Key Information Document
TOWCO Token Public Offering (BAES-TWCD and BAES-TWCP)

Digital Asset Service Provider: BANCO ATLÁNTIDA EL SALVADOR, S.A. (PSAD-0035)
Issuer: TOWCO, S.A. DE C.V. San Salvador, San Salvador, El Salvador
Date: April 2026

Contents

1) SUMMARY

Towco, S.A. de C.V., with Digital Asset Issuer Registration No. //EAD-0035//, presents this Relevant Information Document (RID) with the aim of providing investors with a clear and detailed description of the issuance of two types of digital tokens:

- **BAES-TWCP (Revenue Token) with registration number No.** AD-00069
- **BAES-TWCD (Debt Token) with registration number No.** AD-00070

Both issuances are backed by the sale of 104 residential lots within The Cliff Project, strategically located in Surf City, El Salvador.

This innovative investment model combines blockchain technology to ensure transparency, security, and global access for investors, allowing them to participate in a high-end real estate development.

A. GENERAL INFORMATION ABOUT THE CLIFF PROJECT

Project Location and Features

The Cliff project will be developed on 129,875 square meters of land, including green spaces, ecological zones, and common areas designed to connect with nature.

This exclusive design will enable the creation of a first-class residential and tourist environment, with quality infrastructure, commercial areas, and luxury amenities.

Development of The Cliff Project:

- Marketing of 104 residential lots, tailored to market demand.
- Implementation of basic infrastructure to ensure initial habitability and the development of the surrounding area.

B. STRATEGIC OBJECTIVES OF THE ISSUANCE

The funds raised through the issuance of **BAES-TWCP and BAES-TWCD** tokens will be used to:

- Finance the project's development, ensuring the implementation of its key infrastructure.
- Democratize access to exclusive real estate investments, enabling the participation of domestic and international investors through tokenization.
- Maximize returns for investors through a sustainable financial model.
- Ensure transparency and security by using blockchain technology to record and audit all transactions.

C. STRUCTURE OF THE ISSUES

1. Revenue Token (BAES-TWCP)

- Backed by the cash flows generated from the sale of the company's residential lots.
- It does not guarantee periodic payments but allows investors to participate in the project's profits.
- In the event that the Issuer makes additional principal and/or interest payments related to the Debt Token, such payments will have a favorable effect on the yield of the Revenue Token, to the extent that they contribute to reducing the financial cost borne by the Issuer.
- The distribution of profits, if any, will be made once all operating and financial costs have been covered, including the priority payment of the debt tokens (BAES-TWCD).

Guarantee: The issuance is backed by a cash flow assignment agreement, providing an additional security mechanism for investors

2. Debt Token (BAES-TWCD)

- Backed by a Debt Acknowledgment Agreement, which establishes the Issuer's obligation to generate interest; interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account its financial stability and any outstanding obligations.
- Secured by the same Debt Acknowledgment Agreement, providing greater security to investors.
- Absolute priority over any other distribution of income within the project.

D. UNDERLYING ASSETS

Revenue Token (BAES-TWCP)

The underlying asset of this issuance consists of the income before taxes generated from the marketing and sale of the 104 residential lots owned by the company. Furthermore, the company has entered into a cash flow assignment agreement with the issuance administrator, Banco Atlantida El Salvador, which will act on behalf of the potential purchasers and holders of the debt tokens.

Payment Priority: Before any distribution to **BAES-TWCP** investors, the obligations of the debt tokens (**BAES-TWCD**) must be met, ensuring priority fulfillment of the project's financial commitments.

Debt Token (BAES-TWCD)

The underlying asset consists of a Debt Acknowledgment Agreement, which formalizes the Issuer's obligation to generate interest; interest payments will be made in 36 monthly installments, with a principal payment due at maturity; however, partial principal and/or interest payments may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations.

Absolute Priority: Payments on the debt tokens (**BAES-TWCD**) take priority over any other distribution of income within the project.

E. GUARANTEES

Revenue Token (BAES-TWCP)

The issuance of **BAES-TWCP** tokens is backed by a cash flow assignment agreement, which provides additional security for investors in the event of default, as this agreement will be granted by the Issuer in favor of the Tokenholders' representative, thereby ensuring integrity in the management of revenues and guaranteeing the payment of returns and other obligations to investors.

Debt Token (BAES-TWCD)

The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement, which has been executed and is attached as an annex to this document, along with the acknowledgment of the obligation to pay principal and interest. See ANNEX VIII.

F. DISTRIBUTION OF PAYMENTS

Income Token (BAES-TWCP)

- There is no fixed interest rate. Income, if any, will depend on the project's financial performance.
- Pro-rata distribution among **BAES-TWCP** investors, once operating costs and the payment of **BAES-TWCD** have been covered.
- Token burn once income before taxess have been distributed.
- Investors do not have a guaranteed right to receive payments, as these will depend on the success of the sale of the lots.

Debt Token (BAES-TWCD)

- Interest generation ; interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations.
- This token will have an annual interest rate of 10%.
- Principal repayment upon maturity of the issuance.
- Absolute priority over any other distribution within the project.
- **BAES-TWCD** investors have priority over any other distribution of income, ensuring the fulfillment of their financial rights before any other payment.

G. MARKET AND TRADING

BAES-TWCP and **BAES-TWCD** tokens will have primary and secondary markets available from the start of the issuance.

H. TECHNOLOGY MANAGEMENT AND SECURITY

The issuance will be managed through smart contracts on Algorand (ASC1), automating payment processing and ensuring traceability. Banco Atlántida El Salvador, S.A. will be responsible for the custody and security of the tokens, as well as for the administration and execution of transactions.

I. LEGAL FRAMEWORK

The issuance is legally backed by TOWCO, S.A. de C.V. and is governed by the Digital Asset Issuance Law and other applicable Salvadoran regulations, including:

- Commercial Code
- Civil Code
- Tax Code
- Income Tax Law
- Commercial Registry Law
- Regulations on the Registry of Issuers and Issues

CONCLUSION

The **BAES-TWCP** and **BAES-TWCD** tokens represent an innovative investment alternative within The Cliff Project, combining the stability of the real estate sector with the efficiency and transparency of blockchain technology. Each type of token offers a distinct value proposition, allowing investors to choose the strategy that best suits their investment profile and financial goals.

The Cliff Project represents a unique investment opportunity in the real estate market, combining legal certainty, backing from tangible assets, and blockchain technology to ensure transparency, traceability, and global access.

- Investors in **BAES-TWCD** will receive a predefined cash flow and priority in payment, ensuring stability and periodic returns within a regulated framework.
- Investors in **BAES-TWCP** will have access to variable income linked to the project's performance, with the potential for higher returns, though subject to market conditions.

With this model, TOWCO, S.A. de C.V. is driving the modernization of the real estate sector in El Salvador, offering a solid financial framework that democratizes access to exclusive investments through tokenization.

This offering has been approved and registered in the CNAD's offering registry under the following registration number: AD-00070 Y AD-00069 Likewise, this Key Information Document (KID) was drafted in August 2025 and is available free of charge on The Cliff's website and through the official channels of Banco Atlántida El Salvador, S.A.

This offering is subject to applicable regulations and does not constitute an offer in jurisdictions where its marketing is illegal.

KEY FEATURES OF THE ISSUE (BAES-TWCP & BAES-TWCD)		
Type of Public Offering of Digital Assets	**PUBLIC OFFERING OF INCOME**	**PUBLIC OFFERING OF DEBT**
Issuer	TOWCO, S.A. DE C.V.	
Digital Asset Issuer Registration Number	No. EAD-0035	
Type of Public Offering of Digital Assets	Public Offering of Equity	Public Offering of Debt
Type of Digital Asset	Revenue Token	Debt Token
Token Name	BAES-TWCP	BAES-TWCD
Token ticker	BAES-TWCP	BAES-TWCD
Digital Asset Registration Number	No. AD-00069	No. AD-00070
Total Issue Amount	The offering has a maximum total amount of USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS), with a minimum placement requirement of USD $1,500,000.00. This amount is intended to finance the development and marketing of The Cliff Project, which focuses on the sale of residential lots within an	The offering has a maximum total amount of USD $5,000,000.00 (FIVE MILLION UNITED STATES DOLLARS), with a minimum initial placement of USD $500,000.00. This amount is intended to finance the development and marketing of The Cliff, focused on the sale of lots within an exclusive setting in Surf City, El Salvador.

	exclusive setting in Surf City, El Salvador. The total amount of the offering was strategically determined based on a detailed analysis of projected revenues and associated costs, ensuring the project's viability and alignment with current real estate market conditions. **Projected Operating Revenues and Expenses** The projected income statement for The Cliff Project reflects estimated revenues and costs during the first year of the issuance, based on the sale of 104 lots. • **Sales Revenue:** Revenue from the sale of the lots is projected, with prices determined based on the category and average area of each lot. • **Sales Costs:** Associated with infrastructure development, basic services, and marketing expenses. • **Administrative and tokenization expenses:** These include costs for structuring and issuing the tokens, commissions, and additional services to ensure the project's operation. • **Other expenses:** These include various additional operating costs, as well as financial expenses associated with the existence of the BAES-TWCP debt instrument, arising from the fulfillment of interest payment obligations and the administration of the issuance within The Cliff Project. From these projected cash flows, cumulative net income is estimated, reflecting the revenue generated after deducting costs and expenses. **Estimated Issue Amount** The calculation of the total issuance amount of USD $1,500,000.00 is based on the projected net cash flows from the sale of the lots, considering the estimated sales schedule and the project's future revenue-generating capacity. **Purpose of the Revenue Token Offering (BAES-TWCP)** The funds raised through the issuance of revenue tokens (BAES-TWCP) will be used for the development of The Cliff Project, focusing on: • **Execution of the initial phase of the project:** Development and urbanization of the land corresponding to this stage, ensuring its availability and commercial appeal. • **Infrastructure optimization:** Implementation of essential works to improve accessibility and the quality of the environment within this phase. • **Marketing strategies:** Promotion and sale of residential lots, with campaigns targeting buyers and investors. According to our financial model, included in Annex V, the minimum placement amounts are sufficient to execute the Project.	The total amount of the offering was strategically determined based on a detailed analysis of projected revenues and associated costs, ensuring the project's viability and alignment with current real estate market conditions. **Projected Operating Revenues and Expenses** The projected income statement for The Cliff Project reflects estimated revenues and costs during the first year of the offering, based on the sale of 104 lots. • **Sales Revenue:** Revenue from the sale of lots is projected, with prices determined based on the category and average area of each lot. • **Sales Costs:** Associated with infrastructure development, basic services, and marketing expenses. • **Administrative and tokenization expenses:** These include costs for structuring and issuing the tokens, as well as commissions and additional services to ensure the project's operation. • **Other expenses:** These include various additional operating costs, as well as financial expenses associated with the existence of the BAES-TWCD debt instrument, arising from the fulfillment of interest payment obligations and the administration of the issuance within The Cliff Project. From these projected cash flows, cumulative net income is estimated, reflecting the revenue generated after deducting costs and expenses. **Estimated Issue Amount** The calculation of the total issuance amount of USD $5,000,000.00 is based on the projected net cash flows from the sale of residential lots, considering the estimated sales schedule and the project's future revenue-generating capacity. **Purpose of the Debt Token Issuance (BAES-TWCD)** The funds raised through the issuance of debt tokens (BAES-TWCD) will be used to finance the execution of The Cliff Project, with a focus on: • **Initial project execution:** Development and urbanization of the land corresponding to this phase, ensuring its availability and commercial appeal. • **Infrastructure optimization:** Implementation of essential works to improve accessibility and the quality of the environment within this phase. • **Marketing strategies:** Promotion and sale of the residential lots included in the first stage of development, with campaigns targeting buyers and investors. The purpose of this offering is to provide immediate liquidity to the project, enabling its development within the planned timeframe and ensuring the proper execution of The Cliff Project. According to our financial model, included in Annex V, the minimum placement amounts are sufficient to begin executing

	If this amount is not reached, the Issuer undertakes to seek other sources of financing to complete the Project, thereby ensuring its continuity and the security of tokenholders. Among the traditional sources of financing to which the Issuer may resort are: - Bank Loans; - The Company's Share Capital; Reserves and/or - Any direct contributions made by its partners.	the Project. If this amount is not reached, the Issuer undertakes to seek other sources of financing to complete the Project, thereby ensuring its continuity and the security of the tokenholders. Among the traditional sources of financing to which the Issuer may resort are: - Bank Loans; - The Company's Share Capital; - and/or any direct contributions made by its partners.
Term of the Offering	Up to 36 months (3 years)	Up to 36 months (3 years)
Token price	USD $1.00 (ONE UNITED STATES DOLLAR)	USD $1.00 (ONE UNITED STATES DOLLAR)
Trading currency	United States dollars.	United States dollars.
Number of tokens to be issued	1,500,000 tokens	5,000,000 tokens
Token unit	Each BAES-TWCP token represents rights to economic benefits (income before taxess), if any, from the marketing and development of the lots in The Cliff project. Investors who acquire BAES-TWCP tokens will participate in the distribution of economic benefits, if any, generated by the project, with returns aligned with its financial performance. Additionally, the issuance is supported by a framework of transparency and traceability using blockchain technology, ensuring security and efficiency in the management of economic rights. During the term of the offering, the generated and unpaid income before taxes will be held in an account managed by the Offering Administrator. As the entity responsible for these accounts, the diligent, transparent, and secure management of the funds is guaranteed, with the aim of ensuring full compliance with obligations upon maturity of the offering. Therefore, the funds will be held under conditions of sufficient security and traceability, ensuring that the funds remain intact and available for their exclusive use in making payments, in accordance with the established terms. For this purpose, an Account Management Agreement will be signed between the Issuer and the Administrator to govern the administration and custody of the funds.	Each BAES-TWCD token represents an economic right to interest payments and the return of the invested capital, in accordance with the terms established in the issuance. Investors who acquire BAES-TWCD tokens will be entitled to receive interest generated; interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations. The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement, providing greater security to investors and ensuring a predictable payment schedule. Additionally, the process is managed under a framework of transparency and traceability using blockchain technology (Algorand), guaranteeing efficiency and security in the administration of financial rights. During the term of the issuance, the principal and any accrued and unpaid interest will be held in an account managed by the Issuance Administrator. As the entity responsible for these accounts, the diligent, transparent, and secure management of the funds is guaranteed, with the aim of ensuring full compliance with obligations upon maturity of the issuance. Therefore, the funds will be held under conditions of sufficient security and traceability, ensuring that the funds remain intact and available for their exclusive application to the payment of principal and interest, in accordance with the established terms. For these purposes, an Account Management Agreement will be signed between the Issuer and the Administrator to

		govern the administration and custody of the funds.
Underlying Assets	The underlying asset of the revenue token issuance (BAES-TWCP) consists of the net cash flows generated by the sale of the residential lots in The Cliff Project. These cash flows correspond to the revenue obtained from the sale of the 104 lots owned by the company, after deducting operating costs, administrative expenses, and any other priority financial obligations of the project, including the payment of commitments associated with the issuance of debt tokens (BAES-TWCP). Since the token is linked to income before taxess, returns for investors will depend on the success of the lot sales and real estate market conditions. Furthermore, revenue distribution may only occur once the payment obligations for the debt tokens (BAES-TWCP) have been fulfilled, ensuring that the priority of payments is respected in accordance with the terms of the issuance. Furthermore, it has entered into a cash flow assignment agreement with the Issuance Administrator, who will act on behalf of the potential purchasers and holders of the tokens. Investors expressly agree, at the time of acquiring the tokens, that the Issuance Administrator, namely Banco Atlantida El Salvador, S.A., will act as their representative, performing this function in accordance with the provisions of this Relevant Information Document (RID) and in compliance with the terms and conditions set forth herein. Once the purchase is completed, if tokenholders wish to appoint a representative other than the Issuance Administrator—as this constitutes a substantial change in the essential characteristics of the issuance—they must notify the other investors, and such appointment shall be subject to the express authorization of the National Commission on Digital Assets.	The underlying asset of the BAES-TWCD token issuance consists of a Debt Acknowledgment Agreement entered into by TOWCO, S.A. de C.V., as the issuer, through which its financial obligation to the holders of BAES- tokens is formalized and established.TWCD This contract explicitly acknowledges the issuer's debt, providing a clear and legal basis that underpins investors' economic rights and builds confidence in the fulfillment of the obligations assumed. To reinforce the strength of the underlying asset, the agreement includes a detailed financial structure that supports the issuer's ability to meet its commitments. This structure serves as a validation of the expected revenue stream, providing investors with an additional level of security and transparency by ensuring that the issuer has the necessary resources and stability to honor the terms of the agreement. Additionally, the Debt Acknowledgment Agreement stipulates that payments on the debt tokens (BAES-TWCD) take precedence over any other revenue distribution within the project, ensuring that financial commitments to the holders of these tokens are fulfilled before any other allocation of funds, including distributions to the revenue tokens (BAES-TWCD). Taken together, the Debt Acknowledgment Agreement constitutes a robust underlying asset that backs the issuance, ensuring that holders of BAES- tokens have their economic rights protected and that the agreed-upon conditions are reliably fulfilled. The contracts and estimates underpinning the project's development are detailed in **Annex VI—TOWCO's Relevant Contracts**, providing transparency and additional backing for this issuance. Investors expressly agree, upon acquiring the tokens, that the Issue Administrator, namely Banco Atlantida El Salvador, S.A., will act as their representative, exercising this role in accordance with the provisions of this Relevant Information Document (RID) and in compliance with the terms and conditions set forth herein. Once the purchase is completed, if tokenholders wish to appoint a representative other than the Issuance Administrator—as this constitutes a substantial change in the essential characteristics of the issuance—they must notify the other investors, and such appointment shall be subject to the express authorization of the National Commission on Digital Assets
Token Guarantees	The issuance of income tokens (BAES.TWCP) is backed by a cash flow assignment agreement, which provides investors with an additional security mechanism in the event of a breach of the income distribution structure. Additionally, investors participate in the distribution of income before taxess generated by the sale of residential lots, which constitute the primary source of return for this issuance.	The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement. This guarantee grants token holders a preferential right in the event of default on interest payments or principal repayment.

