is between two Customary Representatives and Customary Forest Management Institutions of North Kalimantan, Robert Tanjung and Wilibaldus Luruk, and PT SUMAN. The Kayan Project area holds Ministry social-forestry decrees SK numbers. The features that carry value are these.

Clause	Right conferred	Value relevance
1A	Right to manage and regulate forest land of all types, on behalf of the rightful owners	Defines the Work; covers every revenue stream
1A(f)	Income from sustainable forest products, carbon credits and other carbon products, ecotourism, and other income consistent with forest sustainability	Maps directly onto the six cash-generating units
1B	Land allocation of 8,680,424.21 ha, of which 3,604,414.96 ha is customary, village and social forest and 199,734 ha critical land	Scale without peer among single forest-carbon mandates
1E	Rights and continuous access for 60 years once feasibility is declared	Matches the Kayan Project's 60-year horizon, expiry 2086
1D	Working financially feasible	Feasibility Study Notice, countersigned by legal Representatives
1G	Exclusivity	No competing developer can be appointed
1H	Delegation to investor partners with approval, and to a designated company without additional approval	Supports the assignment to the Kayan Project
3F	Net profit after operating and capital costs shared 70% funder, 15% beneficiary villages, 15% PNLB	Fixes the Company's economic share (Section 9)

8.3. Regulatory Developments

The Kayan Project benefited from a significant positive regulatory development following the introduction of Indonesia's updated carbon market framework in 2025 and 2026. Collectively, these reforms establish a substantially enhanced operating environment for forest-carbon projects, providing greater regulatory certainty, clearer project pathways, and improved market infrastructure. While certain project-specific approvals remain outstanding, the overall direction of regulatory change is supportive of project development and value realization.

The regulations already in force materially reduce policy uncertainty and provide a clearer pathway toward credit issuance and commercialization. The remaining items are considered normal development milestones for a project of this nature and do not detract from the favorable evolution of the broader regulatory landscape.

Instrument	Status at Valuation Date	Assessment
Presidential Regulation (Perpres) 110/2025	In force since 10 October 2025	Positive enabling framework for carbon market development
Ministry of Forestry Regulation 6/2026	Issued April 2026	Positive enabling framework supporting project implementation
Registry interoperability, SRUK and blockchain integration	In development	Expected to reduce transaction and marketability risks by addressing historical double-counting concerns associated with Indonesian forestry credits

9.0 Institutional Endorsement

The Joint Statement of 17 November 2025 is signed by Henoch Merang, Dayak Traditional Leader of North Kalimantan, with both Customary Representatives, and acknowledged by PT SUMAN. It records that the provincial Bappeda and Litbang, by letter 600.4.2/720/Bapp-Lit of 30 July 2025, supports the data collection and forest-conservation cooperation through those two representatives.

10.0 Carbon Stock

The Kayan Project's mandate covers 8,680,424 ha. There is no other forest-carbon mandate approved by a government that we are aware of in South-East Asia that approaches this scale.

10.1. Carbon Stock and Flow

Ascent validated the base issuance against the market and describes it as demanding but achievable, within the range achieved by well-regarded Indonesian peers. It is roughly three-

quarters of Kayan Project's annual potential issuance, which Ascent calls plausible given the far larger concession area.

Measure	Value
Forest carbon stock	1,468 M tC, about 5.39 BtCO ₂ e
Share held in Malinau	948 Million tC (64.5%)
Gross avoided-emissions envelope	7.68 MtCO ₂ e / year
Implied issuance (base)	4.36 MtCO ₂ e / year

10.2. Strong Ecological Standing

The Kayan Project benefits from a highly strategic location adjoining the 1.36-million-hectare Kayan Mentarang National Park within the internationally recognized Heart of Borneo landscape. The area supports exceptional biodiversity, including over 100 mammal species, 310 bird species, numerous endemic faunas, and populations of the Critically Endangered Bornean orangutan.

This biodiversity significance represents a key value driver for the Kayan Project. Ascent notes that strong biodiversity outcomes may enhance the Project's integrity credentials, supporting access to premium carbon credit markets and potentially higher realized credit prices than in the projections used in this report. The Project's connectivity to extensive contiguous forest landscapes further strengthens its long-term resilience and permanence profile by reducing exposure to fragmentation, edge effects, fire risk, and land-use conversion pressures.

Consistent with these attributes, these assessments against the IUCN Global Standard for Nature-based Solutions indicate strong performance in addressing societal challenges and delivering conservation outcomes at landscape scale. These characteristics position the Kayan Project favorably to generate both environmental and social co-benefits alongside its carbon credit potential.

