



# FORESTING

Brand new social media based on blockchain technology

WHITEPAPER

“

Work four hours a day,  
share every moment,  
and manage your life.

with FORESTING

”

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FORESTING

# Table of Contents

Chapter 1. Introduction : A World Transformed by Social Media

Chapter 2. Traditional Social Media

Chapter 3. FORESTING Disrupts Traditional Social Media

Chapter 4. FORESTING Platform

Chapter 5. Components of FORESTING Ecosystem

Chapter 6. Summary

Chapter 7. Disclaimer

# INTRO

*“Among the essential features of this situation is that no one knows his place in society, his class position or social status, nor does any one know his fortune in the distribution of natural assets and abilities, his intelligence, strength, and the like.”*

*- John Rawls, A Theory of Justice -*

# INTRODUCTION

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Satoshi Nakamoto derives the definition of distribution from the ancient days of Plato. In particular, his discussion shows analogies to John Rawls' book "A Theory of Justice" where the moral and political philosopher emphasizes the importance of justice. Rawls argues that fairness can only exist when the procedures of distribution are fair.

The FORESTING Network, which will be introduced in this whitepaper, is based on the creation of bitcoin and a philosophy shared by Satoshi Nakamoto and John Rawls on a fairer society. Accordingly, the FORESTING Network solves the asymmetry of the information that is prevalent in our society, pursues fair contracts, distributes them according to their ability, and shares active contributions with one another. The first chapter of this paper will discuss the social media field, which has transformed people's values and lifestyles since the release of the iPhone in 2007.



# DEFINE

## FORESTING NETWORK

The FORESTING network consists of the blockchain-based social media platform : 'FORESTING'.



'FORESTING' or 'FORESTING Platform' is a blockchain-based social media platform that deviates from the distribution system of traditional social media platforms. It provides a fair value distribution system for users who are the true owners of the platform. Users deliver content through blockchain technologies and contribute to platforms in a variety of forms.

Chapter.1

# INTRODUCTION

A world Transformed by Social Media





## 1.1. A World Transformed by Social Media

“Make the world more open and connected.”

– Mark Zuckerberg –

On February 4, 2004, a 19-year-old Harvard student started Facebook with a slightly unusual goal.

# facebook

As of 2018, an average of 1.47 billion people access Facebook on a daily basis. From trivial daily life updates to sensitive political issues, Facebook users read and write three million articles per minute. They share their thoughts and opinions by posting pictures and videos and giving 2 million ‘Likes’ per minute.

Facebook has dominated the last decade of social media, which connects the people at the center of our lives and brings broad societal changes.



## The impact of social media over the past decade

The Twitter post “Four more years!” by Barack Obama after his 2012 re-election was shared by over 680,000 users. On Facebook, the post received over 400,000 shares and 3.3 million ‘Likes.’ The post was more effective than any multimillion-dollar advertisement. The 2008 and 2012 presidential elections are considered the “Textbook of Social Networking Elections,” and social media has played a crucial role in political activities since.



Social media has also served as a channel for social change. In the cases of the Arab Spring in Tunisia, the Egyptian revolution, and Occupy Wall Street in the U.S., activists used social media to coordinate protests, share news and outrage, and express their opinions. Social media has given citizens an alternative medium for global interaction.



Chapter.2

# Traditional Social Media

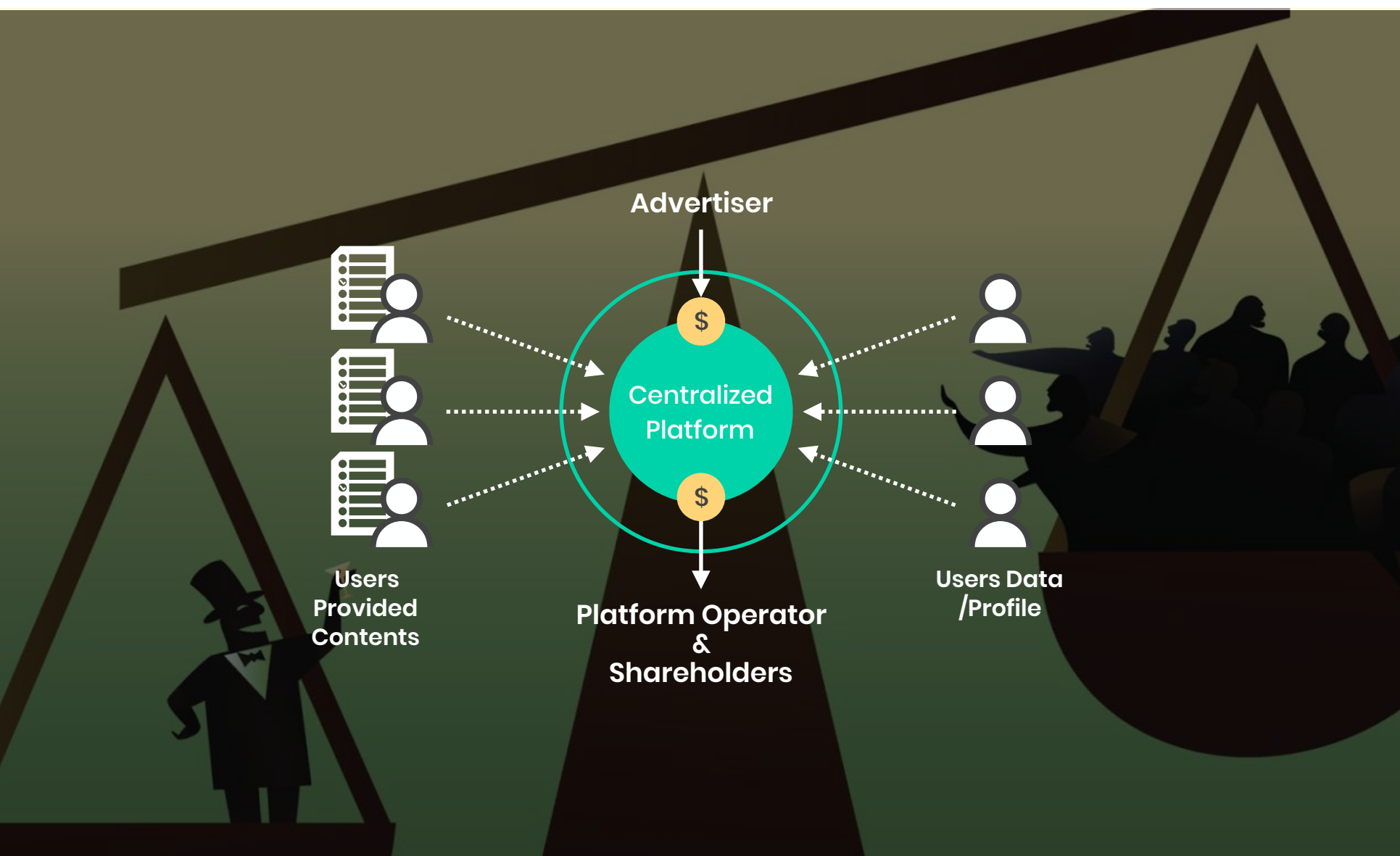


## 2.1. Centralized Social Media

As of 2018, there are about 3 billion active users on social media (Facebook, Instagram, Pinterest, SnapChat, Twitter, LinkedIn, etc.), and the number grows daily. Social media has changed the world and sparked the start of a new digital economy.

These popular social media app services share features that draw a lot of attention. With user experience and behavior in mind, content that focuses on pictures and limited text has been one of the most successful concepts for social media and has promoted the growth of mobile app services and smartphone use.

In the meantime, user data is becoming a commodity sold for advertising, a major source of revenue for social media companies.



## 2.2. Excessive Reliance on Ad Revenue

### I. Personal Information Leakage and Theft

Almost every form of media that exists today is centralized, and social media that emphasizes a free lifestyle is no exception. But centralization does not equate to safety. Social media platforms are susceptible to security issues, such as censorship, hacking, or personal information leakage.



Facebook's recent major security disruption is an example of this. It revealed that about 87 million personal information records were leaked from Facebook and used for certain candidates during the last U.S. presidential election.

Users have complained about Facebook betraying their trust. It is evident that Facebook has turned creative content made by its users into revenue streams, creating a large, centralized conglomerate. Also, most personal information can never be recovered after it is leaked. This can cause secondary damage and criminal acts, such as spam mail, identity theft, privacy breaches, and voice phishing.

Upon reflection, the biggest problem is that most content platform providers use customer data to earn advertising revenue.

Rather than simply generating the primary revenue, the platform acts as an intermediary for advertisers that are eager to collect user data to increase the efficiency and effectiveness of targeted advertising.

Rather than pursuing a profit-focused platform, FORESTING created a content-centered platform that generates direct content revenue.



**Facebook says data leak hits 87 million users, widening privacy scandal**

## II. Advertisement Abuse

Jeopardizing content quality is also concerning to traditional social media platforms that rely on advertising revenue. Most social media platforms see traffic as the means to value content and content that drives traffic for advertisers is the content that is rewarded. However, this activity may encourage provocative clickbait.

FORESTING encourages better content creation and is focused on users voting rather than actual traffic-oriented content valuation. We created a better content culture through evaluation.

## **2.3. The Unfairness of Value Distribution**

### **I. Unfairness of Value Distribution: Content Providers & Participants**

#### **< Service Provider**

The distribution of values in traditional social media clearly disadvantages the user. Despite adding most of the ecosystem's value through their creation, posting, and sharing of content on their own, users are not rewarded. Users realize this system benefits the service provider but lack resources to correct it.

### **II. Irrationality of Value Distribution: Revenue of Content Providers**

Some social media platforms share a small portion of their operating revenue with content creators. We tend to think only of the higher-earning annual revenue streams from a small group of extremely popular YouTubers, BJs (Broadcasting Jockeys), and Bloggers but view the platform's value and revenue as something largely unrelated to the efforts of content creators. However, these "Influencers" account for only a small fraction of all content creators, and they are still assigned an unreasonable share of the revenue distribution between the content provider and the service provider.

### **III. Irrationality of Value Distribution: Participants**

User traffic drives the social media platform. User activity indicators such as daily active users (DAU), monthly active users (MAU), and average revenue per users (ARPU) are used as performance indicators for the platform operator. In particular, content and its surrounding relationships are the source of social media platform value. All platforms are maintained by users who invest their time creating and curating content. However, their value is not revenue-generating across most social media platforms. Unlike the content providers described above, their revenue is generated through targeted advertising campaigns within the platform, which may lead to identity theft and other abuses described above.

### **IV. Irrationality of Value Distribution: Operator**

Through creating, publishing, sharing, and writing content within the platform, social media platforms have generated billions of dollars in value, most of which returns to the operators and the shareholders.

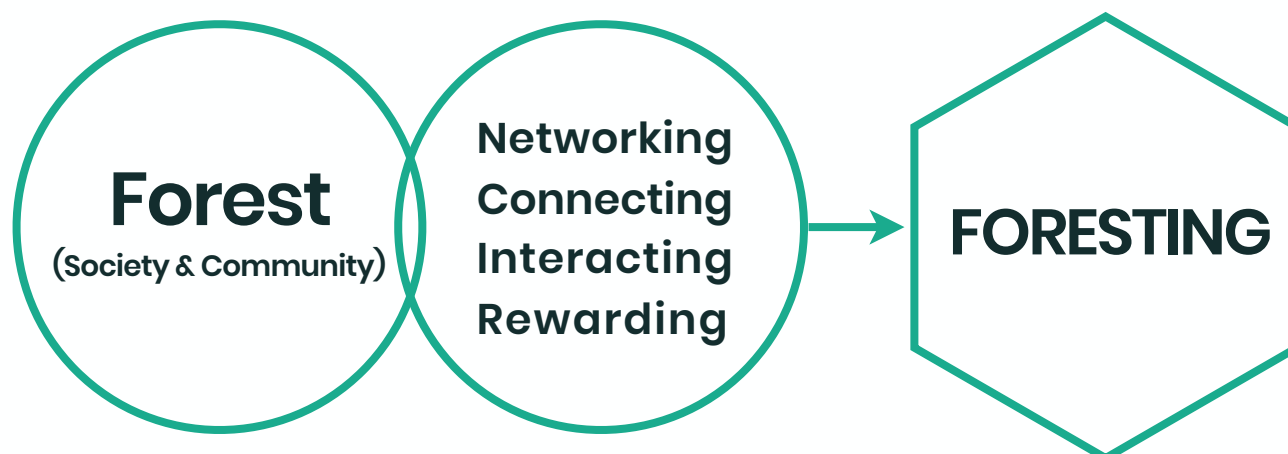
Chapter.3

# FORESTING Disrupts Traditional Social Media





FORESTING was born to solve all issues found in the traditional social media platforms by providing a fair platform for both content creators and consumers.



