



GreenState

Smart Modular & Vertical Farming

Newsletter | **June 2024.**

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1 GreenState AG has acquired Yasai AG and why is this great?

GreenState AG has acquired **Yasai AG**, marking an exciting development in the Swiss vertical farming industry. This acquisition is significant because it ensures that the Swiss market remains in the hands of Swiss producers and shareholders. Moreover, produce will continue to be distributed through Swiss retail chains such as **Manor** and **Coop**, and potentially future partners like **Migros** and **Denner**.

For the first time in GreenState's history, the demand for fresh produce outstrips supply. However, this milestone also signifies a significant merger of two pioneering vertical farming companies. Upon closing, scheduled for mid-July, Yasai AG will be wholly owned by GreenState AG. Despite the acquisition, Yasai will maintain its legal and brand identity, operating as a retail brand under GreenState AG. All produce from Neuhausen am Rheinfall will be sold under the Yasai brand, and its commercial focus will be on local, fresh, fully nutritious and pesticide-free food. New GreenState products, such as **Wasabi-Rucola** and **Microgreens**, will also be sold under the Yasai brand. Importantly, all Yasai founders and employees will remain with the company, continuing daily operations and activities.





Meanwhile, GreenState AG will focus on hardware and software production and development for the vertical farming and CEA industry. This year, GreenState intends to finish its pilot project for **2.0 Modules**, launch a **CRM** system by the end of June, and commence the development of an **ERP system**.

Additionally, GreenState AG is currently finalizing the design and development of an IoT device that operates on a microprocessor, facilitating easier development through connection to a mobile application. Mass production and the first product launch are expected by the end of September this year.

Upon the transaction's legal finalization, Mr. Grgur will assume the positions of CEO and Chairman of the Board at Yasai AG.

A presentation on Yasai can be found in the attached email. If you are a GreenState AG shareholder and would like more information about the transaction conditions, please contact your investor relationship manager.



CONVENTION
POINT



GreenState
Platform For Life


2 "Platform For Life" launch at SIX Convention Point

The transition between the first and second chapter of our company's existence was marked at the convention at **SIX Stock Exchange** in **Zurich**, attended by almost **150 people**. They witnessed live what the next chapter of GreenState AG holds, including product development, digitalization, network effects, the Yasai acquisition, financing rounds, potential future IPO, and responses to client queries.

The first part of the event recapped the company's achievements, important milestones, developed products, retail entrance, and past events. The second part introduced the new **"Platform For Life"** concept, alongside networking and digitalization of local food growth, production, packaging, and distribution.







During the convention, participants could also view the Yasai presentation and meet the founders. The attachment to this email includes the Yasai presentation and a link to the "Platform For Life" video. However, the "Platform For Life" presentation will be available a bit later as we're currently preparing new company documentation, anticipated to be live by the end of August.

At the event, participants could sample food made with GreenState products and try our retail products, harvested and packed especially for the event in line with the **"from farm to table"** principle.

Our next event will be at the beginning of October, where we will present our new micro-farm solutions based on IoT and artificial intelligence.




3 Preparing For Series A funding


There's an old saying: "Be careful what you wish for, it might just come true." When reflecting on our vision and achievements at GreenState, we take great pride in accomplishing nearly all our company goals, perhaps even more than we initially anticipated.

Today, GreenState AG stands as the only vertical farming company in Switzerland with demand outstripping supply. We've expanded from one farm to two, and our associated companies collectively employ over **60 people**.

Now, we're poised for even more growth. We're moving beyond our early stages and taking significant strides by acquiring land, constructing production facilities, warehouses, offices, distribution centers, and additional vertical farms and indoor food production facilities.

GreenState is now transitioning towards achieving **"Scale-Up"** status, fast-tracking to become one of the most promising sustainable companies in Switzerland.





To facilitate these goals, we're preparing for our Series A funding round with the help of our company lawyers and financial product structures. The round will be prepared and registered with legal authorities by the end of August, with a starting subscription date of 01.09.2024. Our plan is for Series A to be funded with **CHF 20'000'000.00**. This amount will be used to secure land in Switzerland and build two GreenState campuses, one in **Switzerland** and the second in **Abu Dhabi (United Arab Emirates)**.

The Series A subscription will serve as a strong indicator of investor interest in GreenState AG. If the company manages to quickly fill the round or even oversubscribe, it will signal our readiness to proceed with our planned **Initial Public Offering (IPO)**.




4 Closing Equity Financing

GreenState AG is constantly developing at a rapid pace, with planned activities often completed ahead of schedule. This is the case with the current financing round, which is nearly fully subscribed.

Through this newsletter, GreenState AG announces that the current financial round will close by the end of the month. This decision is based on the success of the last and current rounds, which have collectively resulted in **CHF 5'000'000.00** of private equity funding. This funding provides sample capital for operations and further company development.





Moving forward, the company's management will focus on operating activities and the integration of Yasai AG into the GreenState AG holding structure. The primary focus will be on expanding production capacities, integrating **Neuhausen** production with **Niederhasli**, and expanding product lines.


Other initiatives include integrating the Yasai farm into the GreenState SCADA digital system, finalizing IoT motherboards, developing prototypes of micro farms, and kick-starting the development of an ERP platform.

Once these operational activities are completed and our legal team finalizes and publishes the Series A prospectus, the company will resume its financing activities.

5 New company evaluation & Share price increase

The acquisition of Yasai AG has significantly increased our company's value. Additionally, we have finalized and continue to develop new products. At present, our strategic focus is on the commercialization and monetization of new products in the market. This will be achieved through existing and new retail channels, **"Software as a Service"** subscription models, external hardware and software development services, and new **"Product as a Service"** business models.





Currently, our company's valuation is based on future potential and innovative technology developed under the GreenState brand. We're targeting a seven-digit operational revenue this year, with the aim of achieving an eight-digit operational cash flow next year.

Our strong balance sheet, combined with technological development and investment in advanced **IoT** and **AI technologies**, will significantly boost GreenState AG's valuation. By the end of the year, we anticipate a well-known audit company to finalize GreenState AG's business model and evaluation, presenting three scenarios: pessimistic, expected, and optimistic.

This will assist investment banks in positioning GreenState AG shares for a potential IPO. Following the Series A funding round, our company's valuation should exceed the current estimation, aligning with the valuation of the Yasai AG acquisition.

To make all this possible, we kindly ask for your support. Please visit **Coop** and **Manor Food** stores to purchase Yasai and GreenState products. If you're interested in subscribing to GreenState AG shares, download the subscription agreement, fill it out, sign it, and send it to us.

We hope you've enjoyed reading our newsletter. If you have any questions, please don't hesitate to contact us at any time.

Sincerely yours,
GreenState AG Team