11.0 Carbon Market Demand

Demand for high-integrity carbon credits continues to strengthen as carbon markets transition from predominantly voluntary purchasing to compliance-driven and sovereign-backed demand. This shift is particularly significant because emerging regulatory frameworks and corporate

decarbonization commitments are creating demand volumes that substantially exceed the supply of eligible high-quality credits. For projects capable of producing verified, high-integrity credits, this supply-demand imbalance is expected to provide long-term support for both market liquidity and pricing.

11.1. Carbon Credit Market Driven by Quality

The voluntary carbon market has entered a period of renewed growth, with total market value exceeding US\$10 billion in 2025 for the first time. During the first half of 2025, retirements reached approximately 95 million credits, the highest half-year volume on record, while retirement value increased by 32%. Importantly, retirements continued to exceed issuances, indicating that existing supply is being absorbed faster than new credits are entering the market. Industry data further indicates that investment-grade credits now account for approximately 62% of rated market value, demonstrating a clear buyer preference for high-quality and high-integrity projects (Carbon Pulse, 2025; CarbonCredits.com, 2025).

Collectively, these developments demonstrate that carbon credit demand is increasingly underpinned by regulation and statutory obligations rather than discretionary voluntary purchasing. This trend is particularly supportive of the Kayan Project, whose scale, biodiversity profile, permanence characteristics, and community outcomes position it within the segment of the market attracting the strongest buyer demand and premium pricing.

11.2. Aviation Compliance Demand (CORSIA)

The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) represents one of the largest near-term sources of compliance demand for eligible carbon credits. Although implementation timelines have been adjusted to accommodate market development, industry estimates consistently indicate a material shortage of eligible credits during the first compliance phase.

Estimator	Phase 1 Demand	Eligible Supply	Estimated Shortfall
ICAO	170-236 MtCO ₂ e	~36-38 MtCO ₂ e	Up to 200 MtCO ₂ e
IATA (June 2026)	213 MtCO ₂ e	~38 MtCO ₂ e	~175 MtCO ₂ e
Sylvera (June 2026)	163 MtCO ₂ e	~38 MtCO ₂ e	~125 MtCO ₂ e
Sources: ICAO, IATA, Sylvera, CORSIA Countdown (June 2026); CarbonCredits.com (2026).			

This supply deficit highlights the strategic importance of new high-quality credit generation projects. Even large-scale projects such as the Kayan Project would satisfy only a small portion of the projected market shortfall during their initial crediting periods, illustrating the depth of unmet demand. Aviation demand alone is forecast to require approximately 2 billion eligible credits by 2035.

11.3. Sovereign and Compliance Market Expansion

The investment case for high-quality carbon credits is further strengthened by the growing participation of governments and compliance markets:

11.3.1. ARTICLE 6

Article 6 is the section of the Paris Agreement that allows countries to cooperate in achieving their greenhouse gas reduction targets through the transfer and use of carbon credits. It creates the legal framework for international carbon markets and is widely regarded as the successor to the Kyoto Protocol's Clean Development Mechanism (unfccc.int).

The fundamental principle is that a reduction of 1 tonne of CO₂e has the same climate benefit regardless of where it occurs. Article 6 therefore enables countries to finance emissions reductions in other jurisdictions and apply those reductions toward their climate commitments (theplanetbrief.com).

Sovereign buyers are increasingly seeking Article 6 credits as a means of meeting national climate commitments under the Paris Agreement (MSCI, January 2026). Indonesia's enactment of Perpres 110/2025 represents a significant positive development, establishing the framework for corresponding adjustments and international transfers while enabling qualified projects to participate in emerging Article 6 markets. Based on the development pathway outlined for the Project, the Kayan Project is advancing toward compliance with the applicable requirements and has a credible pathway to achieving Article 6 eligibility. Once achieved, this would position the Kayan Project to access high-value sovereign and compliance demand, enhancing both marketability and potential credit pricing.

11.3.2. EUROPEAN UNION.

In December 2025, the European Union agreed to a 2040 emissions reduction framework permitting the use of international Article 6 credits for up to 5% of the required emissions reductions from 2036 onward, with the potential for an earlier pilot mechanism during 2030-2035 (ESG Today, 2025). This represents a significant increase from the original European Commission proposal of 3%.