FORESTING, which opens a new world, combines “Forest” with “Networking,” “Connecting,” and “Interacting.” FORESTING is a blockchain-based social media platform with economic freedom for content providers. The platform increases the efficiency and impact of content providers by enabling them to generate new content faster than traditional social networks. The platform creates a new ecosystem for social media through blockchain technology and a new concept of social media token operation.

### 3.1. Key Value of FORESTING Network

## “Beat Your Heart!”

The FORESTING network was created to realize the value of a new life in our society: “Work four hours a day, share every moment, and manage your life.” The Foresting network brings a shift in the working culture of existing societies through a blockchain-based social media reward system.

3.2. Economic Independency of Content Creators

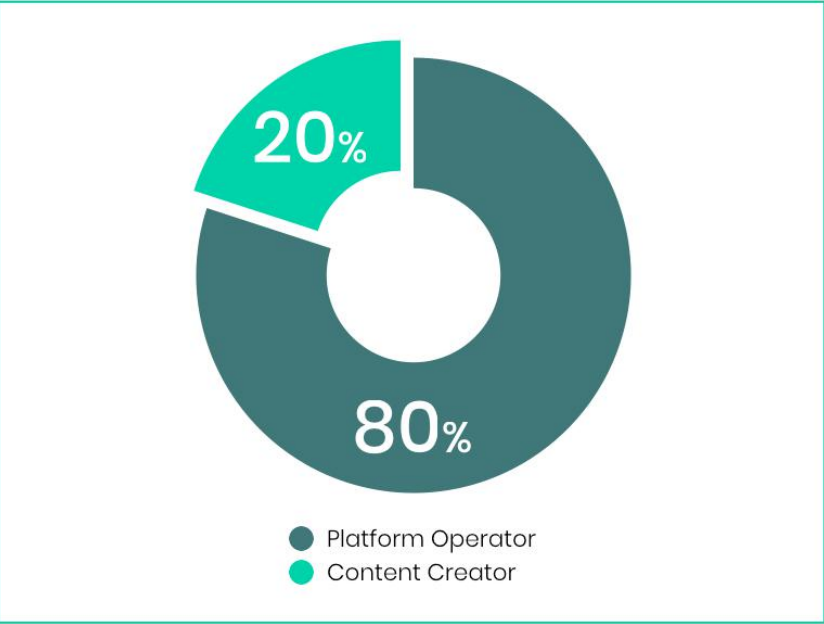
I. Rewarding Social Media: 'FORESTING'

“Connecting the world and improving the quality of life”

Traditional Social Media Platform

Unfairness of value distribution : disadvantageous to the user

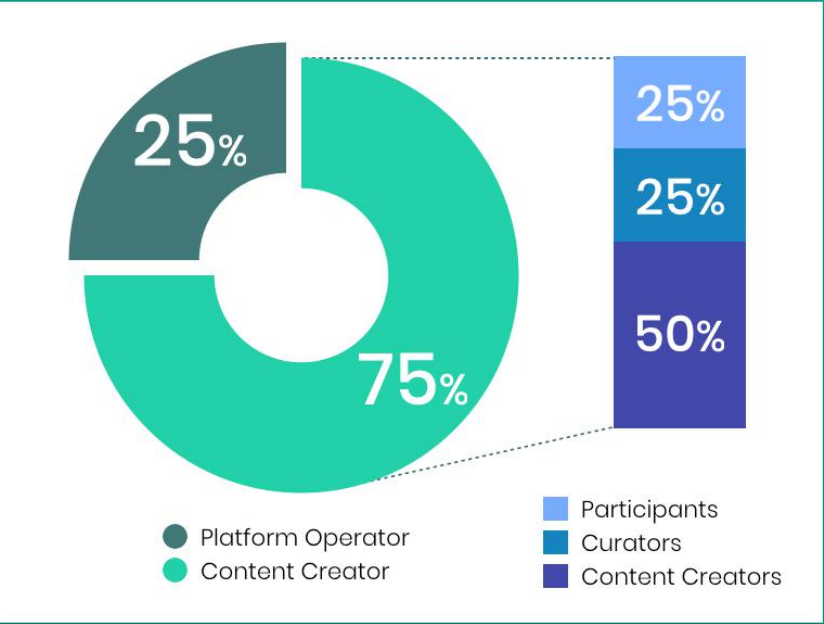
- Service provider earns more than content providers and participants.
- Only few content providers are rewarded.



FORESTING

Fairer value distribution : advantageous to content providers

- Content providers and participants earn more than service provider.
- All users are rewarded fairly and proportionally.



FORESTING is a network that distributes income for reasonable content generation and on the assessment of the users' content. FORESTING supports all types of content, whether it is text, images, videos, audio, or live broadcasting, and provides a social network based on a content-oriented rewarding service.

Regardless of prior blockchain or cryptocurrency knowledge, anyone can use the FORESTING social media platform and easily participate in the FORESTING ecosystem. Being active on the platform is rewarded with cryptocurrency tokens called PTON. While traditional social media gives back only 20% of their profits generated by the content creators, FORESTING distributes 75% of the overall generated profit to all actively contributing users. In FORESTING, content creators are no longer reliant on the funds from followers and advertisers. Instead, users can benefit economically just by getting 'Likes' through the use of blockchain technology and cryptocurrency. Blockchain technology enables users to support content creators and to get incentives by writing comments to other content creators or giving 'Likes'.

Chapter.4

# FORESTING Platform



Similar decentralized projects have appeared in the market, but there hasn't been any replaceable decentralized social media yet. FORESTING aims to be the most successful, rewarding social media by bringing forth innovative blockchain technology integration to the world.

FORESTING uses the best services to integrate blockchain technology with social networks. Details are given below.

## 4.1. Core Features

### I. User-Friendly UX/UI

### II. Device Optimization

### III. Major Categories for Social Media

### IV. Security and Privacy through Blockchain Technologies

## I. User-Friendly UX/UI

As a blockchain-based social media service, FORESTING's goal is to provide users with an easy and convenient service, similar to traditional social media platforms, while also providing real-time measurements and transactions related to their content value. The platform also provides a service that is intuitive to users, rather than a service that requires them to be aware of blockchain technology and cryptocurrency concepts. To this end, we provide a service equipped with the best UX/UI. In addition, the platform supports content providers by providing them with voluntary activities such as uploading and deleting posts. Hiding options are available for posts that users do not want public.

## II. Device Optimization

FORESTING is offering a new ecosystem that integrates people's lifestyles with rewards into a single mobile app, allowing FORESTING users to share their content anytime, anywhere. FORESTING is designed for users to easily share text, images, and videos. People can comfortably write comments, send messages, and navigate chronological feeds.

## III. Major Categories for Social Media

Most blockchain-based social media, including Steemit, are focused on a few specific categories such as "blockchain," "ICO," and "Cryptocurrency."

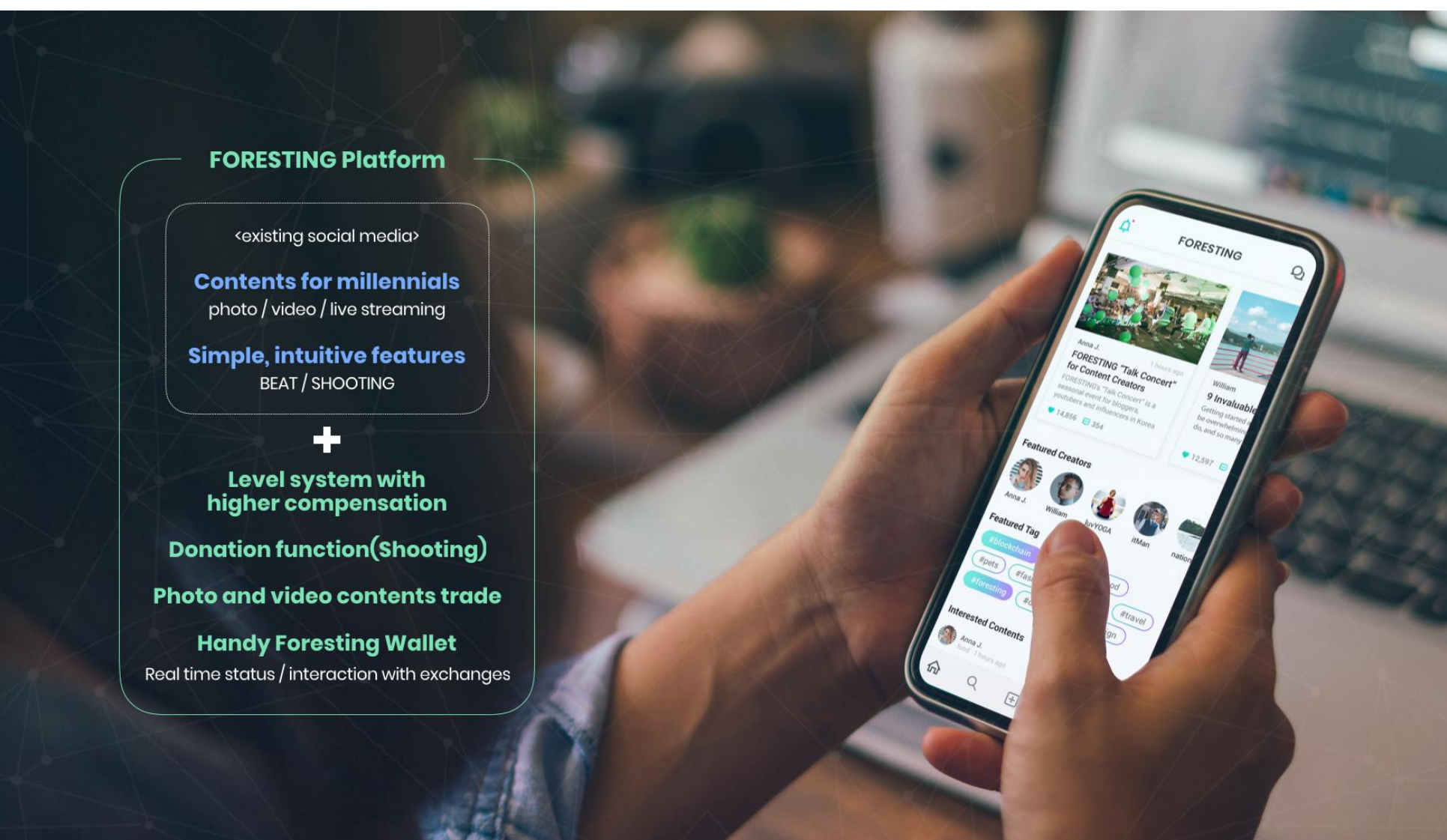
Because its content is concentrated into a few specific categories, and it only has approximately one million users, Steemit is more like a community service rather than a real social media platform like Facebook, YouTube, or Instagram.

In order to be a real social media platform rather than a community platform, FORESTING is focused on a much broader range of categories ranging from lifestyle to beauty, entertainment, and so on, in order to attract more users.

## IV. Security and Privacy through Blockchain Technologies

FORESTING provides users with security and privacy using blockchain technology. Blockchains store data using math and innovative software rules that are difficult for hackers to manipulate. One of the key components of blockchain technology is that it does not have a broker. This is because a transaction is processed into a block after the encryption process, and typically includes the transaction details, transaction summary, and block information from the previous transaction. Therefore, the encrypted block contains an up-to-date, full list of transactions and blocks. The larger and more distributed the network, the more secure it is.