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<td>Minimum and Maximum Trading Amounts</td>
<td>
The minimum purchase amount in the primary offering of BAES-TWCP tokens is USD $1.00 (ONE UNITED STATES DOLLAR), equivalent to the purchase of a single token.
The total amount of the offering is set at a maximum of USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS), while the minimum amount required to validate the validity of the offering is USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS).
The offering has a period of no more than six months to reach this minimum amount. If this amount is not reached within the established timeframe, a refund mechanism will be activated to guarantee investors the recovery of their invested capital. This process will be managed through the trading platform used for the offering, ensuring transparency and efficiency at every stage.
Investors participating in this Public Offering may recover their investment if the minimum offering amount of $1,500,000.00 is not reached by the end of the Public Offering or if the offering is canceled, and this will be done under the following mechanism:
<u>Refund Process.</u>
If, at the end of the 6-month placement period, the minimum amount of USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS) is not reached, and no other source of traditional financing is obtained, the offering will not take effect, and the capital contributed by the initial participants will be fully refunded, in accordance with the terms and conditions set forth in the Relevant Information Document (RID). This mechanism ensures that the project will only proceed if it has the full financing required for its development.
The refund will not include returns, since the issuance will not have gone into operation nor will economic flows have been generated.
To ensure the transparency and security of the process, the PSAD will manage the return of the funds.
The reimbursement procedure will be carried out as follows:

Notification from the Administrator:

The Administrator will formally notify the issuer that the minimum required amount was not reached.
This notification must be made within the stipulated period of six months from the launch of the public offering.

Notification to Token Holders:

The issuance administrator will inform token holders, through the trading platform, of the failure to meet the minimum placement amount.
The notification will include details of the refund process and the corresponding timeline.

Transfer of Funds:

The Administrator will transfer the necessary funds to the platform to refund 100% of the capital invested by each token holder.

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<td>
The minimum purchase amount in the primary offering of BAES-TWCD tokens is USD $1.00 (ONE UNITED STATES DOLLAR), equivalent to the purchase of a single token.
The total amount of the offering is set at a maximum of USD $5,000,000.00 (FIVE MILLION UNITED STATES DOLLARS), while the minimum amount required to validate the offering will be USD $500,000.00 (FIVE HUNDRED THOUSAND UNITED STATES DOLLARS).
The offering has a period of no more than six months to reach this minimum amount. If this amount is not reached within the established timeframe, a refund mechanism will be activated to guarantee investors the recovery of their invested capital. This process will be managed through the trading platform used for the offering, ensuring transparency and efficiency at every stage.
Investors participating in this Public Offering may recover their investment if the minimum offering amount of $500,000.00 is not reached by the end of the Public Offering or if the offering is canceled, and such recovery will be made in accordance with the following procedure.
<u>Refund Process.</u>
If, at the end of the 6-month placement period, the minimum amount of USD $500,000.00 (FIVE HUNDRED THOUSAND UNITED STATES DOLLARS) is not reached, and no other source of traditional financing is obtained, the offering will not take effect, and the capital contributed by the initial participants will be fully refunded, in accordance with the terms and conditions set forth in the Relevant Information Document (RID). This mechanism ensures that the project will only be executed if it has the full financing required for its development.
The refund will not include returns, since the issuance will not have gone into operation nor will any cash flows have been generated.
To ensure the transparency and security of the process, PSAD will manage the return of the funds .
The reimbursement procedure will be carried out as follows:

Notification from the Administrator:

The Administrator will formally notify the issuer that the minimum required amount was not reached.
This notification must be made within the stipulated period of six months from the launch of the public offering.

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Notification to Token Holders:

The issuance administrator will inform token holders, through the trading platform, of the failure to meet the minimum placement amount.
The notification will include details of the refund process and the corresponding timeline.

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	• Any generated income will not be included, as no cash flows will have materialized during this initial stage. • This transfer will be made within a period of no more than 15 business days from the date of notification to token holders. 4. **Refund Confirmation:** • The Digital Asset Service Provider (DASP), in this case Banco Atlántida El Salvador, S.A., will be responsible for confirming to the Issuer that the refund process has been fully completed. • Additionally, token holders will receive a detailed receipt via the platform, which will include the amounts refunded and the corresponding dates. 5. **Guarantee of Transparency:** • The entire refund process will be recorded on the blockchain platform used for the issuance, providing an immutable record that reinforces investor confidence. • Compliance reports certifying the completion of the process may be issued. In the event that the minimum amount of USD $1,500,000.00 is not reached within the stipulated period, the Issuer may resort to traditional financing sources to continue with the development of The Cliff Project, ensuring the execution of the strategic plan without relying exclusively on the placement of BAES-TWCP tokens. With this structure, TOWCO, S.A. de C.V. strengthens investor confidence by offering a capital protection mechanism, ensuring the financial viability of the development and compliance with the conditions established in the offering. Regarding the custody of funds from the sale of tokens: All funds from the sale of tokens will be deposited by investors into the issuance's escrow account and transferred to the platform. Subsequently, these deposits will be transferred to the issuance's operating account, held in custody by the Bank. It will not be until the sale of the tokens is completed that the funds will be made available to the issuer, upon the issuer's request and with prior authorization from the Administrator, to continue the project's operations. Under this structure, in which the Issue Administrator controls the Project's accounts, investors are assured that funds will only be used when the Issuer has the Administrator's authorization; and if the minimum issuance amount is not reached, the mechanism detailed in this section will be implemented.	3. **Transfer of Funds:** • The Administrator will transfer the necessary funds to the platform to refund 100% of the capital invested by each token holder. • Any generated income will not be included, as no cash flows will have materialized during this initial stage. • This transfer will be made within a period of no more than 15 business days from the date of notification to token holders. 4. **Refund Confirmation:** • The Digital Asset Service Provider (DASP), in this case Banco Atlántida El Salvador, S.A., will be responsible for confirming to the Issuer that the refund process has been fully completed. • Additionally, token holders will receive a detailed receipt via the platform, which will include the amounts refunded and the corresponding dates. 5. **Guarantee of Transparency:** • The entire refund process will be recorded on the blockchain platform used for the issuance, providing an immutable record that reinforces investor confidence. • Compliance reports certifying the completion of the process may be issued. In the event that the minimum amount of USD $500,000.00 is not reached within the stipulated period, the Issuer may resort to traditional financing sources to continue the development of The Cliff Project, ensuring the execution of the strategic plan without relying exclusively on the placement of BAES-TWCD tokens. With this structure, TOWCO, S.A. de C.V. strengthens investor confidence by offering a capital protection mechanism, ensuring the financial viability of the development and compliance with the conditions established in the offering. Regarding the custody of funds from the sale of tokens: All funds from the sale of tokens will be deposited by investors into the issuance's escrow account and transferred to the platform. Subsequently, these deposits will be transferred to the issuance's operating account, held in custody by the Bank. It will not be until the sale of the tokens is completed that the funds will be made available to the issuer, upon the issuer's request and with prior authorization from the Administrator, to continue the project's operations. Under this scheme, in which the Issuance Administrator controls the Project accounts, the investor is assured that funds will only be used when the Issuer has authorization from the Administrator; and if the minimum issuance amount is not reached, the mechanism detailed in this section will be implemented.

Rights of the Token Holder	Holders of BAES-TWCP tokens may participate in the distribution of income before taxess generated by the sale of residential lots in The Cliff Project, based on the acquisition of tokens with a face value of USD $1.00 (ONE UNITED STATES DOLLAR) per token. **Revenue Distribution Structure** • This offering does not provide for the payment of a fixed interest rate nor does it guarantee a predefined return. • Token holders will be entitled to receive 100% of the available income before taxess, defined as the total revenue obtained from the sale of the lots, minus marketing costs, operating expenses, and any other priority obligations of the project. • Among these priority obligations, the payment of interest and the repayment of principal on the debt tokens (BAES-TWCD) take precedence over any distribution to holders of BAES-TWCP tokens. **Terms of Participation and Guarantee** • Any economic benefits, if any, will be distributed pro rata among token holders, based on the number of tokens acquired by each investor. • The issuance is backed by a cash flow assignment agreement, which provides an additional security mechanism for investors in the event of default. **Considerations in the Event of Cancellation or Delisting** • In the event of cancellation of the issuer's registration, delisting of the BAES-TWCP tokens, or failure to meet the minimum placement of the issuance, holders will be reimbursed an amount equivalent to the capital invested, with no guarantee of additional returns. • To ensure compliance with these obligations, the issue administrator will serve as the trusted third party responsible for supervising and managing the process until the full settlement of the BAES-TWCP tokens, ensuring transparency and the protection of investors' rights.	Holders of BAES-TWCD tokens will have economic rights to interest payments and the return of invested capital, in accordance with the terms established in the offering. Each BAES-TWCD token has a face value of USD $1.00 (ONE UNITED STATES DOLLAR) per token and grants investors access to a predefined return scheme backed by specific guarantees. **Payment Structure and Issuer Obligations** • Interest Payment Interest will accrue monthly, and interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations. • This token will have an annual interest rate of 10%. • Principal Repayment at Maturity: Upon the expiration of the issuance term, the Issuer must repay the invested principal to the token holders. • Debt Acknowledgment Agreement: This issuance is structured under a formal agreement that defines the terms and conditions of payment, ensuring clarity and compliance. • Priority of Payment: Payments on the debt tokens (BAES-TWCD) take priority over any other distribution of income within the project, ensuring that financial commitments to the holders of these tokens are met before any allocation of funds to other obligations, including payments on the income tokens (BAES-TWCP). **Guarantee and Security of the Investment** • The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement. • In the event of default, token holders will have the right to enforce the agreement, providing a structured security framework. **Terms of Participation and Flexibility** • Holders of BAES-TWCD tokens may trade their tokens on the secondary market, subject to available liquidity conditions. • In the event of new debt issuances, investors may evaluate the possibility of reinvesting in opportunities within The Cliff Project. **Considerations in the Event of Cancellation or Default** • In the event of cancellation of the issuer's registration, delisting of the BAES-TWCD tokens, or failure to meet the minimum issuance placement, holders will be reimbursed an amount equivalent to the capital invested, plus interest accrued up to the date of cancellation, ensuring that investors receive the corresponding return for the period during which they held their investment. • To ensure compliance with these obligations, the Issue Administrator will serve as the trusted third party responsible for supervising and managing the process until the full settlement of the BAES-TWCD tokens, ensuring transparency and the protection of investors' rights.
Common Representative of the Token Holders	Investors, through this Material Information Document, are fully aware that by investing in this offering, they accept and designate as their common representative—whether for the assignment of economic rights or for the eventual enforcement of the offering's guarantee—the Offering Administrator, namely **Banco Atlantida El Salvador, S.A.** The Representative of the tokenholders shall have the following functions:	Investors, through this Material Information Document, are fully aware that by investing in this issuance, they accept and designate as their common representative—whether for the assignment of economic rights or for the eventual enforcement of the issuance guarantee—the Issuance Administrator, namely **Banco Atlantida El Salvador, S.A.** The Tokenholders' Representative shall have the following duties: • Safeguarding the interests of the tokenholders;

	• Protect the interests of token holders; • Enforce the issuance guarantees in the event of default; and • Act as an intermediary in any communication between the issuer and other parties involved in the issuance.	• Enforcing the issuance guarantees in the event of default; and • Acting as an intermediary in any communication between the issuer and other parties involved in the issuance.
Distribution of proceeds to holders of BAES-TWCP and BAES-TWCD tokens	Holders of BAES-TWCP tokens shall be entitled to participate in the distribution of income before taxess generated by the sale of residential lots in The Cliff Project. **1. Distribution Scheme** • The income before taxess to be distributed will be calculated as the total revenue obtained from the sale of the lots, minus operating and administrative costs and any other priority obligations of the project. • Profit distribution will only occur after the project's debt has been paid, ensuring that the obligations of the debt token (BAES-TWCD) are met before any distribution to revenue token holders. • 100% of the available income before taxess, after debt repayment, will be distributed among revenue token investors, ensuring that their returns are aligned with the project's financial performance. **2. Payment Frequency** • Income distributions will not be made on a periodic basis; instead, they will be made at the end of the issuance period, once the project has fulfilled all its financial obligations. • There is no contractual obligation to distribute profits on fixed dates, as distribution will depend on the availability of income before taxess at the conclusion of the project. **3. Token Extinction and Profit Distribution** • At the end of the issuance period, the revenue tokens (BAES-TWCP) will be extinguished once the distribution of income before taxess has been completed. • The distribution will be made on a pro-rata basis, based on the number of tokens acquired by each investor. • There is no commitment to repay principal, as the investment structure is based on a share of the generated revenue, not on a debt structure. **4. Guarantee and Transparency** • The issuance of revenue tokens (BAES-TWCP) is backed by a cash flow assignment agreement, which provides additional security for investors. The entire distribution process will be managed using blockchain technology on Algorand, ensuring transparency, traceability, and efficiency in the execution of payments.	Holders of BAES-TWCD tokens will be entitled to receive interest payments and the return of the invested capital upon maturity of the issuance, in accordance with the established terms. **1. Payment Schedule** • Interest will accrue monthly, and interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations. • Upon maturity of the token, the Issuer will repay the invested capital, ensuring compliance with the payment obligation in accordance with the Capital and Interest Payment Obligation Agreement. **2. Priority in Distribution** • Payments on debt tokens (BAES-TWCD) take priority over any other revenue distributions within the project. • Before any payments are made to holders of revenue tokens (BAES-TWCD), all interest payment and principal repayment obligations for the debt tokens must have been fully met. **3. Payment Frequency** • Interest payments will be made upon completion of the total sale of the lots; interest payments will be made on a monthly basis; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations. • Principal will be repaid upon maturity of the issue, ensuring that investors recover their initial investment in accordance with the agreed terms. **4. Guarantee and Security of the Investment** • The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement. • In the event of default, the Administrator will be responsible for enforcing the Agreement, allowing for the enforcement of the security to recover the invested capital. **5. Transparency and Payment Management** • All interest payments and principal repayments will be executed using blockchain technology on Algorand, ensuring traceability and transparency in every transaction. • The Issuer's Administrator will serve as the trusted third party responsible for overseeing the proper administration of payments and ensuring compliance with the terms established in the issuance.