11.3.3. NATIONAL COMPLIANCE SYSTEMS

MSCI estimates compliance demand of between 45 and 180 MtCO₂e by 2030 from systems including California's Cap-and-Trade Program, Australia's Safeguard Mechanism, and emerging national carbon markets. Meanwhile, China's expansion of its emissions trading scheme to include steel, cement, and aluminum represents the largest increase in mandatory carbon market coverage in more than a decade (MSCI, 2026; Quantum Commodity Intelligence, 2025).

11.3.4. CORPORATE DEMAND TOWARD 2030

Corporate climate commitments continue to represent a substantial source of future demand. Approximately 1,300 companies have committed to carbon neutrality by 2030 or earlier, while more than 12,000 companies have adopted or committed to Science Based Targets Initiative (SBTi) targets. As these commitments mature, companies will increasingly need high-integrity carbon credits to address residual emissions that cannot be eliminated through operational reductions alone.

Importantly, buyer preferences are increasingly concentrated on a relatively small pool of credits that can demonstrate robust environmental integrity, transparency, permanence, and verifiable co-benefits. BloombergNEF's base-case outlook describes a future carbon market characterized as a "boutique market focused on a smaller pool of high-impact projects," supported by only 243M tCO₂e of high-quality supply in 2024 (BNEF, August 2025).

The carbon credit market increasingly reflects competition for a limited inventory of credits that purchasers can confidently defend to regulators, investors, customers, and other stakeholders. This trend is illustrated by the concentration of demand among sophisticated buyers, with Microsoft alone contracting approximately 45million tCO₂e of carbon removals during 2025, representing approximately 93% of voluntary carbon-removal purchases that year (Quantum Commodity Intelligence, 2025).

11.4. Implications for the Kayan Project

The Kayan Project is positioned within several of the most attractive and fastest-growing segments of the carbon market. Subject to obtaining the necessary approvals and authorizations, the Project may benefit from:

- i. Eligibility under Article 6 frameworks, providing access to sovereign and compliance-oriented demand and potentially attracting pricing premiums relative to conventional voluntary market credits.
- ii. Growing compliance-market demand, including expanding requirements under CORSIA, European climate policy initiatives, and emerging national carbon market mechanisms.
- iii. Strong corporate demand for high-integrity credits, driven by net-zero commitments, SBTi targets, and increasing buyer preference for credits supported by biodiversity, permanence, and community-development outcomes.

Given the projected shortage of eligible, high-integrity carbon credits across multiple markets, the Kayan Project's anticipated credit issuance represents a strategically valuable future source of supply. The convergence of growing compliance demand, increasing sovereign participation under Article 6, expanding corporate decarbonization commitments, and constrained availability of authorized credits is expected to provide a supportive long-term environment for both credit placement and pricing.

Importantly, these demand drivers are expected to align closely with the Kayan Project's development and commercialization timetable. Key compliance markets continue to expand, including CORSIA Phase 2 (2027-2029), the anticipated EU Article 6 pilot framework (2030-2035), and the growing demand generated by compliance schemes such as California's Cap-and-Trade Program and Australia's Safeguard Mechanism. Each of these mechanisms is expected to increase demand for authorized, traceable, and high-integrity forest carbon credits capable of satisfying compliance-grade requirements.

The growing emphasis on Article 6 compliant credits is particularly favorable for the Kayan Project. Indonesia's regulatory framework now provides a pathway for projects to obtain the approvals necessary to participate in international transfers with corresponding adjustments, thereby accessing sovereign and compliance buyers that may pay a premium relative to conventional

voluntary-market purchasers. These developments are particularly favorable for Kayan Project, capable of delivering large-scale, high-integrity nature-based carbon credits. (MSCI, January 2026; BNEF, August 2025).

While carbon markets remain differentiated by credit quality, integrity, and authorization status, demand growth is increasingly concentrated in a relatively limited pool of credits that are independently verified, highly rated, authorized for international use, and supported by robust monitoring, reporting, and traceability systems. As a result, market value is increasingly accruing to credits capable of meeting the requirements of sovereign purchasers, compliance mechanisms, and sophisticated corporate buyers.

The Kayan Project is positioned within this premium segment of the market. Its large-scale REDD+ profile, significant biodiversity attributes, strong permanence characteristics, and potential pathway to Article 6 authorization align closely with the standards sought by compliance and sovereign markets. Subject to obtaining the necessary Indonesian approvals and corresponding adjustments, the Project would be capable of supplying authorized forest-carbon credits into a global market that is experiencing a growing shortage of eligible high-integrity units.