### 4.2. Competitive Advantages



#### FORESTING Platform

<existing social media>

**Contents for millennials**

photo / video / live streaming

**Simple, intuitive features**

BEAT / SHOOTING



**Level system with  
higher compensation**

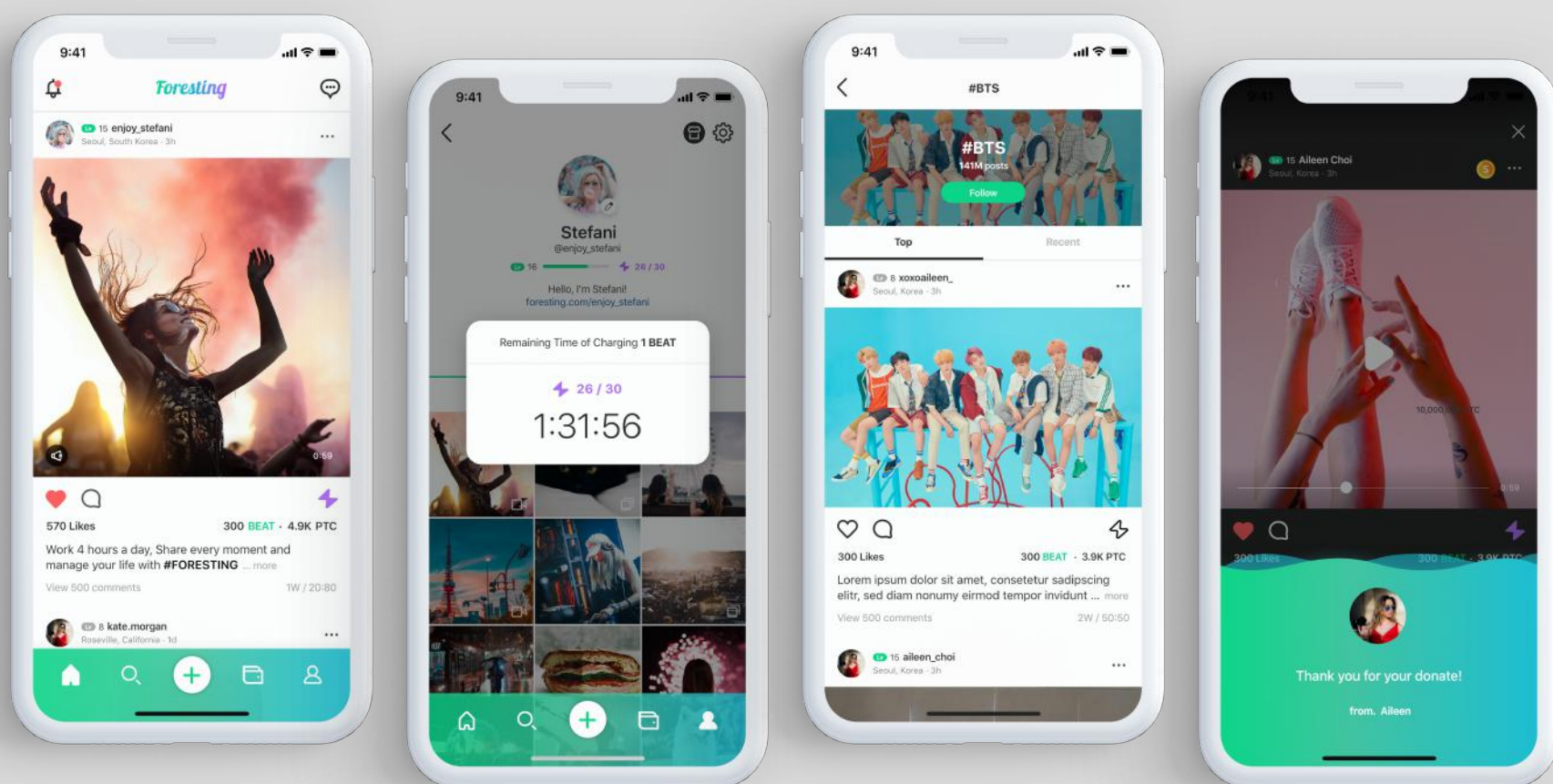
**Donation function(Shooting)**

**Photo and video contents trade**

**Handy Foresting Wallet**

Real time status / interaction with exchanges

Besides key features traditional social media already have, FORESTING has extra advantages making it stand tall compared to other social media platforms.



## I. Level System with Higher Compensation

Users are ranked by levels which determine their accessibility to the complimentary special features on the platform. The higher the obtained level is, the more special features that can be enjoyed on the platform.

Details of this are described in sections 5.3.

## II. Tradable Content

Users can monetize their creativity on the FORESTING platform. They can easily sell the IP(Intellectual Property) of their owned photos and videos on the FORESTING platform. Marketing companies and advertisers who need IP-free but creative and original content can buy it with PTON tokens without copyright infringement.

## III. Shooting (Donation for Content Creators)

In addition to supporting other users through the “Like” button, users can also donate the PTON token by pressing the “Shooting” button on the post. This feature is also one of the ways to directly support other users, and the shootings are shown publicly in the posts.

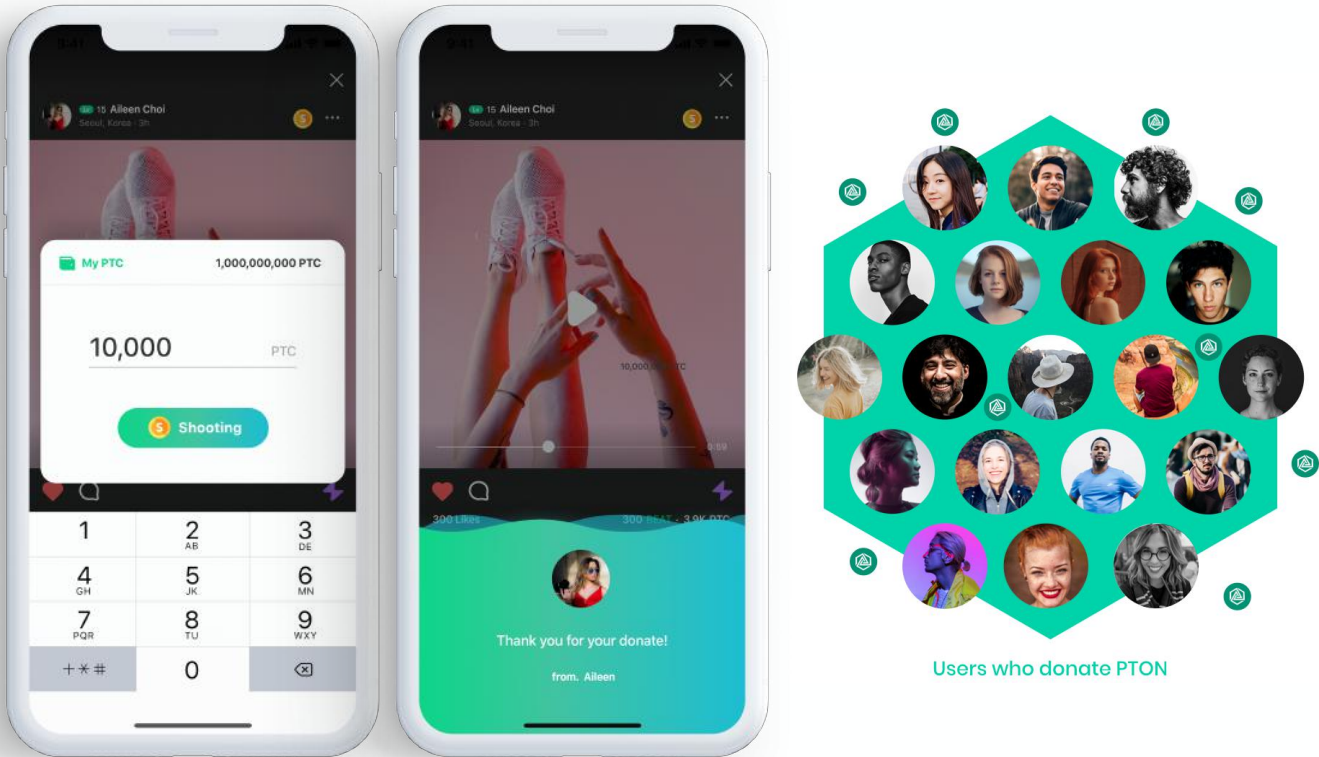


Supporting Content Creators

Users support other users by donating PTON.

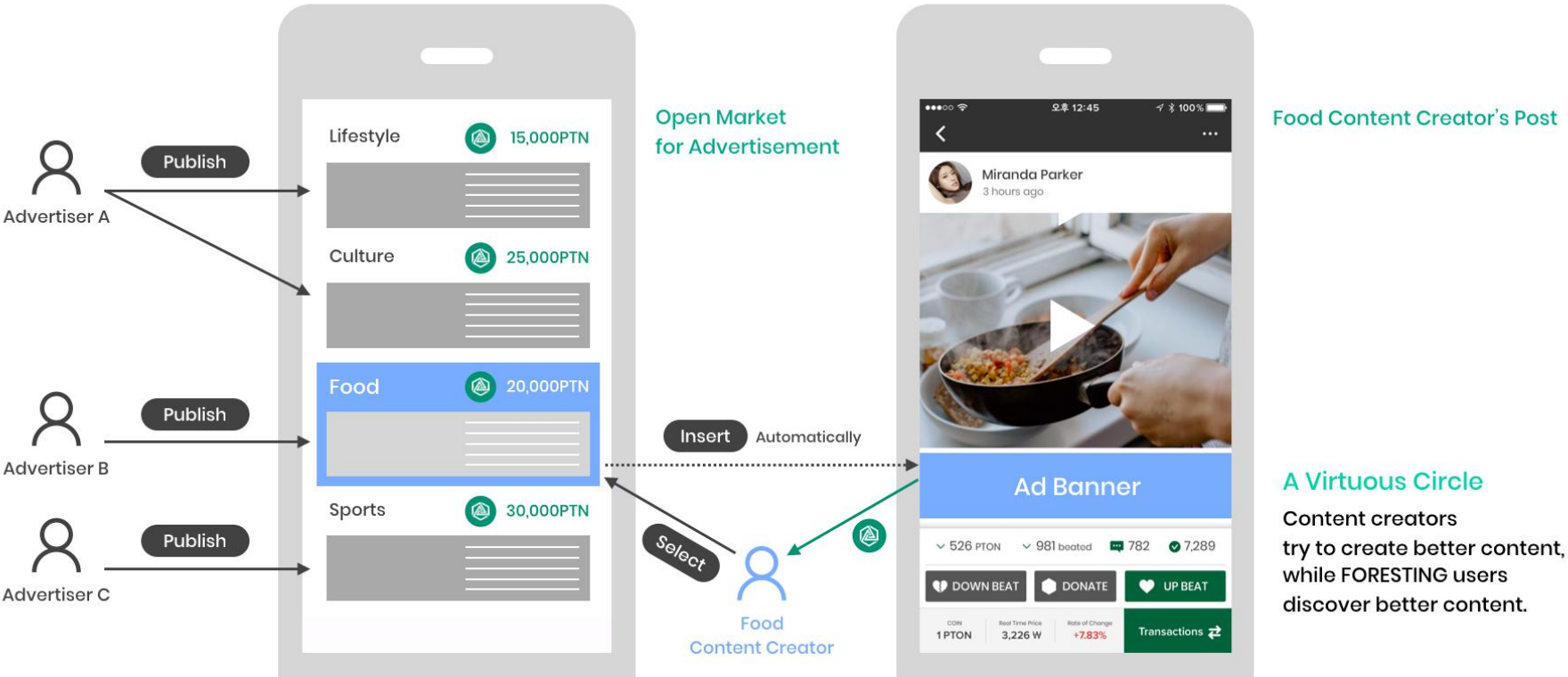
PTON Donation Trigger

Donation behavior is shown in the post.



IV. Open Market for Advertisement

In traditional social media, a company operating advertisements and campaigns accesses the user data through certain marketing tools. However, in FORESTING, advertisers and advertising agencies can upload their advertisements and advertising proposals to the advertising pool category or communicate directly with content providers. Content creators are rewarded through the interaction of other users with their content such as comments and ‘Likes.’ They can also select the advertisements they want to post on their content pages for rewards. This creates a virtuous circle in which content creators try to create better content, while FORESTING can discover better content.