Call Option	The BAES-TWCP token issuance includes a call option by TOWCO, S.A. de C.V., which allows it to acquire the issued tokens, in whole or in part, prior to the end of the offering period. The repurchased tokens will be withdrawn from circulation and permanently burned. This option provides the Issuer with the flexibility to adapt to changes in market conditions, adjust its financial structure, optimize liability management, and consolidate control over the project's economic rights. The Issuer will notify the National Commission on Digital Assets (CNAD) of the dates, number of tokens, and repurchase prices at least 10 days in advance, ensuring transparency in the process. Criteria for determining whether the issuer will exercise the call option: • If market conditions are favorable for the Issuer to exercise the option • Improvement in the financial or cash flow profile that allows for early repayment. • Plans for refinancing at a lower cost. • Corporate strategies (restructuring, mergers, debt optimization). Investors will be granted a premium on the repurchase value, which will be negotiated between the Issuer and the Investor at the time of the repurchase transaction based on market conditions. This percentage will be borne entirely by the Issuer, ensuring that debt token holders are not affected by the Issuer's exercise of the repurchase option. The repurchase will be executed through the Banco Atlántida El Salvador, S.A. platform, in line with best market practices, thereby strengthening investor confidence and security.	The issuance of BAES-TWCD debt tokens includes a call option by TOWCO, S.A. de C.V., which allows it to acquire the issued tokens, in whole or in part, prior to the end of the offering period. The repurchased tokens will be withdrawn from circulation and permanently destroyed (burned). This option provides the Issuer with the flexibility to optimize the management of its financial structure, reduce interest payment obligations, and improve the administration of its debt obligations, aligning with the project's progress and market conditions. The Issuer will notify the National Commission on Digital Assets (CNAD) of the dates, number of tokens, and repurchase prices at least 10 days in advance, ensuring transparency in the process and guaranteeing that investors have sufficient information to make decisions regarding their investment. Criteria for determining whether the issuer will exercise the call option: • If market conditions are favorable for the issuer to exercise the option • An improvement in the financial or cash flow profile that allows for early repayment. • Plans for refinancing at a lower cost. • Corporate strategies (restructuring, mergers, debt optimization). Investors will be granted a premium on the repurchase value, which will be negotiated between the Issuer and the Investor at the time of the repurchase transaction according to market- conditions. This percentage will be borne entirely by the Issuer, ensuring that debt token holders are not affected by the repurchase option exercised by the Issuer. The repurchase will be executed through the Banco Atlántida El Salvador, S.A. platform, in line with market best practices, thereby strengthening investor confidence and security.
Are decentralized ledgers and smart contracts or equivalents used?	The Cliff Project will utilize the Algorand blockchain, a scalable and efficient network with processing times of less than 3 seconds per block and low costs. Smart contracts based on Algorand Smart Contracts (ASC1) will manage the issuance, transfer, and trading of the tokens, automating revenue distribution and ensuring transparency. The custody and administration of the tokens will be handled by Banco Atlántida El Salvador, S.A., an authorized Digital Asset Service Provider (DASP). To ensure security and reliability, Banco Atlántida El Salvador, S.A. implements: • Multi-factor authentication (MFA) and AES-256 encryption to protect access and data. • Continuous monitoring and threat detection to prevent unauthorized access. • Custody of private keys using Secure Multi-Party Computation (MPC), eliminating risks of loss or hacking. Additionally, the modular architecture of the smart contracts allows for updates without affecting the token's functionality, ensuring liquidity and scalability in secondary markets. This technological model provides security, transparency, and efficiency, ensuring investor confidence in the trading of residential lots.	The Cliff Project will use the Algorand blockchain, a scalable and efficient network with processing times of less than 3 seconds per block and reduced costs. Smart contracts based on Algorand Smart Contracts (ASC1) will manage the issuance, transfer, and trading of the tokens, automating revenue distribution and ensuring transparency. The custody and administration of the tokens will be handled by Banco Atlántida El Salvador, S.A., an authorized Digital Asset Service Provider (DASP). To ensure security and reliability, Banco Atlántida El Salvador, S.A. implements: • Multi-factor authentication (MFA) and AES-256 encryption to protect access and data. • Continuous monitoring and threat detection to prevent unauthorized access. • Custody of private keys using Secure Multi-Party Computation (MPC), eliminating risks of loss or hacking. Additionally, the modular architecture of the smart contracts allows for updates without affecting the token's functionality, ensuring liquidity and scalability in secondary markets. This technological model provides security, transparency, and efficiency, ensuring investor confidence in the trading of residential lots.
Tradability and Secondary Market	The BAES-TWCP token will have a primary and secondary market available from the start of issuance. Both markets will be developed and managed on the platform of the Digital Asset Services Provider (PSAD), Banco Atlántida El Salvador, S.A., ensuring transparency, efficiency, and accessibility for investors.	The BAES-TWCD token will have a primary and secondary market available from the start of the issuance. Both markets will be developed and managed on the platform of the Digital Asset Service Provider (PSAD), Banco Atlántida El Salvador, S.A., ensuring transparency, efficiency, and accessibility for investors.

Listing	The BAES-TWCP token will be listed immediately and will be available for trading on the Banco Atlántida El Salvador, S.A. platform.	The BAES-TWCD token will be listed immediately and will be available for trading on the Banco Atlántida El Salvador, S.A. platform,
Settlement	The economic rights resulting from settlements related to the BAES-TWCP token may be obtained through the main trading platform, managed by Banco Atlántida El Salvador, S.A. These will be settled in UNITED STATES DOLLARS.	The economic rights resulting from settlements related to the BAES-TWCD token may be obtained through the main trading platform, managed by Banco Atlántida El Salvador, S.A. These will be settled in UNITED STATES DOLLARS.
Sale Restrictions	The token must not be distributed to entities or countries subject to sanctions according to international sanctions lists.	The token must not be distributed to entities or countries sanctioned under international sanctions lists.
Issue Arranger	**Banco Atlántida El Salvador, S.A.** 1st Street West and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ PSAD-0035 Designated contact person: Carlos Antonio Turcios Melgar (CEO) Contact phone numbers: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ PSAD-0035 Designated contact person: Carlos Antonio Turcios Melgar (CEO) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv
Digital Asset Service Provider	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ PSAD-0035 Designated contact person: Carlos Antonio Turcios Melgar (CEO) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv Banco Atlántida El Salvador, S.A. acts as a registered Digital Asset Service Provider (PSAD), ensuring the proper management and custody of the tokens issued under this offering.	**Banco Atlántida El Salvador, S.A.** 1st Street West and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ PSAD-0035 Designated contact person: Carlos Antonio Turcios Melgar (Chief Executive Officer) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv Banco Atlántida El Salvador, S.A. acts as a registered Digital Asset Service Provider (PSAD), ensuring the proper management and custody of the tokens issued under this offering.
Digital Asset Certifier	**TR Capital, S.A. de C.V.** Cuscatlán Street, #4312, Escalón Neighborhood, San Salvador, El Salvador. https://www.trcapital.net/ CNAD Registration Number - CERT-0003 Designated Contact Person: Héctor Ramón Torres Córdova Contact Phone Number: +503 2538-6360 Contact email: info@trcapital.net	**TR Capital, S.A. de C.V.** Cuscatlán Street, #4312, Escalón Neighborhood, San Salvador, El Salvador. https://www.trcapital.net/ CNAD Registration Number - CERT-0003 Designated contact person: Héctor Ramón Torres Córdova Contact Phone Number: +503 2538-6360 Contact email: info@trcapital.net
Digital Asset Custodian	**Banco Atlántida El Salvador, S.A.** PSAD-0035 Responsible for the custody and administration of digital assets issued under the BAES-TWCP token. Its primary function is to ensure the security, traceability, and transparency of transactions using blockchain technology, in compliance with applicable regulatory provisions.	**Banco Atlántida El Salvador, S.A.** PSAD-0035 It is responsible for the custody and administration of digital assets issued under the BAES-TWCD token. Its primary function is to ensure the security, traceability, and transparency of transactions using blockchain technology, in compliance with applicable regulatory provisions.
Applicable Laws	This issuance is regulated and supported by the applicable regulatory framework in El Salvador, including, but not limited to, the following legal provisions: - Digital Asset Issuance Law - Commercial Code - Civil Code - Tax Code - Income Tax Law - Law on the Transfer of Movable Property and the Provision of Services - Commercial Registry Act - Regulations on the Registry of Issuers and Issues	This issuance is regulated and supported by the applicable regulatory framework in El Salvador, including, but not limited to, the following legal provisions: - Digital Asset Issuance Act - Commercial Code - Civil Code - Tax Code - Income Tax Law - Law on the Transfer of Movable Property and the Provision of Services - Commercial Registry Act - Regulations on the Registry of Issuers and Issues

PARTICIPANTS IN THE ISSUANCE OF BAES-TWCP AND BAES-TWCP	
Issuer	**TOWCO, S.A. de C.V.** Address: Calle Las Rosas, Colonia La Sultana, #24-A, Antigua Vía del Ferrocarril, District of Antiguo Cuscatlán, Municipality of La Libertad Este, Department of La Libertad Website: https://thecliffelsunzal.com/ CNAD Registration Number: EAD-0035 Designated contact person: Jose Ernesto Aguirre and Jaime Zaldaña Contact phone number: +503 2560-1100 / +503 2264-4811 Contact email:jose.aguirre@inmobiliariadvida.com ; jaime.zaldaña@grupopublimovil.com
Issue Arranger	**Banco Atlántida El Salvador, S.A.** 1st Street West and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ CNAD Registration Number: PSAD-0035 Designated Contact Person: Carlos Antonio Turcios Melgar (Chief Executive Officer) Contact Phone: +503 2267-4250 and +503 2267-4411 Contact Email: info@bancatlan.sv
Digital Asset Service Provider	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 CNAD Registration Number: PSAD-0035 Designated Contact Person: Carlos Antonio Turcios Melgar (CEO) Contact Phone: +503 2267-4250 and +503 2267-4411 Contact Email: info@bancatlan.sv Banco Atlántida El Salvador, S.A. acts as a registered Digital Asset Service Provider (PSAD), ensuring the proper management and custody of the tokens issued under this offering.
Digital Asset Certifier	**TR Capital, S.A. de C.V.** Cuscatlán Street, #4312, Escalón Neighborhood, San Salvador, El Salvador. https://www.trcapital.net/ CNAD Registration Number: CERT-0003 Designated Contact Person: Héctor Ramón Torres Córdova Contact Phone Number: +503 2538-6360 Contact email: info@trcapital.net
Legal Counsel	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ PSAD-0035 Designated Contact Person: Carlos Antonio Turcios Melgar (Chief Executive Officer) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv
External Auditor	**Audit and Accounting Central America, S.A. de C.V.** 75 Avenida Norte, Colonia Escalón, Escalón Shopping Center, #2-3, San Salvador, San Salvador Designated contact person: Jaime Arabia Contact phone numbers: +503 7351-8538 Contact Email: jarabia@audica.org

Experience and Roles of the Parties Involved in the Issuance of the BAES-TWCP and BAES-TWCD Tokens

As part of the issuance of the BAES-TWCP and BAES-TWCD tokens, key stakeholders with expertise in the fields of digital assets, blockchain technology, and finance have been involved, each assuming specific roles to ensure the transparency, security, and success of the issuance.

1. **Issuer: TOWCO, S.A. de C.V.**
    - **Address:** Calle Las Rosas, Colonia La Sultana, #24-A, Antigua Vía del Ferrocarril, Antiguo Cuscatlán District, La Libertad Este Municipality, La Libertad Department
    - **Website:** https://thecliffelsunzal.com/
    - **Designated contact persons:** Jose Ernesto Aguirre and Jaime Zaldaña
    - **Contact phone number:** +503 2560-1100 / +503 2264-4811
    - **Contact** email:jose.aguirre@inmobiliariadvida.com jaime.zaldaña@grupopublimovil.com

Experience:

TOWCO, S.A. de C.V. is a company established with the purpose of developing and marketing innovative real estate projects, adopting the tokenization of digital assets as a modern and efficient financing alternative. Backed by the track record and experience of its shareholders and executives in real estate development, the company incorporates advanced planning and marketing strategies to maximize the value of its developments. Its approach is focused on creating sustainable, high-impact projects, combining innovation with solid execution.

The company was incorporated on **September 20, 2016,** with the vision of becoming a strategic real estate developer in areas of high tourism and economic potential in El Salvador. Since its inception, the company has specialized in the structuring, management, and development of urban and coastal projects, focused on maximizing profitability and long-term value for its investors.

On March 29, 2019, TOWCO consolidated a key phase of expansion through the acquisition of **"The Cliff"** land, located within the growth ecosystem known as **SurfCity**, one of the country's most dynamic areas for tourism, commerce, and real estate.

In **April 2024**, TOWCO officially unveiled its flagship project: **"The Cliff – Between the Sea and the Sky,"** a development of **104 residential lots** designed to meet standards of sustainability, landscape integration, and projected capital appreciation. The project is envisioned as one of the future real estate icons of the Salvadoran coastline.

Today, the development of **The** Cliff continues to strengthen TOWCO's presence in SurfCity, establishing itself as a hub for **growth, secure investment, and attractive returns** for partners and buyers.

Specific Functions:

- Issuer of the digital assets linked to The Cliff Project.
- Responsible for the development, marketing, and operation of the project.
- Ensuring compliance with the terms established in the issuance, ensuring alignment between the interests of the issuer and the investors.

2. **Issue Arranger: Banco Atlántida El Salvador, S.A.**
    - **Address:** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP 1101.
    - **Website:** https://www.bancoatlantida.com.sv/

- CNAD Registration Number: PSAD-0035
- **Designated Contact Person:** Carlos Antonio Turcios Melgar (Chief Executive Officer)
- **Contact Phone:** +503 2267-4250 and +503 2267-4411
- **Contact email:** info@bancatlan.sv

Experience:

Banco Atlántida El Salvador, S.A. is a financial institution with experience in structuring and managing digital assets, providing solutions for the tokenization of investment projects. Its expertise in banking and corporate finance enables it to offer security and regulatory compliance in the structuring of digital asset issuances.

Specific Functions:

- Design and structuring of the offering, ensuring compliance with applicable regulations.
- Preparation and review of key documentation, including the Key Information Document (KID).
- Oversight of legal and regulatory compliance, in coordination with relevant authorities.

3. Digital Asset Service Provider (PSAD): Banco Atlántida El Salvador, S.A.

- **Address:** 1st Poniente Street and Constitución Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP 1101, El Salvador
- **Website:** https://www.bancoatlantida.com.sv/
- **CNAD Registration Number:** PSAD-0035
- **Designated Contact Person:** Carlos Antonio Turcios Melgar (CEO)
- **Contact phone number:** +503 2267-4250 and +503 2267-4411
  Contact email: info@bancatlan.sv

Experience:

Banco Atlántida El Salvador, S.A. is a Digital Asset Service Provider (DASP) specializing in the management of tokenization platforms and the trading of digital assets using blockchain technology. For the operation and execution of the issuance, Banco Atlántida El Salvador, S.A. utilizes its own technology platform, ensuring a robust and efficient infrastructure for token management.

Specific Responsibilities:

- Management of the **BAES-TWCD and BAES-TWCP** tokens and the trading platform.
- Management of the traceability and security of transactions carried out by token holders.
- Automation of revenue distribution through smart contracts developed under the Algorand protocol.

4. Digital Asset Certifier: TR Capital, S.A. de C.V.

- **Address:** Calle Cuscatlán, #4312, Col. Escalón, San Salvador, El Salvador.
- **Website:** https://www.trcapital.net/
- **CNAD Registration Number:** CERT-0003
- **Designated contact person:** Héctor Ramón Torres Córdova
- **Contact Phone Number:** +503 2538-6360
- **Contact email:** info@trcapital.net

Experience:

TR Capital is a leading firm in the certification and structuring of digital asset issuances in El Salvador. It has participated in more than 85% of the issuances approved by the National Commission on Digital Assets (CNAD), in both the public and private sectors. Its extensive portfolio includes the certification of complex projects across various economic sectors, establishing itself as a leader in the digital asset market.