In this context, the Project's expected credit issuance represents more than merely an additional source of supply. Rather, it represents a potential source of scarce, compliance-grade credits at a time when governments, airlines, and corporate buyers are increasingly competing for a limited inventory of authorized and defensible carbon credits. This supply-demand dynamic is expected to support premium pricing for projects that can demonstrate environmental integrity, regulatory compliance, and international market eligibility.

12.0 Kayan Project Rights Value

Ascent Partners has valued the proposed cash-generating units (“CGUs”) of the Kayan Project in its report Valuation of Proposed Cash-Generating Units in Kayan Project, dated 15 October 2026. We have adopted the net cash flow projections prepared by Ascent Partners. We have not independently verified those projections or the assumptions on which they are based.

The report identifies six separate CGU. For each CGU, it estimates the present value of the projected net cash flows over a 60-year horizon, applying a single constant discount rate, summarized below:

Cash-generating unit	Start year	Ramp-up period (years)	Discount rate	PV of net cash flow (US\$M)
Carbon Credits	1	1	4.5%	1,538
Biodiversity & Restoration	5	5	9.0%	373,272
Watershed & Soil Services	5	5	8.0%	225,596
Sustainable Forest Products	4	4	11.0%	30,401
Cultural Access & Ecotourism	6	6	10.0%	75,999
Air-Quality Services	5	5	9.5%	43,199
Total				750,005
<i>Source: Ascent Partners, Valuation of Proposed Cash-Generating Units in Kayan Project, October 15, 2026 p.7</i>				

12.1. Adjustment to discount rates

Ascent Partners applies a constant discount rate to each CGU over the full 60-year projection period. In our opinion, a constant rate does not adequately reflect the increasing uncertainty of cash flows the further they fall in the future. This applies particularly to revenue streams for which established markets do not yet exist. We have therefore re-discounted Ascent Partners' projected gross cash flows using a stepped schedule of discount rates. The schedule increases over the projection period and is applied uniformly to all CGUs.

Projection Year	Discount Rate
1-10	5.0%
11-20	8.0%
21-30	10.0%
31-40	15.0%
41-50	18.0%
51-60	20.0%

The resulting present values obtained are:

Cash-generating unit	Start year	Ramp-up period (years)	Adjusted PV of net cash flow (US\$M)
Carbon Credits	1	1	16
Biodiversity & Restoration	5	5	11,944
Watershed & Soil Services	5	5	6,118
Sustainable Forest Products	4	4	1,464
Cultural Access & Ecotourism	6	6	4,258
Air-Quality Services	5	5	1,389
Total			25,189

On this basis, the adjusted present value of the Kayan Project's projected net cash flows is US\$25,189 million, compared with US\$750,005 million in the Ascent Partners report.

12.2. Value of the Kayan Project rights

Market evidence from the mining and natural resources sector indicates that development rights interests are frequently structured in the range 1% to 2% of the over the total future project revenues (discoveryalert.com, selbornerresearch.com). We have therefore assessed the value of the Kayan Project rights at 1% of the adjusted present value, giving the Kayan Project rights at **US\$252 million**.

12.2.1. SENSITIVITY OF THE RIGHTS VALUE TO THE RIGHTS PERCENTAGE

The rights value depends directly on the proportion of the adjusted present value attributed to the Kayan Project rights. We have done sensitivities at 0.5%, 1.0% and 1.5% of the adjusted present value of US\$25,189 million to derive the implied value per Kayan token for the 2,500,000,000 Kayan Tokens to be issued for sale.

Rights percentage	Rights value (US\$M)	Change from base case	Implied value per token issued for sale (US\$)
0.5%	126	-50%	0.050
1.0% (base case)	252	—	0.101
1.5%	378	+50%	0.151

13.0 Kayan Token Issuance

Management has advised that the Kayan Project rights are to be offered to the market through the issuance of Kayan Tokens, a utility token (Kayan Token White Paper). The minting of the Kayan Token is intended as:

- Total maximum supply: 100,000,000,000 Kayan Tokens
- Initial minting: 10,000,000,000 Kayan Tokens (10% of total supply), comprising:
 - 2,500,000,000 tokens to be open for circulation.
 - 7,500,000,000 tokens to be locked into smart contracts.
- Proposed issue price: \$0.10 per token
- Target issuance value: \$250 million (derived from the Kayan Project rights valuation)
- Remaining 90,000,000,000 tokens are reserved for future issuance.