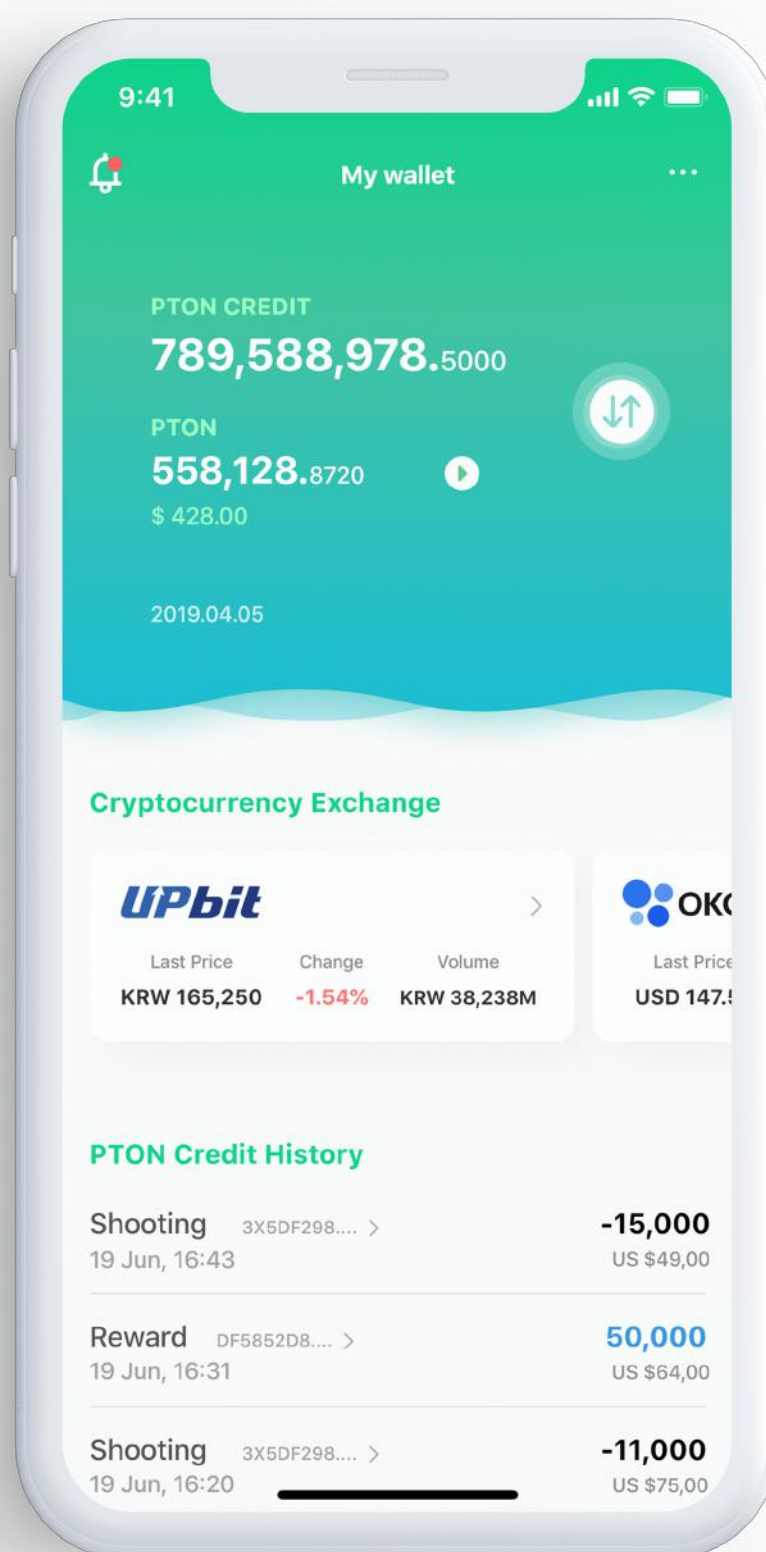
## V. Handy FORESTING Wallet

An easily accessible wallet can be found on the main menu of the platform. On the 'My Wallet' menu, users can check how much reward they have received and directly monetize the reward by exchanging their \*PTON credits into \*PTON tokens.

\*PTON credits: Rewarding points platform users receive

\*PTON tokens: Cryptocurrency that can be exchanged with PTON credits

\*\*Details of this are described in section 5.1. and 5.2.



Chapter.5

# Components of FORESTING Ecosystem



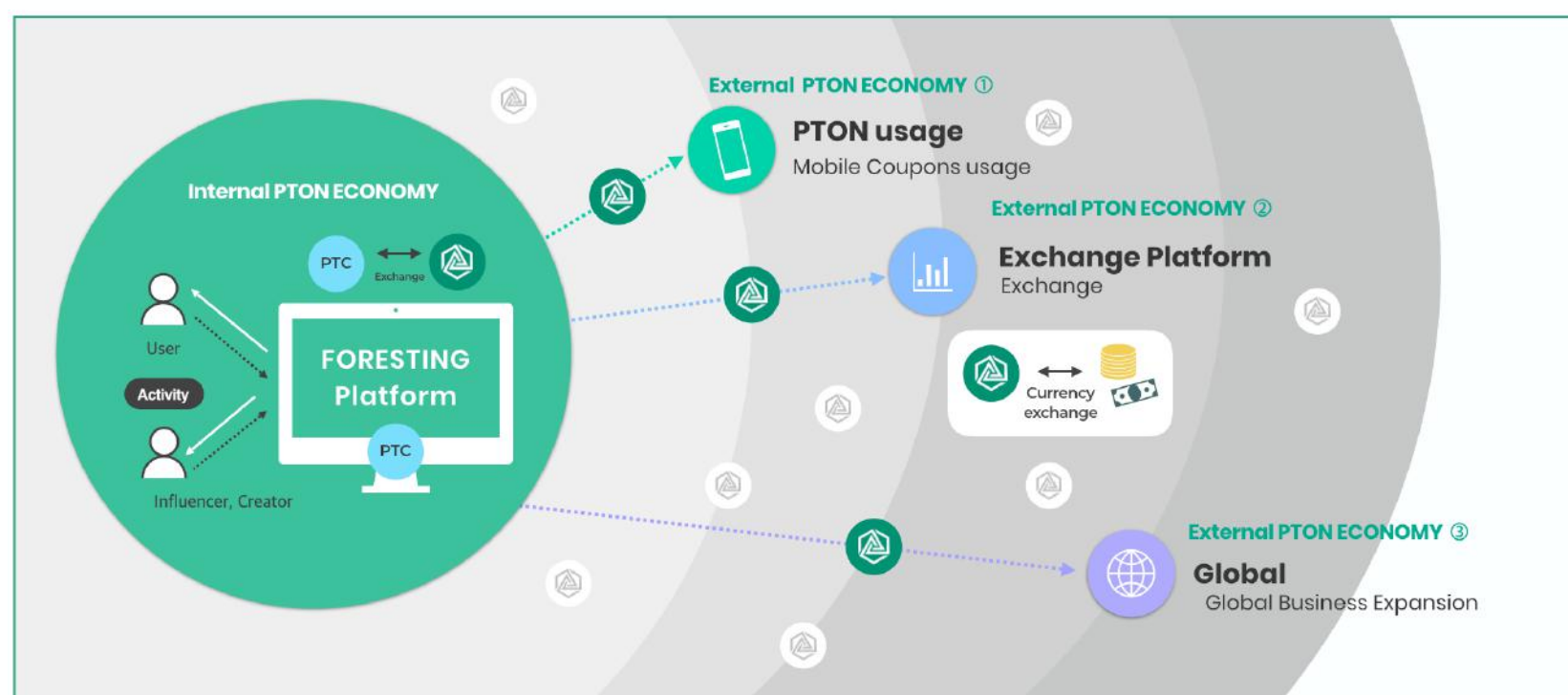
## 5.1. PTON Token

PTON is an ERC-20 token used in FORESTING. PTON's market value determines the value of the reward pool for the participants that contribute to FORESTING. Unlike traditional mining methods, PTON is created by participants contributing content to FORESTING and their activities on the platform.

FORESTING has issued a total of 24 billion PTON tokens out of which 10% are to be given as rewards to the users in the first year of the platform launch and the percentage of rewards will change after that based on the future outcomes.

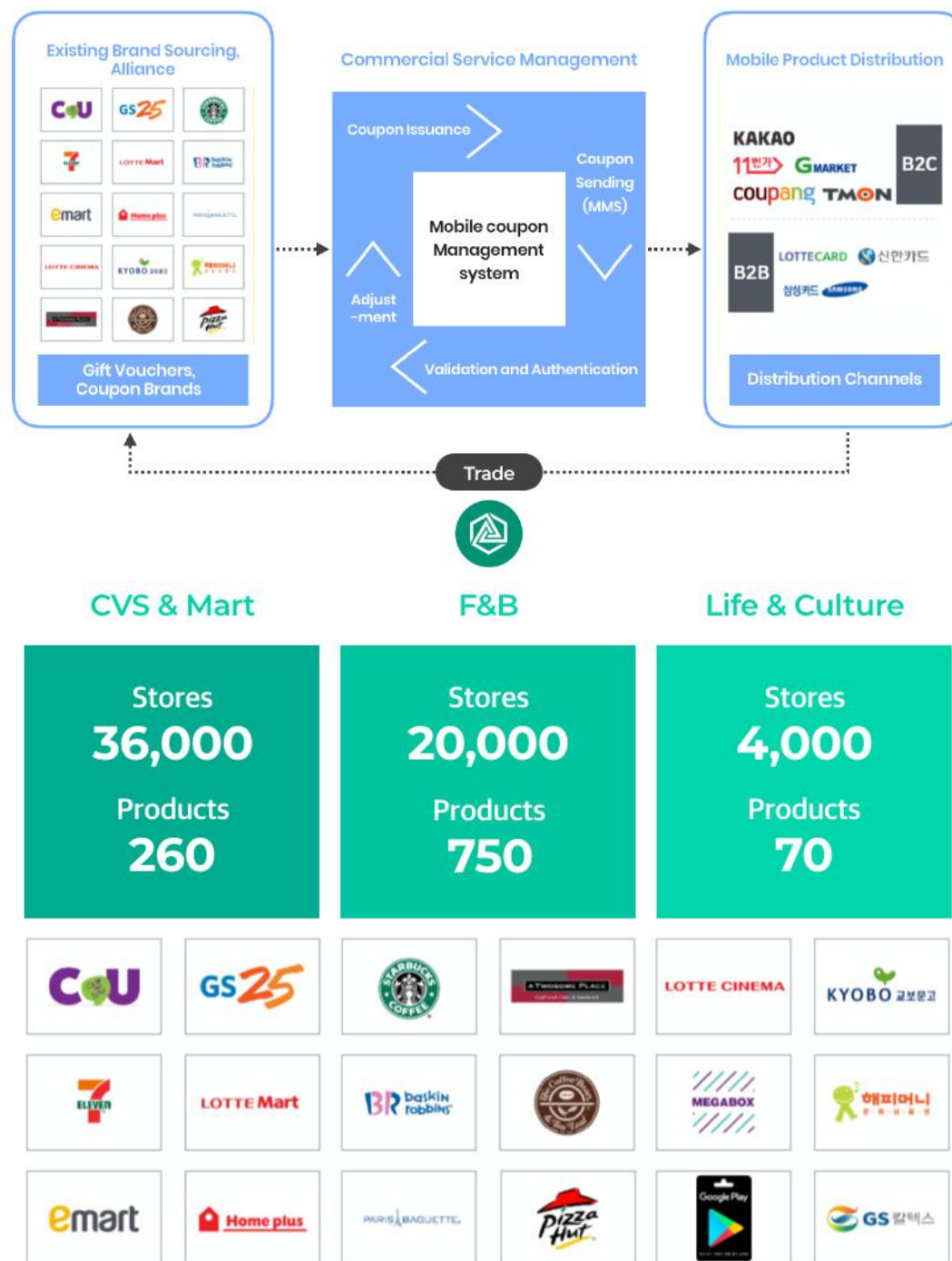
## I. PTON Usage

PTON usage is divided into internal and external usage. PTON is used within the FORESTING social media platform through the activities of users and content creators such as buying boost items and emojis. PTON is also utilized through mobile coupons and the broader commercial market.



### I.1. \*Mobile Coupons

FORESTING has exclusive contracts with many businesses, which have established mobile commerce infrastructure, including 60,000 stores, 60 brands, and more than 1,000 offline merchant networks. This allows users to easily exchange goods such as mobile coupons and gift certificates. \*Mobile coupon test starts from Feb, 2019.



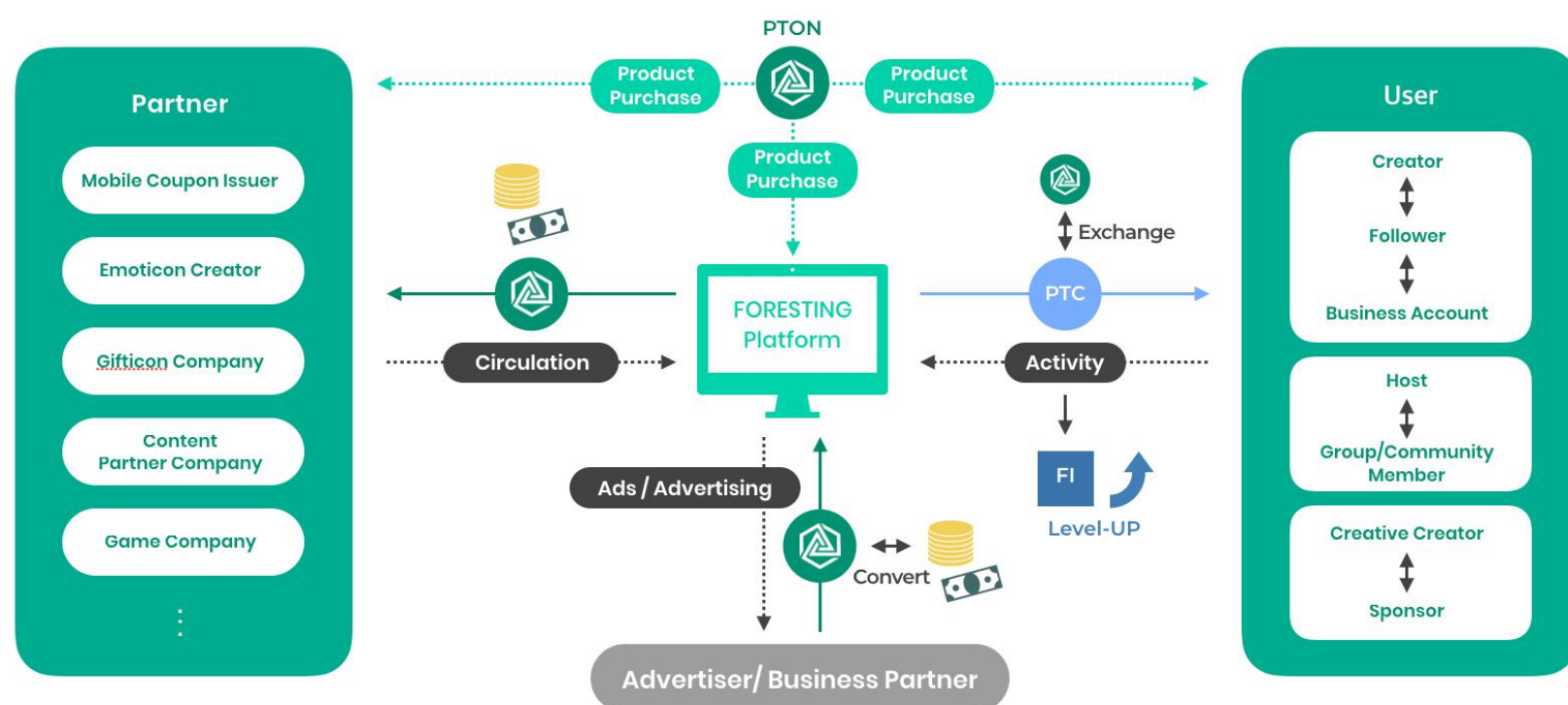
## II. PTON Economy

There were many similar concepts to decentralized digital money before the fame of Bitcoin, including Digicash (1992), Cybercash (1994), and e-Gold (1996). Bitcoin, however, is the first of its kind to have no government backing, while also creating an entirely trustworthy system.