Specific Responsibilities:

- Certification of the issuance of the **BAES-TWCP and BAES-TWCD** tokens, ensuring their compliance with applicable regulations.
- Assessment of the financial viability of the tokenization model.
- Validation of the Key Information Document (KID) and the economic rights of token holders.

5. **Legal Advisor: Banco Atlántida El Salvador, S.A.**
   - **Address:** 1st Poniente Street and Constitución Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP 1101.
   - **Website:** https://www.bancoatlantida.com.sv/
   - **CNAD Registration Number:** PSAD-0035
   - **Designated Contact Person:** Carlos Antonio Turcios Melgar (CEO)
   - **Contact Phone:** +503 2267-4250 and +503 2267-4411
   - **Contact email:** info@bancatlan.sv

Experience:

The legal department of Banco Atlántida El Salvador, S.A. possesses a solid understanding of the regulatory framework for digital assets in El Salvador, providing specialized advice on regulatory compliance, the legal structure of issuances, and financial contracts.

Banco Atlántida El Salvador, S.A., in its capacity as Legal Advisor, is limited exclusively to the legal structuring of the issuance of the digital assets described in this Relevant Information Document. Such advice does not constitute, nor should it be construed as, a recommendation, feasibility analysis, or tax, financial, accounting, regulatory, or investment advice for potential investors, as the latter are responsible for obtaining their own independent advice regarding any aspect other than the legal structuring of the issuance.

Specific Functions:

- Overseeing compliance with the legal provisions applicable to the issuance.
- Liaising with regulatory authorities to ensure the registration and approval of the issuance.
- Ensuring the integrity and alignment of the process with local and international regulations.

6. **External Auditor: Audit and Accounting Central America, S.A. de C.V.**
   - **Address:** 75 Avenida Norte, Colonia Escalón, Escalón Shopping Center, #2-3, San Salvador, San Salvador
   - **Contact Person:** Jaime Arabia
   - **Phone:** +503 7351-8538
   - **Email:** jarabia@audica.org

Experience:

Audit and Accounting Central America, S.A. de C.V. is a firm with years of experience, specializing in auditing, tax consulting, and financial planning. Its team of highly trained professionals offers customized solutions that ensure trust and security for its clients.

Specific Responsibilities:

- Periodic audit of cash flows generated by the project and the management of funds raised.
- Issuance of semi-annual and annual reports to ensure transparency and financial compliance.

For more details, please refer to **Annex VI – TOWCO, S.A. de C.V. Contracts.**

2) GLOSSARY

This glossary has been developed to provide a general understanding of the terms used in the context of the public issuance of **BAES-TWCP and BAES-TWCD** digital assets. These definitions are not intended to serve as legal advice. For specific guidance or advice, it is recommended to consult a qualified financial advisor.

1. **Digital Asset**: A digital representation of an asset that can be stored and transferred electronically using distributed ledger technology or blockchain.
2. **Issuer**: TOWCO, S.A. de C.V., responsible for the issuance of the BAES-TWCP and BAES-TWCD tokens and the execution of The Cliff Project.
    - **Token:** A digital representation of economic rights to The Cliff Project
    - **Revenue Token (BAES-TWCP):** Represents economic rights to income before taxess generated by the sale of residential lots in The Cliff Project. Its return depends on the project's financial performance, and profits, if any, are distributed only after all financial obligations have been met, including payments on the debt tokens (BAES-TWCD).
    - **Debt Token (BAES-TWCD):** Represents a financial obligation of the issuer to the token holders, formalized through a Debt Acknowledgment Agreement. BAES-TWCP investors will be entitled to periodic interest payments, which will be made upon the completion of the sale of all lots, within a maximum period of 36 months, which will coincide with the term of the issuance. Prior to making such payment, the issuer will consider its financial stability and any outstanding obligations before making the payment, as well as the repayment of principal upon maturity of the issuance. Additionally, these tokens have absolute priority over any other distribution of income within the project, ensuring the priority fulfillment of their financial rights. Partial payments of principal and/or interest may be received prior to the maturity date at the Issuer's discretion.
3. **Smart Contract**: A program that executes automatically upon the fulfillment of predefined conditions, ensuring transparency and security in blockchain transactions.
4. **Digital Asset Service Providers (DASPs)**: Entities authorized to provide services related to digital assets, such as custody and exchange.
5. **KYC (Know Your Customer)**: A process for identifying and verifying customers, essential for preventing fraud and money laundering.
6. **External Auditor**: An independent entity that reviews and verifies a project's internal controls and financial statements.
7. **Secondary Market**: A platform enabling the purchase and sale of BAES-TWCP and BAES-TWCP tokens after the primary offering has concluded.
8. **Custodian**: A financial institution responsible for the custody and management of the underlying assets backing the tokens.
9. **Decentralized Ledger**: An immutable record of transactions distributed across a blockchain network, without centralized intermediaries.
10. **Token Valuation**: Calculation of a token's market value based on economic variables and underlying performance.
11. **National Commission on Digital Assets (CNAD)**: Regulatory authority in El Salvador that oversees the issuance and management of digital assets.
12. **Digital Asset Public Offering**: A technical or commercial proposal to offer digital assets to the public for sale.
13. **Sale Window**: Defined period for the placement of BAES- and BAES- tokens on the primary market.

14. **Income before taxes**: Net income from total revenue after deducting direct costs, administrative, financial, and associated expenses.

The definitions contained in this glossary are specific and applicable solely to this Relevant Information Document (RID) related to the issuance of BAES-TWCP and BAES-TWCP tokens. These definitions should not be interpreted as applicable outside the context of this document or for other projects, issuances, or distinct legal purposes.

3) ISSUE PRESENTATION LETTER

Dear Investors,

I hope this letter finds you in excellent health and on track to achieving your financial goals. On behalf of TOWCO, S.A. de C.V. (hereinafter, TOWCO), with Digital Asset Issuer Registration No. EAD-0035, I am pleased to present you with a unique investment opportunity in The Cliff Project, located in one of the most exclusive areas with the greatest tourism potential in Surf City, El Salvador, in the department of La Libertad.

The track record and experience of our shareholders and executives in executing high-impact real estate projects have led TOWCO to adopt the issuance of digital assets as a modern and efficient financing alternative.

TOWCO, S.A. de C.V., will act as the property owner as well as the Project Developer.

The issuance of BAES-TWCP and BAES-TWCD tokens will allow you to participate directly in The Cliff Project, offering investment opportunities tailored to different investor profiles, with economic rights linked to the sale of residential lots.

- **Debt Token (BAES-TWCD)** with registration number No. AD-00070; Investors seeking projects that generate a return on capital with lower risk exposure. Before making such a payment, the issuer will take into account financial stability and any outstanding obligations. This issuance, backed by a Debt Acknowledgment Agreement, offers a predefined return structure and absolute priority of payment over any other distribution within the project.
- **Revenue Token (BAES-TWCP) with registration number No.** AD-00069 **;** Aimed at investors who wish to participate in the income before taxess generated by the sale of the company's residential lots. Returns depend on the project's financial performance and are distributed only after the obligations of the debt tokens have been met.

Characteristics	Debt Token (BAES-TWCD)	Income Token (BAES-TWCP)
Investor Profile	Investors seeking projects that generate a return on capital with lower risk exposure.	Investors who wish to participate in the project's income before taxess with the potential for higher variable returns.
Source of Return	Interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations.	Distribution of income before taxess generated by the sale of residential lots.
Guarantee	Debt Acknowledgment Agreement	Agreement for the Assignment of Economic Rights
Priority of Payment	Takes priority over any other distribution within the project.	Payments are made only after the obligations of the debt tokens (BAES-TWCD) have been met.

Liquidity	Secondary market from the start of the issuance	Secondary market from the start of the issuance.
Associated Risk	Moderate risk: fixed return and guarantee under the Debt Acknowledgment Agreement.	Variable risk: return subject to the project's financial performance.

Key Advantages of the BAES-TWCD and BAES-TWCP Token Issuance

The issuance of BAES-TWCD (debt) and BAES-TWCP (revenue) tokens offers multiple benefits to investors, allowing them to choose the option that best suits their investment profile and return expectations.

Benefits of the Debt Token (BAES-TWCD)

1. **Payments within a defined period and return:** Interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations.
2. **Security and financial backing:** The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement.
3. **Transparency and traceability:** Blockchain technology ensures immutable recording, traceability, and auditability of all transactions, providing confidence and efficiency in token management.
4. **Liquidity and access to secondary markets:** The tokens may be traded on secondary markets, allowing investors to sell their holdings before maturity.
5. **Priority of payment over other distributions:** Interest payments and principal repayment take precedence over any other distribution within the project, ensuring that debt token holders are the first to receive their benefits.

Benefits of the Revenue Token (BAES-TWCP)

1. **Share in the project's income before taxess:** Investors will receive the income before taxess generated from the sale of the residential lots held by the company, after deducting operating costs and fulfilling the obligations of the debt tokens (BAES-TWCP).
2. **Security and financial backing:** The issuance is backed by a cash flow assignment agreement, providing an additional security mechanism for investors in the event of default.
3. **Transparency and traceability:** Blockchain technology guarantees an immutable record, traceability, and auditability of all transactions, ensuring reliability in revenue distribution.
4. **Liquidity and access to secondary markets:** The tokens may be traded on secondary markets, allowing investors to sell their holdings and providing investment flexibility.
5. **Potential for variable returns and alignment with the project's success:** The profitability of the revenue token will depend on the project's financial performance, allowing investors to benefit directly from the growth and success of the lots' commercialization.

TOWCO, S.A. de C.V. reaffirms its commitment to operating under the highest standards of ethics, transparency, and integrity. Our mission is to develop high-quality housing solutions, driven by innovation and excellence in the real estate sector.

We invite you to carefully review the information contained in this Key Information Document (KID), where you will find all the details necessary to make an informed decision about this exclusive investment opportunity.

We are confident that The Cliff represents an exceptional option for diversifying your portfolio, participating in a dynamic market, and benefiting from a cutting-edge investment model backed by blockchain technology.

We remain at your disposal to provide guidance and answer any questions you may have.

Sincerely,

Firmado por Mario Castaneda
el 2026-04-07 15:56:10 CDT

Mario Roberto Castaneda Santamaria
Legal Representative
TOWCO, S.A. de C.V.

4) AFFIDAVIT

To the best of our knowledge and belief, and based on the information available to date, the information contained in the Relevant Information Document for the Offering submitted to the National Commission on Digital Assets is correct, accurate, and complete, and contains no material omissions. TOWCO will keep all information up to date and, in the event of any material change in the information provided or in circumstances affecting the token issuance, will promptly disclose such information to investors and the competent authorities, as required by applicable laws and regulations. **Annex I - Affidavit.**

5) CERTIFIER'S REPORT

TR Capital, S.A. de C.V., is a company authorized by the CNAD as a Digital Asset Certifier under registration number CERT-0003. It is a Salvadoran company, incorporated on May 13, 2017, before the notary public office of Alfredo Alejandro Muñoz Rodas, Esq. It is registered in the Companies Registry of the Commercial Registry under number 21 of Book 3776; with registration number 2017088178; and Tax Identification Number 0614-130517-102-0.

Attached to this Relevant Information Document is the Certifier's full report, along with all of its considerations regarding the issuance of the BAES-TWCP and BAES-TWCD tokens. **Annex II—Certifier's Report.**

6) ISSUER PROFILE

Corporate Profile

TOWCO, S.A. de C.V. is a Salvadoran company formally incorporated on January 20, 2016, registered with the Commercial Registry under Tax ID No. 0614-200916-104-0. Its registered office is located at Calle Las Rosas, Colonia La Sultana, #24-A, Antigua Vía del Ferrocarril, District of Antiguo Cuscatlán, Municipality of La Libertad Este, Department of La Libertad.

The company is responsible for the development and marketing of The Cliff Project, located in Surf City, El Salvador, with the goal of creating high-end residential and tourist complexes that integrate natural features and exclusive amenities to attract both domestic and international investors.

Among the main facilities that The Cliff Project will offer are:

- Green spaces;
- Ecological zones;
- Common spaces designed to connect with nature;
- Condominium management
- Luxury common areas;
- Beach club with exclusive amenities

Vision and Mission

The purpose of TOWCO, S.A. de C.V. is to become a leader in high-end real estate development in El Salvador, offering innovative, sustainable projects with exceptional design.

Its vision is to establish Surf City as a world-class tourist and residential destination, creating spaces that generate value for investors, residents, and the real estate sector as a whole. To this end, it adopts a strategy of sustainable development and smart planning, ensuring a positive impact on the country's economy.

Current Situation and Financial Strategy

With the aim of diversifying its sources of financing, TOWCO, S.A. de C.V. has incorporated asset tokenization as a key strategy to attract investment both nationally and internationally.

This financing model, based on the issuance of **BAES-TWCP and BAES-TWCD** tokens, allows for:

- Reduce intermediation costs by offering direct access to investors.
- Ensure transparency and security through the use of blockchain technology.
- Ensure liquidity by facilitating the trading of tokens on authorized secondary markets.

Unlike traditional methods, asset tokenization allows investors to participate in the project's commercialization through an efficient, secure structure aligned with the modernization of the real estate sector.

Issuer	TOWCO, S.A. DE C.V.

Trade Name	TOWCO
Tax Identification Number	0614-200916-104-0
Address	Las Rosas Street, La Sultana Neighborhood, #24-A, Old Railroad Road, Antiguo Cuscatlán District, La Libertad Este Municipality, La Libertad Department
Legal Representative	Mario Roberto Castañeda Santamaría
Phone	+503 7885-9850
Email	jose.aguirre@inmobiliariadvida.com
Website	https://thecliffelsunzal.com/

Organization Chart

Description of the Management Team and Their Roles

The corporate governance of TOWCO, S.A. de C.V. is structured across several levels of management, each of which plays a fundamental role in decision-making and the achievement of the company's strategic objectives. The profiles of the company's directors are detailed below:

- General Shareholders' Meeting:

The General Shareholders' Meeting is the company's principal governing body. Its main functions include approving financial statements, electing directors, and defining long-term corporate strategies.

TOWCO, S.A. de C.V.'s corporate governance structure ensures efficient decision-making aligned with real estate best practices, promoting transparency, security, and the company's sustainable growth.

- Functions of the General Shareholders' Meeting:

    - Approval of the Board of Directors' Annual Report
    - Approval of the financial statements, including the balance sheet, income statement, and statement of changes in equity
    - Approval of the External Auditor's Report
    - Appointment and removal of directors, the External Auditor, and the Tax Auditor
    - Determining the compensation for directors, the External Auditor, and the Tax Auditor
    - Approval of the allocation of profits
    - All matters of the Board of Directors brought to its attention that the Law does not require to be submitted to the Extraordinary General Meeting.

Executive Team:

Sonia Marisela Martínez de Soriano

Marketing professional and business administrator with over 20 years of experience as a leader in Marketing and Sales, generating value and high performance in the areas of Customer Service, Sales, Local and Regional Marketing, and Demand Generation. Strong ability to build excellent teams (multicultural and cross-functional) through affiliative leadership and coaching.

Development and implementation of sales and marketing strategies for property acquisition and sales.

Responsibility for Gross Margin and Operating Income. Execution and development of demand generation and digital marketing campaigns. Management of regional marketing budgets.

Wil Enrique Morán Arévalo

Civil Engineer with extensive experience in technical project management and construction supervision of urban development projects: dirt roads and highways, retaining walls, stormwater drainage systems, sanitary engineering, surveying and industrial safety, drinking water networks and sewer systems, and the construction of access roads and paved thoroughfares.

Supervision of payroll and field administration, inspection of work and field personnel, control of production and machinery expenses.

Mario Roberto Castaneda Santamaría

Electrical engineer with an Executive Master's degree in Business Administration, possessing extensive experience in the maintenance of 115V transmission lines, the construction of electromechanical projects, and project execution.

Experience as a business manager, responsible for supervising and directing the commercial operations of a company or business unit. The primary objective is to ensure the growth, profitability, and sustainability of the business.