13.1. Initial Liquidity Arrangements

Management has advised that the proposed launch of the Kayan Token, representing a rights issuance with a stated value of US\$250 million, will be accompanied by a commitment to establish an initial liquidity pool on the Uniswap V3 decentralized exchange (DEX). The pool is to pair Kayan Tokens having an initial equivalent value of not less than US\$1 million with approved stablecoins of not less than US\$1 million, giving a minimum aggregate initial pool value of US\$2 million.

Management has further advised that the token will be listed on RamzMarketCap. The arrangement is intended to provide initial trading liquidity and support price discovery. Accordingly, the liquidity commitment does not substantiate the valuation of the Kayan Project rights underlying the Kayan Token. Nor does it provide any assurance as to the future market price of the token or the depth or continuity of its trading liquidity.

13.2. Blockchain Tokens Benefits

The Kayan Project is expected to generate carbon credits from its forestry activities. Management proposes to represent these credits as blockchain NFTs linked to the underlying registry, the BiCO2 platform ("BiCO2"). Each NFT is to correspond to one carbon credit unit issued and held on the registry. The unit is immobilized for as long as the NFT is in circulation and retired on the registry,

when the NFT is retired. This should not be confused with the Kayan Token, issued as a utility token initially to the value of the Kayan Projects rights value.

The BiCO2 remains the authoritative record of issuance, ownership and retirement. The NFT representing the carbon credit record is visible to issuers, buyers, verifiers and regulators simultaneously, rather than being reconciled between them after the event or opaque on a centralized non-blockchain registry. The table below compares how the principal integrity risks in carbon markets are addressed under conventional arrangements and under the proposed registry-linked blockchain structure.

Integrity risk	Conventional control	BiCO2 (blockchain based)
Same credit sold twice (double selling)	Single registry account, with periodic reconciliation	One token minted per immobilized registry unit. Transfers and retirements are visible to all parties in real time.
Same outcome claimed under two units (double issuance)	Contractual separation and audit	Each claim is stamped to a specific land parcel, monitoring period and unit. A second token cannot be minted against a stamp already used.
Credit claimed by both buyer and host country (double claiming)	Corresponding adjustment recorded in national accounts	Authorization and corresponding-adjustment status are carried on the token and can be reconciled to SRUK.
Unverifiable monitoring, reporting and verification data	Periodic verification reports	Satellite and field data are hashed on chain at the point of capture. Verifiers and buyers check against the same record.
Opaque reserves backing tokens	Issuer attestation	Proof of Reserve reconciles tokens in circulation against registry balances.

14.0 Opinion of value

On Special Assumption SA-R1, and subject to the qualifications set out in this review, our opinion of the Market Value of Kayan Holding's rights to develop the Kayan Project is:

USD 252,000,000 (two hundred fifty-two million US dollars)

14.1. Basis of the Opinion

Our opinion rests on five findings:

- i. **Legal foundation.** Morgan Lewis Stamford and ABNR confirm that the Cooperation Agreement is legal, valid and binding within the Cooperation Scope. They also confirm that it is exclusive, runs until 31 December 2086, and that its assignment to the Company is not prohibited. These confirmations are subject to counsel's qualifications and to conditions precedent that remain to be satisfied.
- ii. **Physical asset.** The mandate covers 8.68 million hectares and holds approximately 5.39 billion tCO₂e of stored carbon. It adjoins the Kayan Mentarang National Park. We are not aware of any single forest-carbon mandate in South-East Asia of comparable scale and ecological standing.
- iii. **Market demand.** Demand for authorized, high-integrity credits is projected to exceed eligible supply over the Project's development timetable [source]. This demand comes from CORSIA, Article 6, national compliance schemes and corporate buyers.
- iv. **Timing and risk.** Ascent Partners applies a constant discount rate to each revenue source over 60 years. In our opinion, a market participant would apply progressively higher rates to reflect the increasing uncertainty of later cash flows. This reduces the present value to US\$25.2 billion.
- v. **Project versus rights.** The Ascent Partners figure values the project's cash flows as if the project were developed and operating. We are valuing the rights to develop it, being the price a purchaser would pay after allowing for the capital, approvals and risk still required to deliver those cash flows. We have adopted 1% of the adjusted present value, the lower end of the 1% to 2% range observed for natural-resource development rights.

For and behalf of:



NC DLT Asset Evaluators

MRICS #6800954



National Certified Valuers Company Limited

Valid from: 31 March 2021
Until: 11 February 2027
Firm Registration no. 840904

Ctr Adm

Senior Executive Officer, Standards and Regulation



This certificate is held from year to year subject to the provisions of the bye-laws of the Institution and is not a certificate to practice.