Bitcoin is different from the previous technologies because the system has incorporated not only computer engineering and cryptographic factors, but also economic factors that drive participants' behavior. Until then, regardless of the technology applied to the system, eventually someone had to maintain rules and order within the network with responsibility and authority. However, Bitcoin has created an "incentive structure" to replace these rules and orders with protocols while following protocol rules. Bitcoin networks must be well-structured to allow participants to benefit. A large number of people around the world are devising new services that use blockchain, such as Bitcoin, which must be equipped with internal services and a tailored economic system.

PTON Economy is a system(mechanism) that has incorporated economic factors that drive participants' behavior. The main agents of PTON Economy are users, partners, and advertisers/business partners. At the center of this economy is the FORESTING social media platform. The PTON Economy structure shows how PTON tokens are used and acquired in general and the main agents get rewarded and incentivized.

### < PTON Economy Structure >



## II.1. Reward criteria in PTON ECONOMY

FORESTING is the platform's revenue chain that allows users to quantify the content provider's contribution by offering rewards using a distributed consensus method.

- On what criteria are rewards (tokens) given, and to whom?

The rewards criteria will be based on the merits: how many votes the content creator or uploader (can be the same or interchangeable) receives from users over a weekly period.

- How are the tokens be valued?

The token's value is determined by its current market price on trading platforms and exchanges.

## 5.2. PTON CREDIT

PTON CREDIT is an internal reputation point based on the quality of the user's interaction with the ecosystem and differs from PTON token as it is not a tradable asset. PTON CREDIT can be bought using PTON tokens, but they do not have the same value; rather PTON CREDIT is proportional to the PTON tokens. In other words, a PTON token can be exchanged for a certain number of PTON CREDITS that can be used by users inside the FORESTING platform.



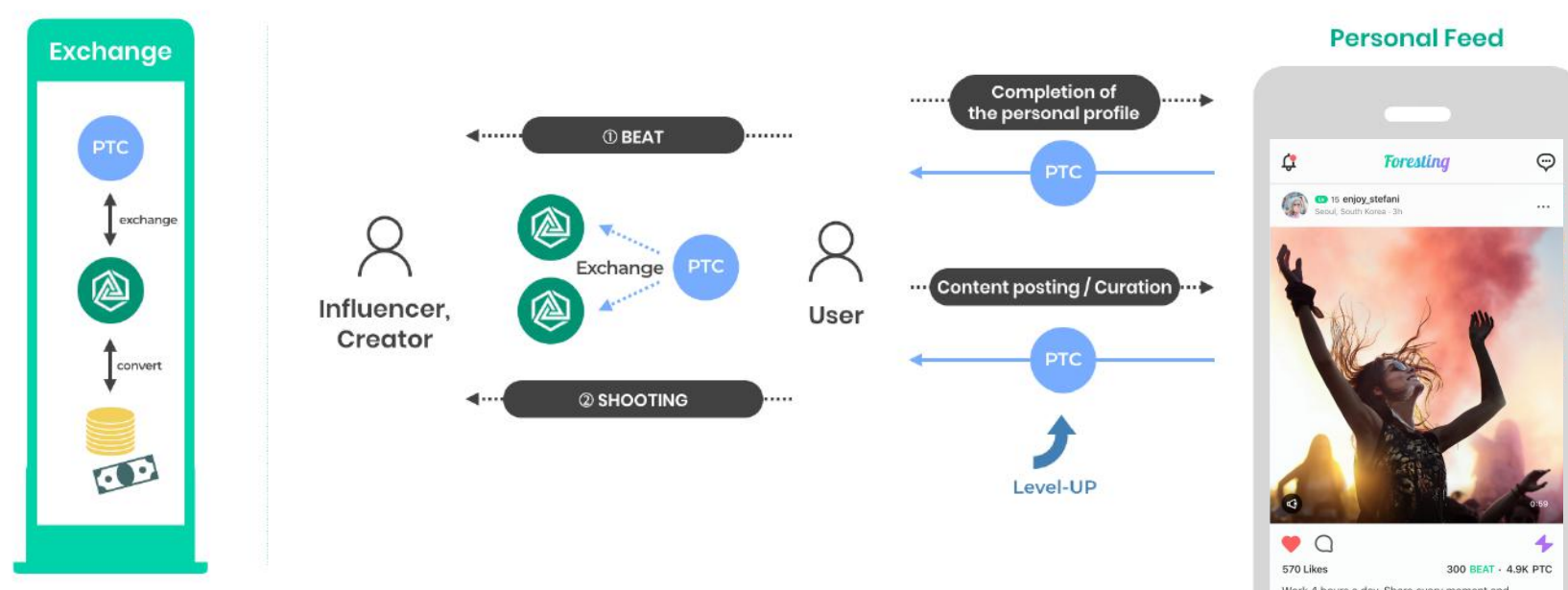
FORESTING users can earn PTON CREDIT depending on their content and the reaction they receive from the FORESTING community. For example, the more BEAT reactions they receive, the more PTON CREDITS they receive and the more DOWNBEAT they receive the less PTON CREDITS they earn.

Users of FORESTING, through PTON tokens, can buy a certain amount of PTON CREDITS, and then use the PTON CREDITS inside the platform to interact with other users and use the special features on the platform.

The following paragraphs describe the important elements of PTON credit.

## I. Basic Voting System: BEAT

In social media services, service users express their opinions about a particular issue in the decision-making process. The network can give users the right to vote and collect opinions efficiently. The FORESTING voting system combines voting rights and tokens into a pattern for collecting opinions.



## II. PTON CREDIT Acquisition Path and Decision-making – BEAT

FORESTING allows users who write articles and create content to BEAT for other users' contents. Users who receive 'BEATs' are rewarded with PTON credits in the network, and viewers who BEAT will receive curation rewards.

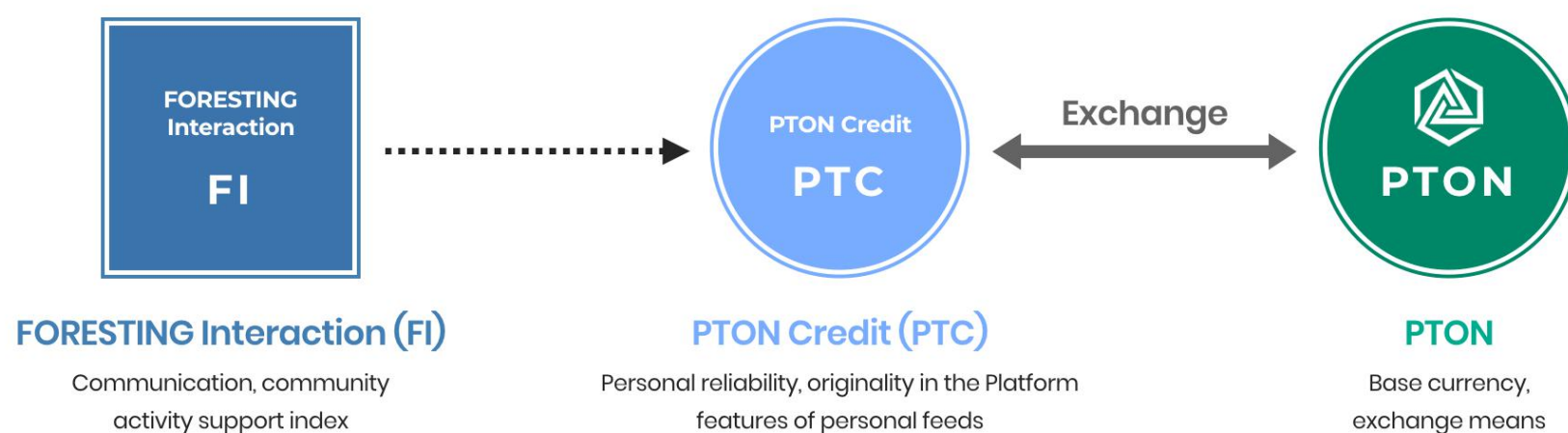
There are two ways to earn PTON CREDIT in FORESTING. The first is "activity," which receives PTON CREDIT as a reward for uploading content on the network or BEATING for other posts. By linking activities in the network with PTON CREDIT, the character of the community is strengthened, requiring users to be active and participate. A user can accumulate PTON CREDIT by depositing PTON tokens on the service.

### III. Constraints of Malicious Behaviour – DOWNBEAT

Social media services currently can be exploited, especially if they are directly related to monetary rewards. For example, for the sake of monetary gain, there is a risk that a bad actor might vote randomly or post indiscriminate articles in order to get compensation. FORESTING's DOWNBEAT feature allows the users on the network to filter out low-quality content by cancelling out any positive votes(BEAT).

FORESTING allows you to DOWNBEAT inappropriate articles (plagiarism, fraudulent posts, spam, sexually explicit images, abominable videos, racist content, etc.). A DOWNBEAT will negatively impact a user's posts (reduce the number of BEATs), which reduces the user's compensation. Therefore, the users can self-regulate the content on the network.

### 5.3. Level System



There is a positive correlation between PTON CREDIT and FORESTING Interaction(FI).

#### I. FI

The FI is an index that calculates the entirety of each user's activeness on the platform and the reactions they receive for the contents.

#### II. FI Index Decides User's Level

The user's level increases based on the FI index, and PTON CREDITS are rewarded according to the level the users reaches.

In short, the higher the level a user reaches, the greater the benefits the user receives.

## 5.4. Curation Compensation

**“The higher PTON CREDIT balance users have, the more curation rewards they receive.”**

Curation compensation is a reward given to a voter on the platform. One of the factors that determines the size of this compensation is the voter's PTON CREDIT. A voter with a high PTON credit balance will receive more curation compensation.

## 5.5. Commercial Revenue Share

The biggest problem is that most content platform operators use customer databases to earn advertising revenue. The content itself does not generate the platform's primary revenue, instead the platform serves as an intermediary for advertisers, and users are focused on collecting user databases to improve the efficiency and effectiveness of targeting and retargeting for advertisers and advertising agencies.

Instead of focusing on these advertising-revenue-driven platforms, FORESTING has created a content-centric platform that generates revenue directly from content.



Chapter.6

# Summary

## 6.1. Summary

FORESTING is a social media platform that allows content creators and content consumers to interact, create, and share value with no central intermediary, thereby providing for great content creation, a great community, and a virtuous cycle, whereby both content creators and consumers are rewarded for their contributions to the community.

FORESTING aims to be the leading social media network by providing a unique social media platform that features innovative integration of blockchain technology, which allows for a more fair, convenient, and secure usage of social media platforms for its users.

Chapter.7

# Disclaimer



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This Whitepaper does not constitute or form part of any opinion on any advice to purchase, sell or otherwise transact with Tokens and the fact of presentation of this Whitepaper shall not form the basis of or be relied upon in connection with, any contract of investment decision.