Procurement Policy for Project Execution

In connection with the issuance of the BAES-TWCD and BAES-TWCP tokens, clear and transparent contracting policies have been implemented to regulate the participation of stakeholders in the various stages of the process, including the structuring, placement, administration, and certification of the issuance. These policies are designed to ensure regulatory compliance, the proper execution of assigned functions, and the protection of investors' interests.

Furthermore, formal contracts have been signed with each of the parties involved in the issuance, detailing the obligations they have assumed. These obligations include:

- The structuring and design of the financial instrument, including the validation of the terms and conditions of the issuance.
- The placement of the tokens through mechanisms approved by Salvadoran regulations.
- The transparent and efficient administration of the resources associated with the issuance.
- The implementation of advanced technological measures to ensure the traceability, security, and e t distribution of the proceeds generated by the sale of the residential lots.

For more details on the applicable policies, the contracts entered into, as well as the specific responsibilities of each party involved, please refer to **Annex III – Contracting Policies.**

Financial Statements

TOWCO, S.A. de C.V. was incorporated on September 20, 2016, with a current share capital of USD $757,963.00 (SEVEN HUNDRED FIFTY-SEVEN THOUSAND NINE HUNDRED SIXTY-THREE UNITED STATES DOLLARS); as shown in **Annex IV – Issuer's 2025 Balance Sheet**.

Attached to Annex IV are the audited financial statements of the issuing company, to verify its current financial position.

Reason for the public offering and purpose of the issuance

TOWCO, S.A. de C.V. is presenting a Digital Public Offering consisting of two token issuances:

1. **Revenue Token (BAES-TWCP):** Composed of the net cash flows derived from the sale of residential lots in The Cliff Project, located in Surf City, El Salvador.

   - **Debt Token (BAES-TWCD):** Based on a Debt Acknowledgment Agreement, which formalizes the Issuer's obligation to generate interest periodically; interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account its financial stability and any outstanding obligations.

2. The issuance of BAES-TWCP tokens offers investors the opportunity to participate in the income before taxess generated by the sale of the project's 104 lots. The returns on these tokens are subject to the financial performance of the real estate development and will be distributed only after the obligations of the debt tokens (BAES-TWCD) have been met.

   Meanwhile, the issuance of BAES-TWCP tokens allows investors to access interest generated periodically; interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the issuer will take into account financial stability and any outstanding obligations.

   This innovative investment model combines transparency, accessibility, and financial security, allowing investors to participate in the growth of an exclusive real estate development in one of the country's most attractive tourist areas, while the project optimizes its financing through the tokenization of digital assets.

Land Information and Key Features

The Cliff project is being developed on a strategically located plot of land in Surf City, one of the areas with the highest demand and growth potential in the real estate market in El Salvador.

- Transformation of 129,875 square feet into an exclusive residential development with high-end infrastructure.
- A prime location with beach access and spectacular views, offering a unique experience for residents and investors.
- Development of top-tier amenities, including a private marina, clubhouses, swimming pools, a wellness and fitness center, among others.
- High land appreciation potential, given its location in an established and growing tourist destination.

The design of The Cliff project maximizes land value and project profitability, ensuring appeal and exclusivity for investors seeking real estate projects with high growth potential.

Financing and Tokenization Strategy

As part of its vision for innovation and modernization, TOWCO, S.A. de C.V. has opted for the tokenization of digital assets as a mechanism to finance the project's execution and marketing.

This strategy enables the attraction of local and international investment, ensuring more efficient and transparent access to opportunities in the real estate sector.

The issuance of BAES-TWCP and BAES-TWCD tokens offers multiple advantages, including:

- **Democratization of investment:** It allows for the participation of a broader base of investors, ranging from large funds to small investors who, traditionally, would not have access to this type of project.
- **Greater liquidity:** The ability to trade tokens on authorized secondary markets facilitates the entry and exit of investors without the need to wait for long lock-up periods.
- **Reduced costs and time:** By using blockchain technology, unnecessary intermediaries are eliminated, optimizing administrative processes and reducing costs.
- **Transparency and security:** Recording all transactions on an immutable blockchain provides trust and traceability throughout the project's lifecycle.
- **Favorable regulatory environment:** The issuance operates under the regulatory framework of El Salvador's Digital Asset Issuance Law (LEAD), enabling lower financing costs and greater attraction of foreign investment.

The tokenization of real estate assets in The Cliff Project not only represents an opportunity for investors but also contributes to the country's economic development, strengthening tourism and boosting the local economy.

Benefits for Investors

Benefits of the Debt Token (BAES-TWCD)

- **Guaranteed Payments and Returns:** An investment generating periodic interest, with interest paid monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the issuer will consider financial stability and any outstanding obligations.
- **Financial Security:** Debt Acknowledgment Agreement, granting priority of payment to debt investors.
- **Order of priority:** Before any distribution of income to holders of income tokens (BAES-TWCP), interest and principal payments on debt tokens (BAES-TWCD) must be covered.
- **Liquidity:** Ability to trade the tokens on secondary markets, allowing for investment flexibility.
- **Regulatory compliance and transparency:** The issuance is backed by a Debt Acknowledgment Agreement and a clear legal framework, ensuring confidence in the fulfillment of obligations.

Benefits of the Revenue Token (BAES-TWCP)

- **Share in the project's income before taxess:** Economic rights to the income before taxess generated by the sale of residential lots, once the obligations of the debt tokens (BAES-TWCD) have been met.
- **Appreciation Potential:** High demand in the area increases the project's long-term value appreciation, positively impacting the revenue generated.
- **Liquidity:** The ability to trade tokens on secondary markets, providing investment flexibility.
- **Transparency and traceability:** Use of blockchain and smart contracts (ASC1) to ensure a fair and auditable distribution of income before taxess.

Expected Impact

With this offering, TOWCO, S.A. de C.V. seeks to boost investment in the real estate sector through blockchain technology, providing a modern and accessible alternative for investors of all levels.

The development of The Cliff will strengthen tourism growth and the local economy, promoting a sustainable model that generates benefits for both investors and real estate development in El Salvador.

Conflict of Interest

To ensure transparency and integrity in our operations, we declare that:

- No conflicts of interest have been identified among the members of our governing bodies, partners, employees, and members of the National Commission on Digital Assets (CNAD) in relation to the token issuance.
- No conflicts of interest have been identified among the members of our governing bodies, partners, employees, and participants in the issuance, including the Issuance Certifier and the Digital Asset Service Provider (PSAD) .
- No transactions have taken place between related parties that could compromise the impartiality of our activities.
- We affirm that there are no conflicts of interest within our organization regarding this issuance.

TOWCO, S.A. de C.V. reaffirms its commitment to ethics and transparency, ensuring that this offering is conducted in accordance with standards of integrity and sound financial practices.

7) MAIN FEATURES OF THE PUBLIC OFFERING

MAIN FEATURES OF THE ISSUANCE (BAES-TWCP & BAES-TWCD)		
Type of Public Offering of Digital Assets	**PUBLIC OFFERING OF INCOME**	**PUBLIC OFFERING OF DEBT**
Issuer	TOWCO, S.A. DE C.V.	
Issuer Registration No.	EAD-00035	
Type of Public Offering of Digital Assets	Public Offering of Revenue	Public Offering of Debt
Type of Digital Asset	Revenue Token	Debt Token
Token Name	BAES-TWCP	BAES-TWCD
Token ticker	BAES-TWCP	BAES-TWCD
Digital Asset Issuance Registration No.	AD-00069	AD-00070
Total Issue Amount	The issuance has a maximum total amount of USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS), with a minimum required placement of USD $1,500,000.00. This amount is intended to finance the development and marketing of The Cliff Project, focused on the sale of residential lots within an exclusive setting in Surf City, El Salvador. The total amount of the offering was strategically determined based on a detailed analysis of projected revenues and associated costs, ensuring the project's viability and alignment with current real estate market conditions. **Projected Operating Revenues and**	The offering has a maximum total amount of USD $5,000,000.00 (FIVE MILLION UNITED STATES DOLLARS), with an initial minimum placement of USD $500,000.00. This amount is intended to finance the development and marketing of The Cliff, focused on the sale of lots within an exclusive setting in Surf City, El Salvador. The total amount of the offering was strategically determined based on a detailed analysis of projected revenues and associated costs, ensuring the project's viability and alignment with current real estate market conditions. **Projected Operating Revenues and**

	Expenses The projected income statement for The Cliff Project reflects estimated revenues and costs during the first year of the offering, based on the sale of 104 lots owned by the company. • **Sales Revenue:** Revenue from the sale of the lots is projected, with prices determined based on the category and average area of each lot. • **Costs of sales:** Associated with infrastructure development, basic services, and marketing expenses. • **Administrative and tokenization expenses:** These include costs for structuring and issuing the tokens, as well as commissions and additional services to ensure the project's operation. • **Other expenses:** These include various additional operating costs, as well as financial expenses associated with the BAES-TWCP debt instrument, arising from the fulfillment of interest payment obligations and the administration of the issuance within The Cliff Project. From these projected cash flows, cumulative net income is estimated, reflecting the revenue generated after deducting costs and expenses. **Estimated Issue Amount** The calculation of the total issuance amount of USD $1,500,000.00 is based on the projected net cash flows from the sale of the lots, taking into account the estimated sales schedule and the project's future revenue-generating capacity. **Purpose of the Revenue Token Offering (BAES-TWCP)** The funds raised through the issuance of revenue tokens (BAES-TWCP) will be used for the development of The Cliff Project, focusing on: • **Execution of the initial phase of the project:** Development and urbanization of the land corresponding to this stage, ensuring its availability	**Expenses** The projected income statement for The Cliff Project reflects estimated revenues and costs during the first year of the offering, based on the sale of 104 lots owned by the company. • **Sales Revenue:** Revenue from the sale of the lots is projected, with prices determined based on the category and average area of each lot. • **Costs of sales:** Associated with infrastructure development, basic services, and marketing expenses. • **Administrative and tokenization expenses:** These include costs for structuring and issuing the tokens, as well as commissions and additional services to ensure the project's operation. • **Other expenses:** These include various additional operating costs, as well as financial expenses associated with the BAES-TWCD debt instrument, arising from the fulfillment of interest payment obligations and the administration of the issuance within The Cliff Project. From these projected cash flows, cumulative net income is estimated, reflecting the revenue generated after deducting costs and expenses. **Estimated Issue Amount** The calculation of the total issuance amount of USD $5,000,000.00 is based on the projected net cash flows from the sale of residential lots, considering the estimated sales schedule and the project's future revenue-generating capacity. **Purpose of the Debt Token Issuance (BAES-TWCD)** The funds raised through the issuance of debt tokens (BAES-TWCD) will be used to finance the execution of The Cliff Project, with a focus on: • **Initial project execution:** Development and urbanization of the land corresponding to this stage, ensuring its availability and commercial appeal.

	and commercial appeal. • **Infrastructure optimization:** Implementation of essential works to improve accessibility and the quality of the environment within this phase. • **Marketing strategies:** Promotion and sale of residential lots, with campaigns targeting buyers and investors. According to our financial model, included in Annex V, the minimum placement amounts are sufficient to execute the Project. If this amount is not reached, the Issuer undertakes to seek other sources of financing to complete the Project, thereby ensuring its continuity and the security of the tokenholders.	• **Infrastructure optimization:** Implementation of essential works to improve accessibility and the quality of the environment within this phase. • **Marketing strategies:** Promotion and sale of the residential lots included in the first stage of development, with campaigns targeting buyers and investors. The purpose of this offering is to provide immediate liquidity to the project, enabling its development within the planned timeframe and ensuring the proper execution of The Cliff Project. According to our financial model, included in Annex V, the minimum placement amounts are sufficient to begin executing the Project. If this amount is not reached, the Issuer undertakes to seek other sources of financing to complete the Project, thereby ensuring its continuity and the security of the tokenholders.
Term of the Offering	Up to 36 months (3 years)	Up to 36 months (3 years)
Token price	USD $1.00 (ONE UNITED STATES DOLLAR)	USD $1.00 (ONE UNITED STATES DOLLAR)
Trading currency	United States Dollars.	United States Dollars.
Number of tokens to be issued by	1,500,000 tokens	5,000,000 tokens
Token unit	Each BAES-TWCP token represents rights to economic benefits (income before taxess), if any, from the marketing and development of the lots in The Cliff project. Investors who acquire BAES-TWCP tokens will participate in the distribution of economic benefits, if any, generated by the project, with returns aligned with its financial performance. Additionally, the issuance is supported by a framework of transparency and traceability using blockchain technology, ensuring security and efficiency in the management of economic rights.	Each BAES-TWCD token represents an economic right to interest payments and the return of the invested capital, in accordance with the terms established in the issuance. Investors who acquire BAES-TWCD tokens will be entitled to receive interest generated; interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations. The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement, providing

	During the term of the offering, the generated and unpaid income before taxes will be held in an account managed by the Offering Administrator. As the entity responsible for these accounts, the diligent, transparent, and secure management of the funds is guaranteed, with the aim of ensuring full compliance with obligations upon maturity of the offering. Therefore, the funds will be held under conditions of sufficient security and traceability, ensuring that the funds remain intact and available for their exclusive application to payments, in accordance with the established terms. For these purposes, an Account Management Agreement will be signed between the Issuer and the Administrator to govern the administration and custody of the funds.	greater security to investors and ensuring a predictable payment schedule. Additionally, the process is managed under a framework of transparency and traceability using blockchain technology (Algorand), guaranteeing efficiency and security in the administration of financial rights. During the term of the issuance, the principal and any accrued and unpaid interest will be held in an account managed by the Issuance Administrator. As the entity responsible for these accounts, the diligent, transparent, and secure management of the funds is guaranteed, with the aim of ensuring full compliance with obligations upon maturity of the issuance. Therefore, the funds will be held under conditions of sufficient security and traceability, ensuring that the funds remain intact and available for their exclusive application to the payment of principal and interest, in accordance with the established terms. For these purposes, an Account Management Agreement will be signed between the Issuer and the Administrator to govern the administration and custody of the funds.
Underlying Assets	The underlying asset of the revenue token issuance (BAES-TWCP) consists of the net cash flows generated by the sale of the residential lots in The Cliff Project. These cash flows correspond to the revenue obtained from the sale of the 104 lots owned by the company, after deducting operating costs, administrative expenses, and any other priority financial obligations— r otherwise—of the project, including the payment of commitments associated with the issuance of debt tokens (BAES-TWCD). Since the token is linked to income before taxess, returns for investors will depend on the success of the lot sales and real estate market conditions. Furthermore, revenue distribution may only occur once the payment obligations for the debt tokens (BAES-TWCD) have been fulfilled, ensuring that the priority of payments is respected in accordance with the terms of the issuance. Furthermore, it has an economic flow assignment agreement with the Issue Administrator, who will act on behalf of potential purchasers and holders of the token.	The underlying asset of the BAES-TWCD token issuance consists of a Debt Acknowledgment Agreement entered into by TOWCO, S.A. de C.V., as the issuer, through which its financial obligation to the holders of the BAES- tokens is formalized and established. This contract explicitly acknowledges the issuer's debt, providing a clear and legal basis that underpins the economic rights of investors ( ), thereby generating confidence in the fulfillment of the obligations assumed. To reinforce the strength of the underlying asset, the agreement includes a detailed financial structure that supports the issuer's ability to meet its commitments. This structure serves as a validation of the expected revenue stream, providing investors with an additional level of security and transparency by ensuring that the issuer has the necessary resources and stability to honor the terms of the agreement. Additionally, the Debt Acknowledgment Agreement stipulates that payments on the debt tokens (BAES-TWCD) take precedence over any other revenue distribution within the project, ensuring that financial commitments to the holders of these tokens are fulfilled before any other allocation of funds, including distributions