THE TOKEN SALE (AS REFERRED TO HEREIN) IS INTENDED FOR, MADE TO OR DIRECTED AT ONLY PERSONS OUTSIDE THE UNITED STATES OF AMERICA OR THE PRC AND MAY BE ACTED UPON ONLY BY PERSONS OUTSIDE THE UNITED STATES OF AMERICA OR THE PRC. ACCORDINGLY, YOU ARE NOT ELIGIBLE AND YOU ARE NOT TO PURCHASE ANY TOKENS IN THE TOKEN SALE IF YOU ARE:

- (A) A CITIZEN, DOMICILED IN, OR RESIDENT OF THE UNITED STATES OF AMERICA OR THE PRC;
- (B) LOCATED IN THE UNITED STATES OF AMERICA OR THE PRC AT THE TIME OF YOUR WHITELISTING FOR AND INTENDED PURCHASE OF OR PURCHASE OF TOKENS IN THE TOKEN SALE;

(C) LOCATED IN A JURISDICTION WHERE THE TOKEN SALE IS PROHIBITED, RESTRICTED OR UNAUTHORISED IN ANY FORM OR MANNER WHETHER IN FULL OR IN PART UNDER THE LAWS, REGULATORY REQUIREMENTS OR RULES IN SUCH JURISDICTION; OR

(D) A PERSON WHO IS OTHERWISE PROHIBITED OR INELIGIBLE IN ANY WAY, WHETHER IN FULL OR IN PART, FROM PARTICIPATING IN ANY PART OF THE TRANSACTIONS CONTEMPLATED IN THE TOKEN SALE TERMS (AS DEFINED BELOW), (COLLECTIVELY, “EXCLUDED PERSONS”).

For the purpose of this Whitepaper, to be “Whitelisted” means to be identified to be eligible to participate in the Token Sale by the Issuer, subject to satisfactory know-your-client and anti-money laundering and counter financing of terrorism checks conducted in connection therewith, or such other criteria as may be imposed by the Issuer in connection therewith at its sole and absolute discretion.

No Token should be construed, interpreted, classified or treated as enabling, or according any opportunity to, purchasers to participate in or receive profits, income, or other payments or returns arising from or in connection with the FORESTING Protocol or the Tokens or the proceeds of the Token Sale, or to receive sums paid out of such profits, income, or other payments or returns.

No person is bound to enter into any contract or binding legal commitment in relation to the sale and purchase of the Tokens, and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper.

Any agreement as between Issuer and you as a purchaser, and in relation to any sale and purchase, of Tokens is to be governed by only a separate document setting out the terms and conditions (the “Token Sale Terms”) of such agreement. In the event of any inconsistencies between the Token Sale Terms and this Whitepaper, the former shall prevail. There are risks and uncertainties associated with Foresting HQ Pte. Ltd., the Issuer and their business and operations, the Tokens, the FORESTING Protocol, and the Token Sale. Please refer to the section entitled “Risks and Disclosures” set out at the end of this Whitepaper. This Whitepaper, any part thereof and any copy thereof must not be taken or transmitted to any country where distribution or dissemination of this Whitepaper is prohibited or restricted.

No part of this Whitepaper is to be reproduced, distributed or disseminated without including this section and the following sections entitled “Disclaimer of Liability”, “No Representations and Warranties”, “Representations and Warranties By You”, “Cautionary Note On Forward-Looking Statements”, “Third Party Information and No Consent of Other Persons”, “Terms Used”, “No Advice”, “No Further Information or Update”, “Restrictions On Distribution and Dissemination” and “Risks and Uncertainties”.

Persons to whom a copy of this Whitepaper has been distributed or disseminated, provided access to or who otherwise have the Whitepaper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute this Whitepaper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.



## DISCLAIMER OF LIABILITY

To the maximum extent permitted by the applicable laws and regulations, FORESTING HQ Pte. Ltd. shall not be liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this Whitepaper or any part thereof by you.

## NO REPRESENTATIONS AND WARRANTIES

Forestring HQ Pte. Ltd. and Issuer does not make or purport to make, and hereby disclaims, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy and completeness of any of the information set out in this Whitepaper.

## REPRESENTATIONS AND WARRANTIES BY YOU

By accessing and/or accepting possession of any information in this Whitepaper or such part thereof (as the case maybe), you represent and warrant to Forestring HQ Pte. Ltd. as follows:

- (a) you agree and acknowledge that the Token do not constitute securities of any form, units in a business trust, units in a collective investment scheme or any other form of regulated investment or investment product in any jurisdiction;
- (b) you are not an Excluded Person, or a citizen or resident of a country the laws of which prohibit or conflict with the Token Sale or your participation in the Token Sale;
- (c) you are not located in a jurisdiction where the Token Sale is prohibited, restricted or unauthorized in any form or manner whether in full or in part under the laws, regulatory requirements or rules in such jurisdiction;
- (d) you are not a person who is otherwise prohibited or ineligible in any way, whether in full or in part, from participating in any part of the transactions contemplated in the Token Sale Terms;
- (e) you agree and acknowledge that this Whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities of any form, units in a business trust, units in a collective investment scheme or any other form of regulated investment or investment product in any jurisdiction, or a solicitation for any form of regulated investment or investment product, and you are not bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper ;

(f) you acknowledge and understand that no Token should be construed, interpreted, classified or treated as enabling, or according any opportunity to, Token holders to participate in or receive profits, income, or other payments or returns arising from or in connection with the Tokens or the proceeds of the Token Sale, or to receive sums paid out of such profits, income, or other payments or returns;

(g) you agree and acknowledge that no regulatory authority has examined or approved of the information set out in this Whitepaper, no action has been or will be taken by Foresting HQ Pte. Ltd. to obtain such approval under the laws, regulatory requirements or rules of any jurisdiction and the publication, distribution or dissemination of this Whitepaper to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;

(h) you agree and acknowledge that this Whitepaper, the undertaking and/or the completion of the Token Sale, or future trading of Tokens on any cryptocurrency exchange, shall not be construed, interpreted or deemed by you as an indication of the merits of Foresting HQ Pte. Ltd., the Tokens, the Token Sale, and the FORESTING Protocol;

(i) The distribution or dissemination of this Whitepaper, any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions in relation to possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to Foresting HQ Pte. Ltd.;

(ii) you agree and acknowledge that in the case where you wish to purchase any Tokens, Tokens are not to be construed, interpreted, classified or treated as:

(iii) any kind of currency other than cryptocurrency;

(iv) debentures, stocks or shares issued by any person or entity; rights, options or derivatives in respect of such debentures, stocks or shares;

(v) rights under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss;

(vi) securities;

(vii) units or derivatives of units in a business trust;

(viii) units in a collective investment scheme; or

(vx) any form of regulated investment or investment product;

(i) you are fully aware of and understand that you are not eligible and you are not to purchase any Tokens if you are an Excluded Person;

(j) you are legally permitted to participate in the Token Sale and all actions contemplated or associated with such purchase, including the holding and use of Tokens;

(k) the amounts that you use to purchase Tokens were not and are not directly or indirectly derived from any activities that contravene the laws and regulations of any jurisdiction, including anti-money laundering laws and regulations;

(l) if you are a natural person, you are of sufficient age and capacity under the applicable laws of the jurisdiction in which you reside and the jurisdiction of which you are a citizen to participate in the Token Sale;

(m) you are not obtaining or using Tokens for any illegal purpose;

(n) neither:

(i) yourself;

(ii) any person who is controlling or is controlled by you;

(iii) if you are a privately-held entity, any person who has a beneficial interest in you (relevant only to privately held entities); or

(iv) any person for whom you are acting as an agent or nominee in connection with this Token Sale,

is a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure.

A “senior foreign political figure” is defined as a senior official in the executive, legislative, administrative, military or judicial branch of a government (whether elected or not), a senior official of a major political party, or a senior executive of a foreign government owned corporation, and includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

“Immediate family” of a senior foreign political figure typically includes such figure’s parents, siblings, spouse, children and in-laws.

A “close associate” of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with such senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of such senior foreign political figure;

(o) if you are affiliated with a non-U.S. banking institution (“Foreign Bank”), or if you receive deposits from, make payments on behalf of, or handle other financial transactions related to a Foreign Bank, you represent and warrant to Foresting HQ Pte. Ltd. that:

(i) the Foreign Bank has a fixed address, and not solely an electronic address, in a country in which the Foreign Bank is authorised to conduct banking activities;

(ii) the Foreign Bank maintains operating records related to its banking activities;

(iii) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct its banking activities; and

(iv) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate;

(p) you have a basic degree of understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology and smart contract technology;



(q) you are fully aware and understand that in the case in which you wish to purchase any Tokens, there are risks associated with Foresting HQ Pte. Ltd. and its businesses and operations, the Tokens, the FORESTING Protocol and the Token Sale

(r) you bear the sole responsibility to determine what tax implications purchasing Tokens may have for you and agree not to hold Foresting HQ Pte. Ltd. or any other person involved in the Token Sale liable for any tax liability associated with or arising therefrom;

(s) you agree and acknowledge that Foresting HQ Pte. Ltd. and/or any person involved in the Token Sale and/or with the creation and distribution of Tokens or the FORESTING Protocol, is not liable for any direct, indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this Whitepaper or any part thereof by you;

(t) you waive the right to participate in a class action lawsuit or a class wide arbitration against Foresting HQ Pte. Ltd. and/or any person involved in the Token Sale and/or with the creation and distribution of Tokens or the FORESTING Protocol; and

(u) all of the above representations and warranties are true, complete, accurate and non-misleading from the time of your access to and/or acceptance of possession of this Whitepaper or such part thereof (as the case may be).

#### **CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS**

All statements contained in this Whitepaper, statements made in press releases or in any place accessible by the public and oral statements that may be made by Foresting HQ Pte. Ltd. or its directors, executive officers or employees acting on behalf of Foresting HQ Pte. Ltd. (as the case may be), that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “aim”, “target”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “would”, “will” or other similar terms.

However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding Foresting HQ Pte. Ltd.’s business strategies, plans and prospects and the future prospects of the industry which Foresting HQ Pte. Ltd. is in, are forward-looking statements.

These forward-looking statements, which include but are not limited to statements as to Foresting HQ Pte. Ltd.’s prospects, future plans, other expected industry trends and other matters discussed in this Whitepaper regarding Foresting HQ Pte. Ltd. are matters that are not historic facts, but only predictions.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual future results, performance or achievements of Foresting HQ Pte. Ltd. to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These factors include, amongst others:

- (a) changes in the political, social, and economic landscape, and the stock or cryptocurrency market conditions, and the regulatory environment in the countries in which Foresting HQ Pte. Ltd. conducts its business and operations;
- (b) the risk that Foresting HQ Pte. Ltd. may be unable to execute or implement its business strategies and future plans;
- (c) changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;
- (d) changes in the anticipated growth strategies and expected internal growth of Foresting HQ Pte. Ltd. and the FORESTING Protocol;
- (e) changes in the availability and fees payable to Foresting HQ Pte. Ltd. in connection with its businesses and operations or on the FORESTING Protocol;
- (f) changes in the availability and salaries of employees who are required by Foresting HQ Pte. Ltd. to operate their respective businesses and operations;
- (g) changes in preferences of users of the FORESTING Protocol;
- (h) changes in competitive conditions under which Foresting HQ Pte. Ltd. operates, and the ability of Foresting HQ Pte. Ltd. to compete under such conditions;
- (i) changes in the future capital needs of Foresting HQ Pte. Ltd. and the availability of financing and capital to fund such needs;
- (j) war or acts of international or domestic terrorism;
- (k) occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of Foresting HQ Pte. Ltd.; (l) other factors beyond the control of Foresting HQ Pte. Ltd.; and
- (l) other factors beyond the control of Foresting HQ Pte. Ltd.; and
- (m) any risk and uncertainties associated with Foresting HQ Pte. Ltd. and its business and operations, the Tokens, the FORESTING Protocol and the Token Sale.

All forward-looking statements made by or which are attributable to Foresting HQ Pte. Ltd. or persons acting on behalf of Foresting HQ Pte. Ltd. are expressly qualified in their entirety by such factors. Given that risks and uncertainties that may cause the actual future results, performance or achievements of Foresting HQ Pte. Ltd. could be materially different from what has been expected, expressed or implied by the forward-looking statements in this Whitepaper, undue reliance must not be placed on these statements. These forward-looking statements are applicable only as of the date of this Whitepaper. Neither Foresting HQ Pte. Ltd. nor any other person represents, warrants, and/or undertakes that the actual future results, performance or achievements of Foresting HQ Pte. Ltd. will be as discussed in those forward-looking statements. The actual results, performance or achievements of Foresting HQ Pte. Ltd. may differ materially from those anticipated in these forward-looking statements. Nothing contained in this Whitepaper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of Foresting HQ Pte. Ltd. Further, Foresting HQ Pte. Ltd. disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

**THIRD PARTY INFORMATION AND NO CONSENT OF OTHER PERSONS** This Whitepaper includes information obtained from various third party sources ("Third Party Information"). None of the publishers of the Third Party Information has consented to the inclusion of the Third Party Information in this Whitepaper and is therefore not liable for the Third Party Information. While Foresting HQ Pte. Ltd. has taken reasonable action to ensure that the Third Party Information have been included in their proper form and context, neither Foresting HQ Pte. Ltd., nor its directors, executive officers and employees acting on its behalf, has independently verified the accuracy, reliability, completeness of the contents, or ascertained any applicable underlying assumption, of the relevant Third Party Information. Consequently, neither Foresting HQ Pte. Ltd. nor its directors, executive officers and employees acting on their behalf makes any representation or warranty as to the accuracy, reliability or completeness of such information and shall not be obliged to provide any updates on the same.