		to the revenue tokens (BAES-TWCP). Taken together, the Debt Acknowledgment Agreement constitutes a robust underlying asset that backs the issuance, ensuring that holders of BAES-TWCD tokens have their economic rights protected and that the agreed-upon conditions are reliably fulfilled. The contracts and estimates underpinning the project's development are detailed in Annex VI – Towco's Relevant Contracts, providing transparency and additional backing for this issuance.
Token Guarantees	The issuance of revenue tokens (BAES-TWCP) is backed by a cash flow assignment agreement, which provides investors with an additional security mechanism in the event of a breach of the revenue distribution structure. In addition, investors participate in the distribution of income before taxess generated by the sale of residential lots, which constitute the primary source of return for this offering.	The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement. This guarantee grants token holders a preferential right to enforce the agreement, ensuring that, in the event of default on interest payments or principal repayment, it serves as collateral to cover the financial obligations of the issuance.
Minimum and Maximum Trading Amounts	The minimum purchase amount in the main offering of BAES-TWCP tokens is USD $1.00 (ONE UNITED STATES DOLLAR), equivalent to the acquisition of a single token. The minimum purchase amount in the primary offering of BAES-TWCP tokens is USD $1.00 (ONE UNITED STATES DOLLAR), equivalent to the purchase of a single token. The total amount of the offering is set at a maximum of USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS), while the minimum amount required to validate the validity of the offering is USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS). The offering has a six-month period to reach this minimum amount. If this amount is not reached within the established timeframe, a refund mechanism will be activated to guarantee investors the recovery of their invested capital. This process will be managed through the trading platform used for the offering,	The minimum purchase amount in the main offering of BAES-TWCD tokens is USD $1.00 (ONE UNITED STATES DOLLAR), equivalent to the purchase of a single token. The total amount of the offering is set at a maximum of USD $5,000,000.00 (FIVE MILLION UNITED STATES DOLLARS), while the minimum amount required to validate the offering will be USD $500,000.00 (FIVE HUNDRED THOUSAND UNITED STATES DOLLARS). The offering has a six-month period to reach this minimum amount. If this amount is not reached within the established timeframe, a refund mechanism will be triggered to ensure that investors recover their invested capital. This process will be managed through the trading platform used for the offering, ensuring transparency and efficiency at every stage. Investors participating in this Public Offering may recover their investment if the minimum offering amount of $500,000.00 is not reached by the end of the Public Offering or if the offering is canceled, and

	ensuring transparency and efficiency at every stage. Investors participating in this Public Offering may recover their investment if the minimum offering amount of $1,500,000.00 is not reached by the end of the Public Offering or if the offering is canceled, and this will be done through the following mechanism: The refund procedure will be carried out as follows: 1. Notification from the Administrator: The Administrator will formally notify the issuer that the required minimum amount was not reached. This notification must be made within the stipulated period of six months from the launch of the public offering. 2. Notification to Token Holders : The issuance administrator will inform token holders, through the trading platform, of the failure to meet the minimum placement amount. The notification will include details of the refund process and the corresponding timeline. 3. Transfer of Funds: The Administrator will transfer the necessary funds to the platform to reimburse 100% of the capital invested by each token holder. Any generated income will not be included, as no cash flows will have materialized during this initial stage. This transfer will be made within a period of no more than 15 business days from the date of notification to token holders. 4. Refund Confirmation: The Digital Asset Service Provider (DASP), in this case Banco Atlántida El Salvador, S.A., will be responsible for confirming to the Issuer that the refund process has been fully completed. Additionally, token holders will receive a	this will be done through the following mechanism: The refund procedure will be carried out as follows: 1. Notification from the Administrator: The Administrator will formally notify the issuer that the required minimum amount was not reached. This notification must be made within the stipulated period of six months from the launch of the public offering. 2. Notification to Token Holders: The issuance administrator will inform token holders, through the trading platform, of the failure to meet the minimum placement amount . The notification will include details of the refund process and the corresponding timeline. 3. Transfer of Funds: The Administrator will transfer the necessary funds to the platform to reimburse 100% of the capital invested by each token holder. Any generated income will not be included, as no cash flows will have materialized during this initial stage. This transfer will be made within a period of no more than 15 business days from the date of notification to token holders. 4. Refund Confirmation: The Digital Asset Service Provider (DASP), in this case Banco Atlántida El Salvador, S.A., will be responsible for confirming to the Issuer that the refund process has been fully completed. Additionally, token holders will receive a detailed receipt via the platform, which will include the amounts refunded and the corresponding dates. 5. Guarantee of Transparency: The entire refund process will be recorded

	detailed receipt via the platform, which will include the amounts refunded and the corresponding dates. 5. Guarantee of Transparency: The entire refund process will be recorded on the blockchain platform used for the issuance, providing an immutable record that reinforces investor confidence. Compliance reports certifying the completion of the process may be issued. In the event that the minimum amount of USD $1,500,000.00 is not reached within the stipulated period, the Issuer may resort to traditional financing sources to continue the development of The Cliff Project, ensuring the execution of the strategic plan without relying exclusively on the placement of BAES-TWCP tokens. With this structure, TOWCO, S.A. de C.V. strengthens investor confidence by offering a capital protection mechanism, ensuring the financial viability of the development and compliance with the conditions established in the offering. Regarding the custody of funds from the sale of tokens: All funds from the sale of tokens will be deposited by investors into the issuance's escrow account and transferred to the platform. Subsequently, these deposits will be transferred to the issuance's operating account, held in custody by the Bank. It will not be until the sale of the tokens is complete that the funds will be made available to the issuer, upon the issuer's request and with prior authorization from the Administrator, to continue the project's operations. Under this scheme, in which the Issue Administrator controls the Project accounts, the investor is assured that funds will only be used when the Issuer has authorization from the Administrator; and if the minimum issue amount is not reached, the mechanism detailed in this section will be implemented.	on the blockchain platform used for the issuance, providing an immutable record that reinforces investor confidence. Compliance reports certifying the completion of the process may be issued. In the event that the minimum amount of USD $500,000.00 is not reached within the stipulated period, the Issuer may resort to traditional financing sources to continue the development of The Cliff Project, ensuring the execution of the strategic plan without relying exclusively on the placement of BAES-TWCD tokens. With this structure, TOWCO, S.A. de C.V. strengthens investor confidence by offering a mechanism for capital protection , ensuring the financial viability of the development and compliance with the conditions established in the offering. Regarding the custody of funds from the sale of tokens: All funds from the sale of tokens will be deposited by investors into the issuance's escrow account and transferred to the platform. Subsequently, these deposits will be transferred to the issuance's operating account, held in custody by the Bank. It will not be until the sale of the tokens is completed that the funds will be made available to the issuer, upon the issuer's request and with prior authorization from the Administrator, to continue the project's operations. Under this scheme, in which the Issuance Administrator controls the Project's accounts, the investor is assured that funds will only be used when the Issuer has authorization from the Administrator; and if the minimum issuance amount is not reached, the mechanism detailed in this section will be implemented.
Rights of the Token	Holders of BAES-TWCP tokens may participate in the distribution of income before taxess generated by the sale of	Holders of BAES-TWCD tokens will have economic rights to interest payments and the return of invested capital, in accordance with the terms established in

Holder	residential lots in The Cliff Project, based on the acquisition of tokens with a face value of USD $1.00 (ONE UNITED STATES DOLLAR) per token. **Revenue Distribution Structure** • This offering does not provide for the payment of a fixed interest rate nor does it guarantee a predefined return. • Token holders will be entitled to receive 100% of the available income before taxess from the " ," defined as the total revenue obtained from the sale of the lots, minus marketing costs, operating expenses, and any other priority obligations of the project. • Among these priority obligations, the payment of interest and the repayment of principal on debt tokens (BAES-) take precedence over any distribution to BAES- token holders. **Terms of Participation and Guarantee** • Any economic benefits, if any, will be distributed pro rata among token holders, based on the number of tokens acquired by each investor. • The issuance is backed by a cash flow assignment agreement, which provides an additional security mechanism for investors in the event of default. **Considerations in Case of Cancellation or Delisting** • In the event of cancellation of the issuer's registration, delisting of the BAES-TWCP tokens, or failure to meet the minimum issuance placement, holders will be reimbursed an amount equivalent to the capital invested, with no guarantee of additional returns. • To ensure compliance with these obligations, the issue administrator will serve as the trusted third party responsible for supervising and managing the process until the full redemption of the BAES-TWCP tokens, ensuring transparency and the protection of investors' rights.	the issuance. Each BAES-TWCD token has a face value of USD $1.00 (ONE UNITED STATES DOLLAR) per token and grants investors access to a predefined return scheme backed by specific guarantees. **Payment Structure and Issuer Obligations** • Interest Payments Interest will accrue monthly, and interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account its financial stability and any outstanding obligations. • This token will bear an annual interest rate of 10%. • Investors will have the right to adjust the interest rate if the Issuer fails to comply with the conditions set forth in this Relevant Information Document, as well as due to fluctuations in the cost of funds. • Repayment of principal at maturity: Upon expiration of the term of the issuance, the Issuer must repay the principal invested to the token holders. • Debt Acknowledgment Agreement: This issuance is structured under a formal agreement that defines the terms and conditions of payment, ensuring clarity and compliance. • Priority of Payment: Payments on the debt tokens (BAES-TWCD) take priority over any other distribution of income within the project, ensuring that financial commitments to the holders of these tokens are met before any allocation of funds to other obligations, including payments on the income tokens (BAES-TWCP). **Guarantee and Security of the Investment** • The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement. • In the event of default, token holders will have the right to enforce the agreement, providing a structured security framework. **Terms of Participation and Flexibility** • Holders of BAES-TWCD tokens may trade their tokens on the secondary market, subject to available liquidity conditions. • In the event of new debt issuances, investors may evaluate the possibility of reinvesting in opportunities within The Cliff Project.

		Considerations in the Event of Cancellation or Default • In the event of cancellation of the issuer's registration, delisting of the BAES-TWCD tokens, or failure to meet the minimum issuance placement, holders will be reimbursed an amount equivalent to the capital invested, plus interest accrued up to the date of cancellation, ensuring that investors receive the corresponding return for the period during which they held their investment. • To ensure compliance with these obligations, the Issue Administrator will serve as the trusted third party responsible for supervising and managing the process until the full liquidation of the BAES-TWCD tokens, ensuring transparency and the protection of investors' rights.
Common Representative of the Token Holders	Investors, through this Material Information Document, are fully aware that, by investing in this offering, they accept and designate the Offering Administrator as their common representative, whether for the assignment of economic rights or for the eventual enforcement of the offering's guarantee. The Representative of the tokenholders shall have the following duties: • Safeguarding the interests of the tokenholders. • Enforcing the issuance guarantees in the event of default. • Acting as an intermediary in any communication between the issuer and other parties involved in the issuance.	Through this Relevant Information Document, investors are fully aware that, by investing in this offering, they accept and appoint the Offering Administrator as their common representative, whether for the assignment of economic rights or for the eventual enforcement of the offering's security. The Representative of the tokenholders shall have the following functions: • Safeguarding the interests of the tokenholders. • Enforcing the issuance guarantees in the event of default. • Acting as an intermediary in any communication between the issuer and other parties involved in the issuance.
Distribution of proceeds to holders of BAES-TWCP and BAES-TWCD tokens	Holders of BAES-TWCP tokens shall be entitled to participate in the distribution of income before taxess generated by the sale of residential lots in The Cliff Project. **1. Distribution Scheme** • The income before taxess to be distributed will be calculated as the total revenue obtained from the sale of the lots, minus operating and administrative costs and any other priority obligations of the project. • Profit distribution will only occur after	Holders of BAES-TWCD tokens will be entitled to receive interest payments and the return of the invested capital upon maturity of the issuance, in accordance with the established terms. **1. Payment Schedule** • Interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any

	the project's debt has been paid off, ensuring that the obligations of the debt token (BAES-TWCD) are met before any distribution to revenue token holders. • 100% of available income before taxess, after debt repayment, will be distributed among revenue token investors, ensuring that their returns are aligned with the project's financial performance. **2. Frequency of Payments** • Income distributions will not be made on a periodic basis; instead, they will be made at the end of the issuance period, once the project has fulfilled all its financial obligations. **3. Token Redemption and Distribution of Proceeds** • At the end of the offering period, the revenue tokens (BAES-TWCP) will be extinguished once the distribution of income before taxess has been completed. • The distribution will be made on a pro rata basis, based on the number of tokens acquired by each investor. • There is no commitment to repay principal, as the investment structure is based on a share of the generated revenue, not on a debt structure. **4. Guarantee and Transparency** • The issuance of revenue tokens (BAES-TWCP) is backed by a cash flow assignment agreement, which provides additional security for investors. The entire distribution process will be managed using blockchain technology on Algorand, ensuring transparency, traceability, and efficiency in the execution of payments.	outstanding obligations. • Upon maturity of the token, the Issuer will repay the invested capital, ensuring compliance with the payment obligation in accordance with the Capital and Interest Payment Obligation Agreement. **2. Priority in Distribution** • Payments on debt tokens (BAES-TWCD) take priority over any other distribution of income in the project. • Before any payment is made to holders of revenue tokens (BAES-TWCP), the interest payment and principal repayment obligations of the debt tokens must have been fully met. **3. Payment Frequency** o Interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations. • Principal will be repaid upon maturity of the issue, ensuring that investors recover their initial investment in accordance with the agreed terms. **4. Guarantee and Security of the Investment** • The issuance of debt tokens (BAES-TWCD) is backed by a promissory note. • In the event of default, the Administrator will be responsible for enforcing the contract to recover the invested capital. **5. Transparency and Payment Management** • All interest payments and principal repayments will be executed using blockchain technology on Algorand, ensuring traceability and transparency in every transaction. • The Issuer's Administrator will serve as the trusted third party responsible for overseeing the proper administration of payments and ensuring compliance with the terms established in the

		issuance.
Call Option	The BAES-TWCP token issuance includes a call option by TOWCO, S.A. de C.V., allowing it to acquire the issued tokens, in whole or in part, prior to the end of the offering period. The repurchased tokens will be withdrawn from circulation and permanently burned. This option provides the Issuer with the flexibility to adapt to changes in market conditions, adjust its financial structure, optimize liability management, and consolidate control over the project's economic rights. The Issuer will notify the National Commission on Digital Assets (CNAD) of the dates, number of tokens, and repurchase prices at least 10 days in advance, ensuring transparency in the process. Criteria for determining whether the issuer will exercise the call option: • If market conditions are favorable for the Issuer to exercise the option • Improvement in the financial or cash flow profile that allows for early repayment. • Plans for refinancing at a lower cost. • Corporate strategies (restructuring, mergers, debt optimization). Investors will be granted a premium on the repurchase value, which will be negotiated between the Issuer and the Investor at the time of the repurchase transaction based on market conditions. This percentage will be borne entirely by the Issuer, ensuring that debt token holders are not affected by the Issuer's exercise of the repurchase option. The repurchase will be executed through the Banco Atlántida El Salvador, S.A. platform, in line with market best practices, thereby strengthening investor confidence and security.	The issuance of BAES-TWCD debt tokens includes a call option by TOWCO, S.A. de C.V., which allows it to acquire the issued tokens, in whole or in part, prior to the end of the offering period. The repurchased tokens will be withdrawn from circulation and permanently destroyed (burned). This option provides the Issuer with the flexibility to optimize the management of its financial structure, reduce interest payment obligations, and improve the administration of its debt obligations, aligning with the project's progress and market conditions. The Issuer will notify the National Commission on Digital Assets (CNAD) of the dates, number of tokens, and repurchase prices at least 10 days in advance, ensuring transparency in the process and guaranteeing that investors have sufficient information to make decisions regarding their investment. Criteria for determining whether the issuer will exercise the call option: • If market conditions are favorable for the issuer to exercise the option • An improvement in the financial or cash flow profile that allows for early repayment. •Low-cost refinancing plans. •Corporate strategies (restructuring, mergers, debt optimization). Investors will be granted a premium on the repurchase value, which will be negotiated between the Issuer and the Investor at the time of the repurchase transaction based on market conditions. This percentage will be fully borne by the Issuer, ensuring that debt token holders are not affected by the repurchase option exercised by the Issuer. The repurchase will be executed through the Banco Atlántida El Salvador, S.A. platform, in line with market best practices, thereby strengthening investor confidence and security.
Are decentralized ledgers and smart contracts or equivalent	The Cliff Project will use the Algorand blockchain, a scalable and efficient network with processing times of less than 3 seconds per block and reduced costs. Smart contracts based on Algorand Smart Contracts (ASC1) will manage the issuance, transfer, and trading of the tokens, automating the distribution of revenue and ensuring transparency.	The Cliff Project will use the Algorand blockchain, a scalable and efficient network with processing times of less than 3 seconds per block and reduced costs. Smart contracts based on Algorand Smart Contracts (ASC1) will manage the issuance, transfer, and trading of tokens, automating the distribution of revenue and ensuring transparency.

" " used?	The custody and administration of the tokens will be handled by Banco Atlántida El Salvador, S.A., an authorized Digital Asset Service Provider (DASP). To ensure security and reliability, Banco Atlántida El Salvador, S.A. implements: • Multi-factor authentication (MFA) and AES-256 encryption to protect access and data. • Continuous monitoring and threat detection to prevent unauthorized access. • Custody of private keys using Secure Multi-Party Computation (MPC), eliminating risks of loss or hacking. Additionally, the modular architecture of the smart contracts allows for updates without affecting the token's functionality, ensuring liquidity and scalability in secondary markets. This technological model provides security, transparency, and efficiency, ensuring investor confidence in the trading of residential lots.	The custody and administration of the tokens will be handled by Banco Atlántida El Salvador, S.A., an authorized Digital Asset Service Provider (PSAD). To ensure security and reliability, Banco Atlántida El Salvador, S.A. implements: • Multifactor authentication (MFA) and AES-256 encryption to protect access and data. • Continuous monitoring and threat detection to prevent unauthorized access. • Custody of private keys using Secure Multi-Party Computation (MPC), eliminating risks of loss or hacking. Additionally, the modular architecture of the smart contracts allows for updates without affecting the token's functionality, ensuring liquidity and scalability in secondary markets. This technological model provides security, transparency, and efficiency, ensuring investor confidence in the trading of residential lots.
Tradability and Secondary Market	The BAES-TWCP token will have a primary and secondary market available from the start of issuance. Both markets will be developed and managed on the platform of the Digital Asset Services Provider (PSAD), Banco Atlántida El Salvador, S.A., ensuring transparency, efficiency, and accessibility for investors.	The BAES-TWCD token will have a primary and secondary market available from the start of the issuance. Both markets will be developed and managed on the platform of the Digital Asset Service Provider (PSAD), Banco Atlántida El Salvador, S.A., ensuring transparency, efficiency, and accessibility for investors.
Listing	The BAES-TWCP token will be listed immediately and will be available for trading on the Banco Atlántida El Salvador, S.A. platform,	The BAES-TWCD token will be listed immediately and will be available for trading on the Banco Atlántida El Salvador, S.A. platform,
Settlement	The economic rights resulting from settlements related to the BAES-TWCP token may be obtained through the main trading platform managed by Banco Atlántida El Salvador, S.A., and will be settled in UNITED STATES DOLLARS.	The economic rights resulting from settlements related to the BAES-TWCD token may be obtained through the main trading platform, managed by Banco Atlántida El Salvador, S.A., and will be settled in UNITED STATES DOLLARS.
Sale Restrictions	The token must not be distributed to entities or countries subject to sanctions according to international sanctions lists.	The token must not be distributed to entities or countries sanctioned under international sanctions lists.
Issue Arranger	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ CNAD Registration Number: PSAD-0035 Designated contact person: Carlos Antonio Turcios Melgar (CEO) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ CNAD Registration Number: PSAD-0035 Designated contact person: Carlos Antonio Turcios Melgar (CEO) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv

Digital Asset Service Provider	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ PSAD-0035 Designated Contact Person: Carlos Antonio Turcios Melgar (CEO) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv Banco Atlántida El Salvador, S.A. acts as a registered Digital Asset Service Provider (PSAD), ensuring the proper management and custody of the tokens issued under this offering.	**Banco Atlántida El Salvador, S.A.** 1st Street West and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ CNAD Registration Number: PSAD-0035 Designated contact person: Carlos Antonio Turcios Melgar (Executive President) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv Banco Atlántida El Salvador, S.A. acts as a registered Digital Asset Service Provider (PSAD), ensuring the proper management and custody of the tokens issued under this offering.
Digital Asset Certifier	**TR Capital, S.A. de C.V.** Cuscatlán Street, #4312, Escalón Neighborhood, San Salvador, El Salvador. https://www.trcapital.net/ CNAD Registration Number: CERT-0003 Designated Contact Person: Héctor Ramón Torres Córdova Contact Phone Number: +503 2538-6360 Contact email: info@trcapital.net	**TR Capital, S.A. de C.V.** Cuscatlán Street, #4312, Escalón Neighborhood, San Salvador, El Salvador. https://www.trcapital.net/ CNAD Registration Number: CERT-0003 Designated contact person: Héctor Ramón Torres Córdova Contact Phone Number: +503 2538-6360 Contact email: info@trcapital.net
Digital Asset Custodian	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood San Salvador, 1101 https://www.bancoatlantida.com.sv/ PSAD-0035 Designated Contact Person: Carlos Antonio Turcios Melgar (Chief Executive Officer) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv It is responsible for the custody and administration of digital assets issued under the BAES-TWCP token. Its primary function is to ensure the security, traceability, and transparency of operations using blockchain technology, in compliance with applicable regulatory provisions.	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ PSAD-0035 Designated contact person: Carlos Antonio Turcios Melgar (Chief Executive Officer) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv It is responsible for the custody and administration of digital assets issued under the BAES-TWCD token. Its primary function is to ensure the security, traceability, and transparency of operations using blockchain technology, in compliance with applicable regulatory provisions.
Applicable Laws	This issuance is regulated and supported by the applicable regulatory framework in El Salvador, including, but not limited to, the following legal provisions: - Digital Asset Issuance Law - Commercial Code - Civil Code - Tax Code	This issuance is regulated and supported by the applicable regulatory framework in El Salvador, including, but not limited to, the following legal provisions: - Digital Asset Issuance Act - Commercial Code - Civil Code - Tax Code

	- Income Tax Law - Law on the Transfer of Movable Property and the Provision of Services - Commercial Registry Act - Law on the Registry of Security Interests - Regulations on the Registry of Issuers and Issues	- Income Tax Law - Law on the Transfer of Movable Property and the Provision of Services - Commercial Registry Act - Law on the Registry of Security Interests - Regulations on the Registry of Issuers and Issues

Objectives of the Issuances

TOWCO, S.A. de C.V. is launching a tokenized public offering through the issuance of BAES-TWCD and BAES-TWCP tokens. This offering is structured as an innovative financing strategy based on blockchain technology and digital assets, aligning with best practices in the modern real estate sector.

Objective of the Offering

The main purpose of this issuance is:

- To obtain liquidity to finance The Cliff Project, ensuring the efficient development and marketing of the residential lots.
- To optimize financial management and maximize the project's value by modernizing the financing structure and improving the return on investment.
- To diversify capital sources, facilitating the participation of both local and international investors in a transparent and accessible model.
- To reduce costs and time in project execution by eliminating unnecessary intermediaries and streamlining capital raising.
- Ensure transparency and traceability in resource management through blockchain technology and smart contracts.
- Offer flexibility and liquidity to investors, allowing for the trading of tokens on authorized secondary markets.

This strategy positions TOWCO, S.A. de C.V. as a leader in financial and real estate innovation, consolidating its business model with advanced digital tools.

Development

The Cliff Project consists of the sale of 104 residential lots, designed with a focus on luxury, functionality, and capital appreciation, ensuring efficient and attractive marketing within The Cliff Project.

The progressive development model ensures that each phase maximizes the return on investment and the financial sustainability of the project, aligning with market conditions and investor demand.

Tokenization and Financial Innovation

TOWCO, S.A. de C.V. has opted to issue digital assets as a financing mechanism, capitalizing on the advantages of tokenization over traditional methods.

The issuance of BAES-TWCP and BAES-TWCD tokens offers multiple benefits:

- **Democratization of investment**: It allows for the participation of institutional and retail investors, eliminating traditional barriers to entry in the real estate sector.
- **Greater liquidity**: The tokens can be traded on secondary markets, providing flexibility to investors.
- **Cost reduction**: Blockchain technology streamlines administrative and legal processes, optimizing the

project’s financial efficiency.

- **Transparency and security**: Traceability on the blockchain ensures that all transactions are immutable and auditable.
- **Favorable regulatory framework**: The issuance operates under El Salvador’s Digital Asset Issuance Law (LEAD), ensuring a regulated and trustworthy environment.

Tokenization allows TOWCO not only to offer a unique investment opportunity but also to drive the growth of the digital economy in El Salvador.

Opportunity for Investors

The issuance of BAES-TWCD (debt) and BAES-TWCP (income) tokens opens up new opportunities for domestic and international investors, offering two investment options tailored to different risk and return profiles.

Opportunities with the Debt Token (BAES-TWCD)

- Participation in a strategic real estate project with a predefined return structure, including periodic interest accrual; interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer’s discretion. Before making such a payment, the Issuer will consider financial stability and any outstanding obligations.
- Global access via blockchain technology, enabling investment without geographic restrictions, with secure and efficient digital custody processes.
- Portfolio diversification, incorporating digital assets backed by a Debt Acknowledgment Agreement, which provides greater security and stability to the investment.
- Flexibility and liquidity, with the ability to trade tokens on authorized secondary markets, providing early exit options before the maturity date.
- Priority of payment over other project distributions, ensuring that holders of debt tokens (BAES-TWCD) are the first to receive their payments before any other distributions.
- A transparent legal framework, guaranteeing legal certainty and regulatory compliance, with the additional protection of a Debt Acknowledgment Agreement.

Opportunities with the Revenue Token (BAES-TWCP)

- Participation in income before taxess generated by the sale of residential lots, allowing investors to benefit from the project’s financial performance.
- Global access via blockchain technology, facilitating efficient, transparent investment with an immutable record on the Algorand network.
- Portfolio diversification, incorporating digital assets backed by a cash flow assignment agreement, providing additional security to investors.
- Flexibility and liquidity, with the ability to trade tokens on secondary markets, allowing for partial or full exit from the investment.
- Revenue model aligned with the project’s success, where returns depend on the sales volume of the lots and real estate market conditions.
- Distribution of proceeds following the settlement of debt token payments (BAES-TWCD), ensuring a clear and orderly financial priority structure.

Strategic Impact and Sustainable Development

The issuance of **BAES-TWCD and BAES-TWCP** tokens not only benefits investors but also generates a positive impact on El Salvador’s economy and tourism sector.

With the development of The Cliff Project, the following is expected:

- Promote real estate investment and job creation in the region.
- Attract high-end tourism, strengthening the local industry and related businesses.
- Promote financial innovation in the real estate sector, consolidating the use of digital assets as an efficient investment tool.

TOWCO, S.A. de C.V.'s vision is to transform Surf City into a leading destination for tourism and first-class residential development, ensuring long-term capital appreciation and economic benefits.

Token Pricing Description

To assess the financial viability of The Cliff Project, it is essential to analyze the performance of revenues, costs, and equity changes during the projected period, which spans from October 2025 to July 2028. Below, in **Appendix V – Financial Projections**, three key financial statements are presented: the projected Income Statement, Balance Sheet, and Cash Flow Statement. These tables provide a comprehensive view of the project's expected financial performance over this time horizon, which is key to evaluating revenue generation and financial stability.

About the Income Statement

The Income Statement presents the main categories of monthly revenue, costs, and profits from 2025 to 2028. This breakdown allows for an evaluation of financial performance on a month-by-month basis, highlighting operating revenue generation and the cost structure associated with the project.

Description of the main categories

- **Revenue from Unit Sales:** This corresponds to the total revenue generated from the sale of the project's residential lots, reflecting the success of the sales strategies implemented.
- **Costs of sales:** These include costs directly associated with the sale of the lots, such as infrastructure expenses, essential services, and other related variable costs.
- **Administrative Expenses:** These comprise administrative operating costs, including expenses related to tokenization, commissions, and other services necessary for project management.
- **Other Expenses**: Reflect additional costs not directly related to the project's operation, such as other secondary operational items.
- **Financial Expenses**: These represent costs arising from project financing, including interest on loans, costs associated with lines of credit, and any other expenses related to raising capital for the execution and operation of the development.
- **Net Income:** Represents the project's net operating result, calculated by subtracting all costs and expenses from the revenue generated.
- **Accumulated Profit**: Shows the accumulation of profits generated from the beginning of the period to the current month, providing an overview of the project's overall performance.

About the Balance Sheet

The Balance Sheet provides a detailed overview of the project's assets, liabilities, and equity for each month from 2025 to 2028. This report is essential for analyzing the project's liquidity, solvency, and financial structure, providing key information to assess its ability to generate value over time.

Description of the main categories:

- **Current Assets:** These represent liquid resources and cash equivalents that can be easily converted into cash, such as cash on hand, restricted reserves, and customer prepayments. These assets are crucial for covering the project's short-term operations.

- **Non-current assets:** These include assets related to tokenization, such as land, construction in progress, and other fixed assets. These represent long-term investments that are fundamental to the project's execution and sustainability.
- **Liabilities:** These correspond to short-term financial obligations, such as customer prepayments, which must be settled within a specific period to ensure the project's operational cash flow.
- **Equity:** This comprises the project's own resources, including issued tokens, share capital, and retained earnings. This category reflects the residual value for shareholders and its evolution over time.

About Cash Flow

The projected cash flow provides a detailed view of the project's monthly cash inflows and outflows, offering crucial information on liquidity generation and the project's ability to meet its operational, investment, and financing obligations over time. This analysis allows for an assessment of the project's financial sustainability and its ability to generate net value for investors.

Description of the main categories:

- **Net Income for the Period**: Represents the net result of operations at the end of each month, reflecting net income before adjusting for cash flows.
- **Operating** cash **flow**: Includes cash inflows and outflows directly resulting from the project's operating activities, such as payments related to the sale of lots and associated operating costs.
- **Investing** cash **flow**: This includes cash outflows for the acquisition of non-current assets, such as land, construction in progress, and other assets related to tokenization. This category reflects the investments made to ensure the project's viability and development.
- **Financing** Cash **Flows**: Details cash inflows and outflows related to financing activities, such as token issuance and equity management. This cash flow is key to understanding how the project obtains the resources necessary for its development.
- **Ending Cash** Balance: Shows the available cash balance at the end of each month, taking into account net changes in operating, investing, and financing cash flows. This item is essential for monitoring the project's liquidity.

Underlying Asset

The underlying asset of the BAES-TWCD and BAES-TWCP token issuances consists of two distinct structures——aligned with the economic rights of each token type within The Cliff Project.

Debt Token (BAES-TWCD)

The underlying asset of the BAES-TWCD token issuance consists of a Debt Acknowledgment Agreement, through which TOWCO, S.A. de C.V. formalizes its financial obligation to the token holders. This agreement establishes the terms for interest payments and the repayment of invested capital, ensuring a predefined return structure and granting priority of payment over any other distribution within the project.

Before making any allocation of revenue to holders of revenue tokens (BAES-TWCP), the cash flows generated from the sale of residential lots must fully cover the financial obligations associated with the debt tokens (BAES-TWCD), ensuring compliance with commitments to debt investors.

Revenue Token (BAES-TWCP)

The underlying asset of the BAES-TWCP token issuance consists of the future cash flows generated from the marketing and sale of the 104 residential lots of The Cliff Project. The distribution of revenue to BAES-TWCP token holders may only occur once the payment obligations of the debt tokens (BAES-TWCD) have been fully met. This means that the revenue generated will be subject to the priority of debt repayment, ensuring that

financial commitments are covered before any proceeds are distributed to revenue investors.
Additionally, there is a cash flow assignment agreement with the Issue Administrator, who will act on behalf of the tokenholders.

Investor Protection

To ensure investor security and confidence, TOWCO, S.A. de C.V. has established distinct backstop mechanisms for each token issuance, ensuring compliance with its obligations to holders of BAES-TWCD and BAES-TWCP tokens.

Guarantee for Debt Token Holders (BAES-TWCD)

The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement.