**TERMS USED** To facilitate a better understanding of the Tokens being offered for purchase by Foresting HQ Pte. Ltd., and the businesses and operations of Foresting HQ Pte. Ltd., certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in this Whitepaper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage. Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neutral genders and vice versa. References to persons shall include corporations.

#### NO ADVICE

No information in this Whitepaper should be considered to be business, legal, financial or tax advice regarding Foresting HQ Pte. Ltd., the Tokens, the FORESTING Protocol, or the Token Sale. You should consult your own legal, financial, tax or other professional advisor regarding Foresting HQ Pte. Ltd. and its business and operations, the Tokens, the FORESTING Protocol, and the Token Sale.



You should be aware that you may be required to bear the financial risk of any exchange of Tokens for an indefinite period of time. None of the advisors engaged by us has made or purports to make any statement in this Whitepaper or any statement upon which a statement in this Whitepaper is based and each of them makes no representation regarding any statement in this Whitepaper and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any liability to any person which is based on, or arises out of, any statement, information or opinions in, or omission from, this Whitepaper.

**NO FURTHER INFORMATION OR UPDATE** No person has been or is authorised to give any information or representation not contained in this Whitepaper in connection with Foresting HQ Pte. Ltd. and its business and operations, the Tokens, the FORESTING Protocol, or the Token Sale and, if given, such information or representation must not be relied upon as having been authorised by or on behalf of Foresting HQ Pte. Ltd.. The Token Sale shall not, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change, or development reasonably likely to involve a material change in the affairs, conditions and prospects of Foresting HQ Pte. Ltd. or in any statement or information contained in this Whitepaper since the date hereof.

**RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION** The distribution or dissemination of this Whitepaper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of this Whitepaper or such part thereof (as the case maybe) at your own expense and without liability to Foresting HQ Pte. Ltd. Persons to whom a copy of this Whitepaper has been distributed or disseminated, provided access to or who otherwise have the Whitepaper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute this Whitepaper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

**NO OFFER OF INVESTMENT OR REGISTRATION** This Whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities of any form, units in a business trust, units in a collective investment scheme or any other form of investment, or a solicitation for any form of investment in any jurisdiction. No person is bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper.

**THE TOKEN SALE (AS REFERRED TO HEREIN) IS INTENDED FOR, MADE TO OR DIRECTED AT ONLY PERSONS WHO ARE NOT EXCLUDED PERSONS** No regulatory authority has examined or approved of any of the information set out in this Whitepaper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of this Whitepaper does not imply that the applicable laws, regulatory requirements or rules have been complied with.

**RISKS AND UNCERTAINTIES** Prospective purchasers of Tokens should carefully consider and evaluate all risks and uncertainties associated with the Issuer and Foresting HQ Pte. Ltd., and their business and operations, the Tokens, the FORESTING Protocol, and the Token Sale, and all information set out in this Whitepaper and the Token Sale Terms prior to any purchase of the Tokens. If any of such risks and uncertainties develops into actual events, the business, financial condition, results of operations and prospects of the Issuer could be materially and adversely affected. In such cases, you may lose all or part of the value of the Tokens. Please read the following risks and warnings before deciding to purchase Tokens. It should be noted the following list of risks and warnings is not exhaustive. Accordingly, prospective purchasers should not place undue reliance on these statements.

#### 1. RISKS RELATING TO PARTICIPATION IN THE TOKEN SALE

The Issuer may be forced to cease operations. It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of cryptographic and fiat currencies, the inability of the Issuer to establish the Project or the Token's utility, the failure of commercial relationships, or intellectual property ownership challenges, the Issuer may no longer be viable to operate and the Issuer may dissolve or take actions that result in a dissolution of the Issuer. There is no prior market for the Tokens and the Token Sale may not result in an active or liquid market for the Tokens. Prior to the Token Sale, there has been no public market for the Tokens. In the event that the Tokens are traded on a cryptocurrency exchange, there is no assurance that an active or liquid trading market for the Tokens will develop or if developed, be sustained after the Tokens have been made available for trading on such cryptocurrency exchange. There is also no assurance that the market price of the Tokens will not decline below the purchase price of the Tokens (the "Purchase Price"). The Purchase Price may not be indicative of the market price of the Tokens after they have been made available for trading on a cryptocurrency exchange.

A Token is not a currency issued by any central bank or national, supra-national or quasi national organisation, nor is it backed by any hard assets or other credit. The Issuer is not responsible for nor does it pursue the circulation and trading of Tokens on the market. Trading of Tokens merely depends on the consensus on its value between the relevant market participants, and no one is obliged to purchase any Token from any holder of the Token, including the purchasers, nor does anyone guarantee the liquidity or market price of Tokens to any extent at any time. Accordingly, the Issuer cannot ensure that there will be any demand or market for Tokens, or that the Purchase Price is indicative of the market price of Tokens after they have been made available for trading on a cryptocurrency exchange. Future sales of the Tokens could materially and adversely affect the market price of Tokens. Any future sale of the Tokens (which were not available for sale in the Token Sale) would increase the supply of Tokens in the market and this may result in a downward price pressure on the Token. The sale or distribution of a significant number of Tokens outside of the Token Sale, or the perception that such further sales or issuance may occur, could adversely affect the trading price of the Tokens.

Negative publicity may materially and adversely affect the price of the Tokens. Negative publicity involving the Issuer, the FORESTING Protocol, the Tokens or any of the key personnel of the Issuer may materially and adversely affect the market perception or market price of the Tokens, whether or not such negative publicity is justified. Limited availability of sufficient information. The FORESTING Protocol is still at an early development phase as of the date of this Whitepaper. Its governance structure, purpose, consensus mechanism, algorithm, code, infrastructure design and other technical specifications and parameters may be updated and changed frequently without notice. While this Whitepaper contains the key information currently available in relation to the FORESTING Protocol, it is subject to adjustments and updates from time to time, as announced on FORESTING HQ Pte. Ltd.'s website. Purchasers will not have full access to all the information relevant to the Tokens and/or the FORESTING Protocol. Nevertheless, it is anticipated that significant milestones and progress reports will be announced on FORESTING HQ Pte. Ltd.'s website. There is no assurance of any success of the FORESTING Protocol.

The value of, and demand for, the Tokens hinges heavily on the performance of the FORESTING Protocol. There is no assurance that the FORESTING Protocol will gain traction after its launch and achieve any commercial success. The FORESTING Protocol has not been fully developed, finalised and integrated and is subject to further changes, updates and adjustments prior to its launch. Such changes may result in unexpected and unforeseen effects on its projected appeal to users, and hence impact its success. While the Issuer has made every effort to provide a realistic estimate, there is also no assurance that the cryptocurrencies raised in the Token Sale will be sufficient for the development and integration of the FORESTING Protocol. For the foregoing or any other reason, the development and integration of the FORESTING Protocol may not be completed and there is no assurance that it will be launched at all. As such, distributed Tokens may hold little worth or value, and this would impact its trading price. If and when the FORESTING Protocol is fully developed, there is no assurance it will be widely adopted or utilised by its target users. The trading price of the Tokens may fluctuate following the Token Sale. The prices of cryptographic tokens in general tend to be relatively volatile, and can fluctuate significantly over short periods of time. The demand for, and correspondingly the market price of, the Tokens may fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond the control of the Issuer:

- (a) new technical innovations;
- (b) analysts' speculations, recommendations, perceptions or estimates of the Token's market price or the Issuer's financial and business performance;
- (c) changes in market valuations and token prices of entities with operations similar to that of the Issuer that may be made available for sale and purchase on the same cryptocurrency exchanges as the Tokens;
- (d) announcements by the Issuer of significant events, for example partnerships, sponsorships, new product developments;

(e) fluctuations in market prices and trading volume of cryptocurrencies on cryptocurrency exchanges;

(f) additions or departures of key personnel of the Issuer;

(g) success or failure of the Issuer's management in implementing business and growth strategies; and

(h) changes in conditions affecting the blockchain or financial technology industry, the general economic conditions or market sentiments, or other events or factors. The funds raised in the Token Sale are exposed to risks of theft. The Issuer will make every effort to ensure that the funds received from the Token Sale will be securely held at such address as directed by the Issuer ("Receiving Address"). Further, upon receipt of the funds, the Issuer will make every effort to ensure that the funds received will be securely held through the implementation of security measures. Notwithstanding such security measures, there is no assurance that there will be no theft of the cryptocurrencies as a result of hacks, mining attacks (including but not limited to double spend attacks, majority mining power attacks and "selfish-mining" attacks), sophisticated cyber-attacks, distributed denials of service or errors, vulnerabilities or defects on the Receiving Address, the FORESTING blockchain, or any other blockchain, or otherwise. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. In such an event, even if the Token Sale is completed, the Issuer may not be able to receive the cryptocurrencies raised and the Issuer may not be able to utilise such funds for the development of the FORESTING Protocol, and the launch of the FORESTING Protocol might be temporarily or permanently curtailed. As such, the issued Tokens may hold little worth or value, and this would impact its trading price. The Tokens are uninsured, unless you specifically obtain private insurance to insure them. In the event of any loss or loss of value, you may have no recourse.

You may not be able to recover the purchase amount paid for the Tokens

Except as provided under any applicable terms of sale or prescribed by applicable laws and regulations, FORESTING HQ Pte. Ltd. is not obliged to provide you with a refund of the purchase amount. No promises of future performance or price are or will be made in respect to the Tokens, including promises of inherent value or continuing payments, and there is no guarantee that the Tokens will hold any particular value. Therefore, the recovery of the purchase amount may be impossible or may be subject to applicable laws and regulations.

You may be subject to adverse legal and/or tax implications as a result of the purchase, distribution and use of the Tokens. The legal character of cryptocurrency and cryptographic assets remain uncertain. There is a risk that the Tokens may be considered securities in certain jurisdictions, or may be considered to be securities in certain jurisdictions in the future. FORESTING HQ Pte. Ltd. does not provide any warranty or guarantee as to how the Tokens will be classified, and each purchaser will bear all consequences of the Tokens being considered securities in their respective jurisdictions, and bear the responsibility of the legality, use and transfer of the Tokens in the relevant jurisdictions.



Further, the tax treatment of the acquisition or disposal of such cryptocurrency or cryptographic assets might depend on whether they are classified as securities, assets, currency or otherwise. As the tax characterisation of the Tokens remains indeterminate, you must seek your own tax advice in connection with the purchase, acquisition or disposal of the Tokens, which may result in adverse tax consequences or tax reporting requirements for you.

## 2. RISKS RELATING TO THE RECEIVING ADDRESS AND WALLETS

The Receiving Address may be compromised and the cryptocurrencies may not be able to be disbursed. The Receiving Address is designed to be secure. However, in the event that the Receiving Address is, for any reason compromised (including but not limited to scenarios of the loss of keys to such Receiving Address), the funds held by the Receiving Address may not be able to be retrieved and disbursed, and may be permanently unrecoverable. In such an event, even if the Token Sale is successful, the Issuer will not be able to receive the funds raised and the Issuer will not be able to utilise such funds for the development of the FORESTING Protocol, and the implementation of the FORESTING Protocol might be temporarily or permanently curtailed. As such, distributed Tokens may hold little worth or value, and this would impact its trading price. The loss or compromise of information relating to your wallet may affect your access and possession of the Tokens. Your access to the Tokens in a cryptocurrency wallet ("Wallet") depends on, among other things, the safe guards to the information to such Wallet, including but not limited to the user account information, address, private key, and password. In the event that any of the foregoing is lost or compromised, your access to the Wallet may be curtailed and thereby adversely affecting your access and possession to the Tokens, including such Tokens being unrecoverable and permanently lost. The Wallet or Wallet service provider may not be technically compatible with the Tokens. If Wallet or Wallet service provider may not be technically compatible with the Tokens, this may result in the delivery of Tokens being unsuccessful or affect your access to such Tokens.

## 3. RISKS RELATING TO Privacy and Data Retention

As part of the Token sales, the verification processes and the subsequent operation of the FORESTING Protocol, FORESTING HQ Pte. Ltd. may collect personal information from you. The collection of such information is subject to applicable laws and regulations. All information collected will be used for purposes of the Token sales and operations of the FORESTING Protocol, thus it may be transferred to contractors, service providers and consultants worldwide as appointed by FORESTING HQ Pte. Ltd. Apart from external compromises, FORESTING HQ Pte. Ltd. and its appointed entities may also suffer from internal security breaches whereby their employees may misappropriate, misplace or lose personal information of purchasers. FORESTING HQ Pte. Ltd. may be required to expend significant financial resources to alleviate problems caused by any breaches or losses, settle fines and resolve inquiries from regulatory or government authorities. Any information breaches or losses will also damage FORESTING HQ Pte. Ltd.'s reputations, thereby harming its long-term prospects.

#### 4. RISKS RELATING TO Foresting HQ Pte. Ltd.

The FORESTING Protocol is intended to be operated and maintained by Foresting HQ Pte. Ltd.

Any events or circumstances which adversely affect Foresting HQ Pte. Ltd. may have a corresponding adverse effect on the FORESTING Protocol if such events or circumstances affect Foresting HQ Pte. Ltd.'s ability to maintain the FORESTING Protocol. This would correspondingly have an impact on the trading price of the Tokens. Foresting HQ Pte. Ltd. may be materially and adversely affected if it fails to effectively manage its operations as its business develops and evolves, which would have a direct impact on its ability to maintain the FORESTING Protocol and consequently the trading price of the Tokens. The financial technology and cryptocurrency industries, and the markets in which Foresting HQ Pte. Ltd. competes, have grown rapidly and continue to grow rapidly and evolve in response to new technological advances, changing business models and other factors. As a result of this constantly changing environment, Foresting HQ Pte. Ltd. may face operational difficulties in adjusting to the changes, and the sustainability of Foresting HQ Pte. Ltd. will depend on its ability to manage its operations, adapt to technological advances and market trends and ensure that it hires qualified and competent employees, and provide proper training for its personnel. As its business evolves, Foresting HQ Pte. Ltd. must also expand and adapt its operational infrastructure. Foresting HQ Pte. Ltd.'s business relies on its blockchain-based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology and smart contract technology, and to manage technical support infrastructure for the FORESTING Protocol effectively, Foresting HQ Pte. Ltd. will need to continue to upgrade and improve its data systems and other operational systems, procedures and controls. These upgrades and improvements will require a dedication of resources, which are likely to be complex and increasingly rely on hosted computer services from third parties that Foresting HQ Pte. Ltd. does not control. If Foresting HQ Pte. Ltd. is unable to adapt its systems and organization in a timely, efficient and cost-effective manner to accommodate changing circumstances, its business, financial condition and results of operations may be adversely affected. If the third parties whom Foresting HQ Pte. Ltd. relies on are subject to a security breach or otherwise suffer disruptions that impact the services Foresting HQ Pte. Ltd. utilises, the integrity and availability of its internal information could be compromised, which may consequently cause the loss of confidential or proprietary information, and economic loss. The loss of financial, labor or other resources, and any other adverse effect on Foresting HQ Pte. Ltd.'s business, financial condition and operations, would have a direct adverse effect on Foresting HQ Pte. Ltd.'s ability to maintain the FORESTING Protocol. As the FORESTING Protocol is the main product to which the Tokens relate, this may adversely impact the trading price of the Tokens. There may be weaknesses, vulnerabilities or bugs in the FORESTING smart contract. Foresting HQ Pte. Ltd. will make reasonable efforts to ensure that the smart contracts underlying the Tokens are audited, tested and approved by technical experts. However, as smart contract technology is still in its early stage of development and its application of experimental nature carries significant operational, technological, financial, regulatory and reputational risks, there are inherent risks that such smart contracts could contain weaknesses, vulnerabilities or bugs. Purchasers of Tokens should understand and accept that there are no warranties that Tokens are fit for a particular purpose or do not contain any weaknesses, vulnerabilities or bugs which would cause a loss in their worth or value.

In the event that any of the aforementioned risks materialises, Foresting HQ Pte. Ltd.'s business strategies, results of operations and prospects may also be adversely affected. Foresting HQ Pte. Ltd. may experience system failures, unplanned interruptions in its network or services, hardware or software defects, security breaches or other causes that could adversely affect Foresting HQ Pte. Ltd.'s infrastructure network, and/or the FORESTING Protocol. Foresting HQ Pte. Ltd. is unable to anticipate when there would be occurrences of hacks, cyber-attacks, mining attacks (including but not limited to double-spend attacks, majority mining power attacks and "selfish-mining" attacks), distributed denials of service or errors, vulnerabilities or defects in the FORESTING Protocol, the Tokens, the Receiving Address, the Wallet or any technology (including but not limited to smart contract technology) on which Foresting HQ Pte. Ltd., the FORESTING Protocol, the Tokens, the Receiving Address that the Wallet relies on, or on the FORESTING blockchain or any other blockchain. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. Foresting HQ Pte. Ltd. may not be able to detect such hacks, mining attacks (including but not limited to double-spend attacks, majority mining power attacks and "selfish-mining" attacks), cyber-attacks, distributed denials of service errors vulnerabilities or defects in a timely manner, and may not have sufficient resources to efficiently cope with multiple service incidents happening simultaneously or in rapid succession. Foresting HQ Pte. Ltd.'s network or services, which would include the FORESTING Protocol, could be disrupted by numerous events, including natural disasters, equipment breakdown, network connectivity downtime, power losses, or even intentional disruptions of its services, such as disruptions caused by software viruses or attacks by unauthorised users, some of which are beyond Foresting HQ Pte. Ltd.'s control. Although Foresting HQ Pte. Ltd. has taken steps against malicious attacks on its appliances and its infrastructure, which are critical for the maintenance of the FORESTING Protocol and its other services, there can be no assurance that cyber-attacks, such as distributed denials of service, will not be attempted in the future, and that any of Foresting HQ Pte. Ltd.'s enhanced security measures will be effective. Foresting HQ Pte. Ltd. may be prone to attacks on its infrastructure intended to steal information about its technology, financial data or user information or take other actions that would be damaging to Foresting HQ Pte. Ltd. and users of the FORESTING Protocol. Copyright © 2018 FORESTING HQ Pte. Ltd. All Rights Reserved.

We are dependent in part on the location and data center facilities of third parties. Foresting HQ Pte. Ltd.'s infrastructure network is in part established through servers which it owns and houses at the location facilities of third parties, and servers that it rents at data center facilities of third parties. If Foresting HQ Pte. Ltd. is unable to renew its data facility lease on commercially reasonable terms or at all, Foresting HQ Pte. Ltd. may be required to transfer its servers to a new data center facility, and may incur significant costs and possible service interruption in connection with the relocation. These facilities are also vulnerable to damage or interruption from, among others, natural disasters, arson, terrorist attacks, power losses, and telecommunication failures. Additionally, the third party providers of such facilities may suffer a breach of security as a result of third party action, employee error, malfeasance or otherwise, and a third party may obtain unauthorised access to the data in such servers.

As techniques used to obtain unauthorised access to, or to sabotage systems change frequently and generally are not recognized until launched against a target, Foresting HQ Pte. Ltd. and the providers of such facilities may be unable to anticipate these techniques or to implement adequate preventive measures. Any such security breaches or damages which occur which impact upon Foresting HQ Pte. Ltd.'s infrastructure network and/or the FORESTING Protocol may adversely impact the price of the Tokens. General global market and economic conditions may have an adverse impact on Foresting HQ Pte. Ltd.'s operating performance, results of operations and cashflow. Foresting HQ Pte. Ltd. has been and could continue to be affected by general global economic and market conditions. Challenging economic conditions worldwide have from time to time, contributed, and may continue to contribute, to slowdowns in the information technology industry at large. Weakness in the economy could have a negative effect on Foresting HQ Pte. Ltd.'s business, operational and financial condition, including decreases in revenue and operating cash flow. Additionally, in a down-cycle economic environment, Foresting HQ Pte. Ltd. may experience the negative effects of increased competitive pricing pressure and a slowdown in commerce and usage of the FORESTING Protocol. Suppliers on which Foresting HQ Pte. Ltd. relies for servers, bandwidth, location and other services could also be negatively impacted by economic conditions that, in turn, could have a negative impact on Foresting HQ Pte. Ltd.'s operations or expenses. There can be no assurance, therefore, that current economic conditions or worsening economic conditions or a prolonged or recurring recession will not have a significant adverse impact on Foresting HQ Pte. Ltd.'s business, financial condition and results of operations and hence the FORESTING Protocol, which would correspondingly impact the trading price of the Tokens.

Foresting HQ Pte. Ltd. or the Tokens may be affected by newly implemented regulations. Cryptocurrency trading is generally unregulated worldwide, but numerous regulatory authorities across jurisdictions have been outspoken about considering the implementation of regulatory regimes which govern cryptocurrency or cryptocurrency markets. Foresting HQ Pte. Ltd. or the Tokens may be affected by newly implemented regulations relating to cryptocurrencies or cryptocurrency markets, including having to take measures to comply with such regulations, or having to deal with queries, notices, requests or enforcement actions by regulatory authorities, which may come at a substantial cost and may also require substantial modifications to the FORESTING Protocol. This may impact the appeal of the FORESTING Protocol for users and result in decreased usage of the FORESTING Protocol. Further, should the costs (financial or otherwise) of complying with such newly implemented regulations exceed a certain threshold, maintaining the FORESTING Protocol may no longer be commercially viable and Foresting HQ Pte. Ltd. may opt to discontinue the FORESTING Protocol and/or the Tokens. Further, it is difficult to predict how or whether governments or regulatory authorities may implement any changes to laws and regulations affecting distributed ledger technology and its applications, including the FORESTING Protocol and the Tokens. Foresting HQ Pte. Ltd. may also have to cease operations in a jurisdiction that makes it illegal to operate in such jurisdiction, or make it commercially unviable or undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.



In scenarios such as the foregoing, the trading price of Tokens will be adversely affected or Tokens may cease to be traded. The regulatory regime governing blockchain technologies, cryptocurrencies, tokens, and token offerings such as the Token Sale, the FORESTING Protocol, and the Tokens is uncertain, and regulations or policies may materially and adversely affect the development of the FORESTING Protocol and the utility of the Tokens. Regulation of tokens (including the Tokens) and token offerings such as the Token Sale, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges currently is undeveloped and likely to rapidly evolve, vary significantly among international, federal, state and local jurisdictions, and is subject to significant uncertainty. Various legislative and executive bodies in Singapore and other countries may in the future, adopt laws, regulations, guidance, or other actions, which may severely impact the development and growth of the FORESTING Protocol and the adoption and utility of the Tokens. Failure by Foresting HQ Pte. Ltd. or users of the FORESTING Protocol to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and maybe subject to change, could result in a variety of adverse consequences, including civil penalties and fines. Blockchain networks also face an uncertain regulatory landscape in many foreign jurisdictions such as the European Union, the PRC, South Korea, and Russia. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the FORESTING Protocol. Such laws, regulations or directives may directly and negatively impact Foresting HQ Pte. Ltd.'s business. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the development and growth of FORESTING Protocol. Protocol and the adoption and utility of the Tokens. New or changing laws and regulations or interpretations of existing laws and regulations may materially and adversely impact the value of the currency in which the Tokens may be sold, the value of the distributions that may be made by Foresting HQ Pte. Ltd., the liquidity of the Tokens, the ability to access marketplaces or exchanges on which to trade the Tokens, and the structure, rights and transferability of Tokens. Tokens holders will have no control on Foresting HQ Pte. Ltd. The holders of Tokens are not and will not be entitled, to vote or receive dividends or be deemed the holder of capital stock of the issuer for any purpose, nor will anything be construed to confer on the purchaser any of the rights of a stockholder of Foresting HQ Pte. Ltd. or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise. The purchaser may lack information for monitoring their investment. The purchaser may not be able to obtain all information it would want regarding Foresting HQ Pte. Ltd., the Tokens, or the FORESTING Protocol, on a timely basis or at all. It is possible that the purchaser may not be aware on a timely basis of material adverse changes that have occurred. Information in relation to the development of Tokens may also be highly technical by nature. As a result of these difficulties, as well as other uncertainties, the purchaser may not have accurate or accessible information about the FORESTING Protocol. There may be risks relating to acts of God, natural disasters, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases and other force majeure events beyond the control of Foresting HQ Pte. Ltd.

The Token Sale and the performance of Foresting HQ Pte. Ltd.'s activities may be interrupted, suspended or delayed due to acts of God, natural disasters, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases and other force majeure events beyond the control of Foresting HQ Pte. Ltd.. Such events could also lead to uncertainty in the economic outlook of global markets and there is no assurance that such markets will not be affected, or that recovery from the global financial crisis would continue. In such events, Foresting HQ Pte. Ltd.'s business strategies, results of operations and prospects may be materially and adversely affected. Further, if an outbreak of such infectious or communicable diseases occurs in any of the countries in which Foresting HQ Pte. Ltd., the developers, data providers or data consumers have operations in the future, market sentiment could be adversely affected and this may have a negative impact on the FORESTING Protocol and community.

There may be unanticipated risks arising from the Tokens.

Cryptographic tokens such as the Tokens are a relatively new and dynamic technology. In addition to the risks included in this Annex, there are other risks associated with your purchasing, holding and using the Tokens, including those that Foresting HQ Pte. Ltd. cannot anticipate. Such risks may further materialize as unanticipated variations or combinations of the risks discussed hereto.