Guarantee for Income Token Holders (BAES-TWCP)

The issuance of BAES-TWCP tokens is backed by a cash flow assignment agreement, providing investors with an additional safeguard in the event of default.
Likewise, future cash flows generated by the marketing and sale of the residential lots form the basis of the return for holders of these tokens. However, the distribution of these revenues is subject to the priority of payment of the debt tokens (BAES-TWCD), ensuring that the project's financial obligations are met before any allocation of funds to revenue investors.
This guarantee scheme has been designed to strengthen the project's transparency and financial security, ensuring that, in the event of any contingency, the revenue derived from the marketing of the lots is used exclusively to fulfill the commitments made to investors, respecting the order of priority established in the issuance.

Performance Factors and Associated Risks

Future cash flows from the activities of The Cliff Project are directly linked to the following factors:

- **Marketing Strategy:** The implementation of an effective sales strategy that optimizes market absorption and maximizes the profitability of each lot.
- **Real estate market conditions:** The evolution of demand and prices in the Surf City area, ensuring the project's competitiveness relative to other developments.
- **Project infrastructure and attractions:** The consolidation of Surf City as a premier residential and tourist destination, driving interest from investors and end buyers.
- **Financial and operational management:** The proper administration of the funds generated by the sale of lots, aligning the revenue stream with the commitments made in the offering.

These factors directly determine the issue's profitability potential, representing both opportunities for value creation and inherent risks that must be considered by investors.

Contractual and Financial Backing

The contracts and financial projections underpinning the development of The Cliff Project are documented to provide transparency and support for the offering.

- **Contractual Structure:** The economic rights assignment agreement establishes the conditions under which the revenue generated from the sale of lots will be allocated to investors.
- **Financial projections:** Financial models have been developed that include estimates of revenue, marketing costs, and operating expenses, in order to assess the project's viability and its ability to generate future cash flows.
- **Traceability and legal certainty:** The documentation supporting the issuance is aligned with the applicable regulatory framework in El Salvador, ensuring that the project complies with the provisions

of the Digital Asset Issuance Law (LEAD) and other relevant regulations.

This contractual and financial approach guarantees the protection of investors' rights, providing a solid framework for the management and distribution of revenues derived from The Cliff Project.

Financial Viability Factors of The Cliff Project

The Cliff Project is positioned as a strategic and robust opportunity within El Salvador's high-impact real estate market. Located in Surf City, this development has been designed to attract domestic and international investors interested in exclusive properties with privileged access to high-quality tourism and residential infrastructure.

Buyback Option

The issuance of BAES-TWCD and BAES-TWCP tokens includes a repurchase option by the issuing entity, TOWCO, S.A. de C.V., providing a flexible mechanism that allows it to acquire the issued tokens at any time during the term of the issuance, in accordance with its financial and operational strategy.

Objectives of the Repurchase Option

The repurchase option is designed as a tool that allows TOWCO, S.A. de C.V. to:

- Adjust its financing structure, adapting to the specific needs of the project throughout its execution.
- Optimize liability management, maintaining a sustainable financial balance that supports the project's success and the potential distribution of profits to investors.
    - Adapt to changing market conditions, with the flexibility to respond to situations such as: Access to more economical sources of capital.
    - The need to consolidate the project's economic rights.
    - Opportunities for financial restructuring that improve operational efficiency.

Repurchase Mechanism and Conditions

If the issuer decides to exercise the repurchase option, the process will include the following conditions:

- **Administrative Fee**: Investors will be granted a premium on the repurchase value, which will be negotiated between the Issuer and the Investor at the time of the repurchase transaction based on market conditions. This percentage will be fully borne by the Issuer, ensuring that debt token holders are not affected by the Issuer's exercise of the repurchase option.
    - **Transparent and efficient management**: The buyback will be executed through the platform of Banco Atlántida El Salvador, S.A., ensuring: Operational efficiency in the execution of the process.
    - Full transparency at every stage of the repurchase.
    - Alignment with best market practices to protect the interests of all participants.

Benefits of the Buyback Option

The inclusion of this option reinforces TOWCO, S.A. de C.V.'s commitment to transparency, financial sustainability, and strategic adaptability. Key benefits include:

1. **Flexibility for investors and the issuer**: It allows the issuer to adjust its financial structure while offering investors the peace of mind of a structured and reliable mechanism.
2. **Financial balance and sustained operations**: It prevents negative impacts on the project's financial structure, ensuring that resources are managed efficiently.
3. **Protection of investors' interests**: The administrative fee structure ensures that the buyback does not

disadvantage those who choose to hold their tokens, promoting equity within the project.

The BAES-TWCD and BAES-TWCP token issuances support this initiative, providing a diversified financial foundation that guarantees the project's sustainability and strengthens investor confidence. The following highlights the key factors underpinning the project's economic and strategic viability:

1. Marketing and Value Creation Strategy

TOWCO, S.A. de C.V. implements a comprehensive revenue-generation strategy based on the marketing and appreciation of the project's 104 residential lots. The strategy includes:

- **Lot Sales**:
    - Marketing of 104 residential lots.
    - Designed for buyers seeking luxury developments with beach access and spectacular mountain views.
    - Guaranteed basic infrastructure, including paved roads, potable water, and electricity.
    - Segmented marketing to optimize pricing and market absorption.
- **Capital gains and appreciation of the development**:
    - Improvements to infrastructure and growth in the tourism sector will drive the progressive appreciation of the land.
    - The strategic location in Surf City guarantees sustained high demand over time.
-

This strategy ensures sustainable and scalable income, providing the flexibility needed to adapt to market changes and guaranteeing attractive returns for investors.

2. Guarantees

The issuance of BAES-TWCP and BAES-TWCD tokens is backed by distinct guarantees that ensure investor protection and the fulfillment of The Cliff Project's financial obligations.

Guarantee for Debt Tokens (BAES-TWCD)

The issuance of debt tokens (BAES-TWCD) is backed by a Debt Acknowledgment Agreement. Furthermore, the Debt Acknowledgment Agreement formalizes the Issuer's commitment to make payments in accordance with the established schedule, guaranteeing a predefined return structure with absolute priority over any other distribution within the project.

Guarantee for Revenue Tokens (BAES-TWCP)

The issuance of BAES-TWCP tokens is backed by a cash flow assignment agreement, which provides investors with an additional security mechanism in the event of default.

Likewise, future cash flows generated by the marketing and sale of the residential lots constitute the economic basis for the distribution of income to the holders of these tokens. However, the allocation of this income is subject to the priority of payment of the debt tokens (BAES-TWCP), ensuring that all the project's financial obligations are covered before any distribution to the holders of revenue tokens.

This structure strengthens confidence in the issuance and demonstrates TOWCO, S.A. de C.V.'s commitment to transparency, financial security, and fulfilling its responsibilities to investors.

3. Efficient Project Management

The Cliff Project is focused on operational optimization and maximizing the value of the development, ensuring effective execution at every stage. This includes:

- Marketing strategies targeting domestic and international investors, promoting the project as a unique real estate opportunity.
- Infrastructure development and maintenance, ensuring the project's appeal and competitiveness in the market.
- Efficient resource management, with a financial model designed to ensure the development's sustainability.

4. Financial Sustainability and Scalability

The strategic segmentation of the lots allows for balancing immediate revenue with sustainable cash flows in the medium term. The flexibility to adjust prices according to market conditions ensures that The Cliff can capitalize on emerging opportunities, securing its financial viability and scalability for future projects.

5. Market Opportunities

The Cliff project is positioned as an exclusive, high-demand real estate development, thanks to its:

- **Strategic Location**: Surf City is one of the most attractive areas in El Salvador for residential and luxury tourism.
- **Sustained growth**: The expansion of the tourism and real estate sectors in the region is driving demand for properties in this area.

These characteristics establish The Cliff as an attractive opportunity for investors, with a financial model structured to maximize value and security.

6. Projected Profitability

For the marketing of the residential lots in The Cliff Project, a conservative sales projection scenario has been considered, supported by profit margins that guarantee sustainable cash flows and a return on investment aligned with the demand of the luxury real estate market in Surf City.

The Cliff Project combines technological innovation, strategic diversification, and efficient management, establishing itself as a solid investment opportunity aligned with the future of the real estate sector in El Salvador.

Lots Related to the Offering

The Cliff Project will feature a total of 104 residential lots, which are part of this offering. The sale of these lots will generate the cash flows necessary for the development and fulfillment of the project's financial obligations. This real estate development is strategically located in Surf City, El Salvador, offering an attractive environment for investors and buyers interested in exclusive properties with high appreciation potential.

The property included in the offering is currently registered in the El Salvador Real Estate and Mortgage Registry under the following registration number:

Legal Address of the Property	Registration Number
Between Km 45 and 46, Road leading from La Libertad to Sonsonate, La Libertad, La Libertad Costa, La Libertad.	30292777- 00000

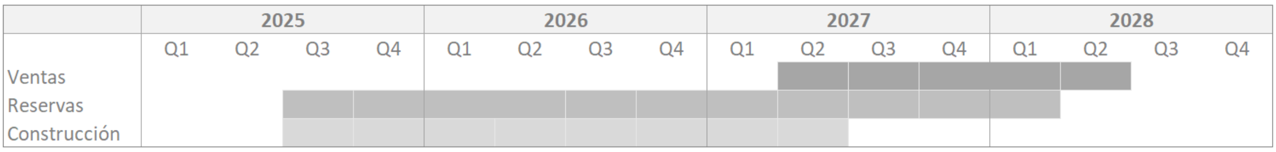
Current Status of the Property:

The property where The Cliff project will be developed, which includes the sale of 104 residential lots, is located between Km 45 and 46 on the highway leading from La Libertad to Sonsonate, La Libertad district, La Libertad Costa municipality, La Libertad department. The project will be developed on the property described below:

1- The property identified under registration number **30292777-00000** in the Real Estate and Mortgage Registry of the Fourth Section of the Central District, in the department of La Libertad, classified as rural land, with the following registered address: Located between Km 45 and 46 of the highway leading from La Libertad to Sonsonate, corresponding to the geographic location of El Sunzal, Tamanique district, municipality of La Libertad Costa, department of La Libertad, with a surface area of 129,875.96 square meters, with 100% ownership held by the issuing company TOWCO, S.A. DE C.V., with 100% ownership held by the issuing company TOWCO, S.A. DE C.V. As of November 30, 2025, a mortgage in favor of Banco Atlantida El Salvador, S.A. is in the process of being registered on this property.

   The 104 residential lots of "The Cliff" project will be developed on this property.

The following is the implementation schedule for The Cliff Project:



Lot Typology Structure

Segmenting the land into different types allows for diversifying revenue opportunities and maximizing the average price per square yard. At The Cliff, the project is divided into zones, structured as follows:

Puerto Escondido:

Lote	V2	M2
1	1403.03	980.35
2	1139.17	795.98
3	1101.62	769.74
4	1253.21	875.66
5	1318.00	920.94
6	1115.80	779.65
7	1032.11	721.17

Bali:

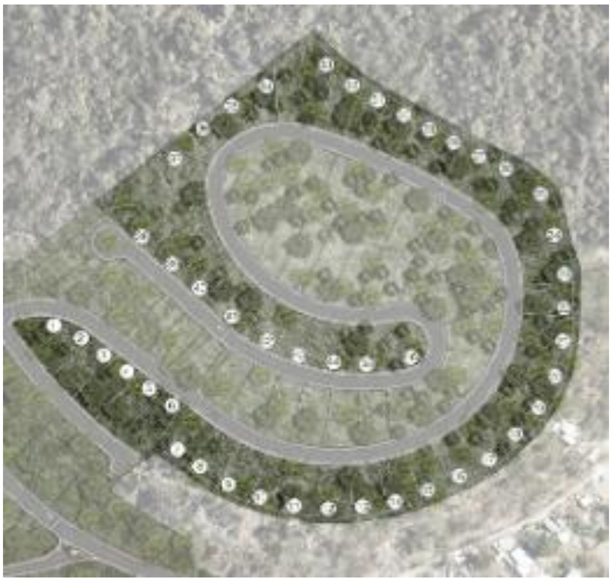
Lote	V2	M2
1	1200.33	838.71
2	1200.33	838.71
3	1255.20	877.05
4	1242.29	868.03
5	1146.31	800.97
6	899.92	628.81
7	709.12	495.49
8	776.19	542.35
9	833.91	582.68

Malibu:

Lote	V2	M2
1	757.49	529.29
2	748.02	522.67
3	787.11	549.98
4	771.30	538.94
5	1201.00	839.18
6	1390.61	971.67
7	1386.43	968.75
8	1363.98	953.06
9	1178.42	823.41
10	1429.74	999.01

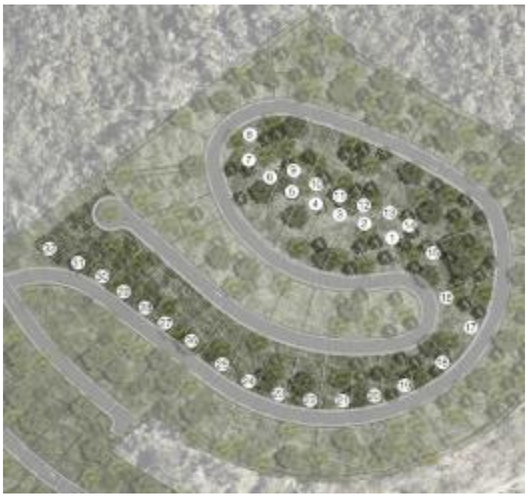
Nazaré:

Lote	V2	Precio x vara Promedio	Lote	V2	Precio x vara Promedio
1	737.71	515.47	24	1331.94	930.68
2	941.14	657.61	25	1431.73	1000.40
3	1083.75	757.26	26	1028.27	718.49
4	1172.84	819.51	27	953.45	666.21
5	1224.99	855.95	28	942.04	658.24
6	1207.17	843.49	29	958.05	669.42
7	946.00	661.01	30	997.91	697.28
8	1100.23	768.77	31	1067.33	745.78
9	1132.22	791.12	32	1212.98	847.55
10	1139.57	796.26	33	2470.99	1726.57
11	1143.74	799.17	34	1089.64	761.37
12	1134.64	792.81	35	752.40	525.73
13	1112.28	777.19	36	859.54	600.59
14	1111.47	776.63	37	2042.40	1427.10
15	1089.78	761.47	38	1999.30	1396.98
16	1127.90	788.11	39	1325.25	926.00
17	1197.90	837.02	40	1050.02	733.69
18	1226.09	856.71	41	1290.52	901.73
19	1254.59	876.63	42	926.93	647.68
20	1227.73	857.86	43	926.93	647.68
21	1146.40	801.03	44	926.93	647.68
22	1095.09	765.18	45	926.93	647.68
23	1115.35	779.34	46	1406.40	982.70



Walmea:

Lote	V2	Precio x vara Promedio	Lote	V2	Precio x vara Promedio
1	1217.10	850.43	17	982.83	686.74
2	1117.47	780.82	18	928.57	648.83
3	1168.38	816.39	19	846.48	591.47
4	1169.89	817.45	20	974.06	680.61
5	1121.33	783.51	21	1062.97	742.74
6	1010.62	706.16	22	1109.00	774.90
7	1015.80	709.78	23	1109.94	775.56
8	1548.73	1082.15	24	1065.77	744.69
9	1071.50	748.70	25	990.20	691.89
10	1155.14	807.14	26	992.07	693.20
11	1180.81	825.08	27	887.87	620.39
12	1148.82	802.72	28	942.93	658.86
13	1267.26	885.48	29	982.96	686.83
14	2218.93	1550.45	30	1032.65	721.55
15	2185.83	1527.32	31	1051.35	734.62
16	1313.90	918.07	32	1111.04	776.32



General Revenue Projection

The Cliff Project has adopted a conservative scenario for its sales projections. This diversified approach ensures immediate revenue from sales, while the project's progressive appreciation maximizes returns for investors.

The Cliff not only represents an innovative alternative in the Salvadoran real estate sector but also drives the country's economic development through a modern, transparent, and sustainable financial strategy.

Project Visualization

Below are the official floor plans and renderings of The Cliff Project, providing a detailed view of its design, layout, and exclusive amenities. These images illustrate the layout of the 104 residential lots, as well as the common areas and recreational spaces. They highlight the project's integration with its natural surroundings and its focus on a luxury beachfront lifestyle.

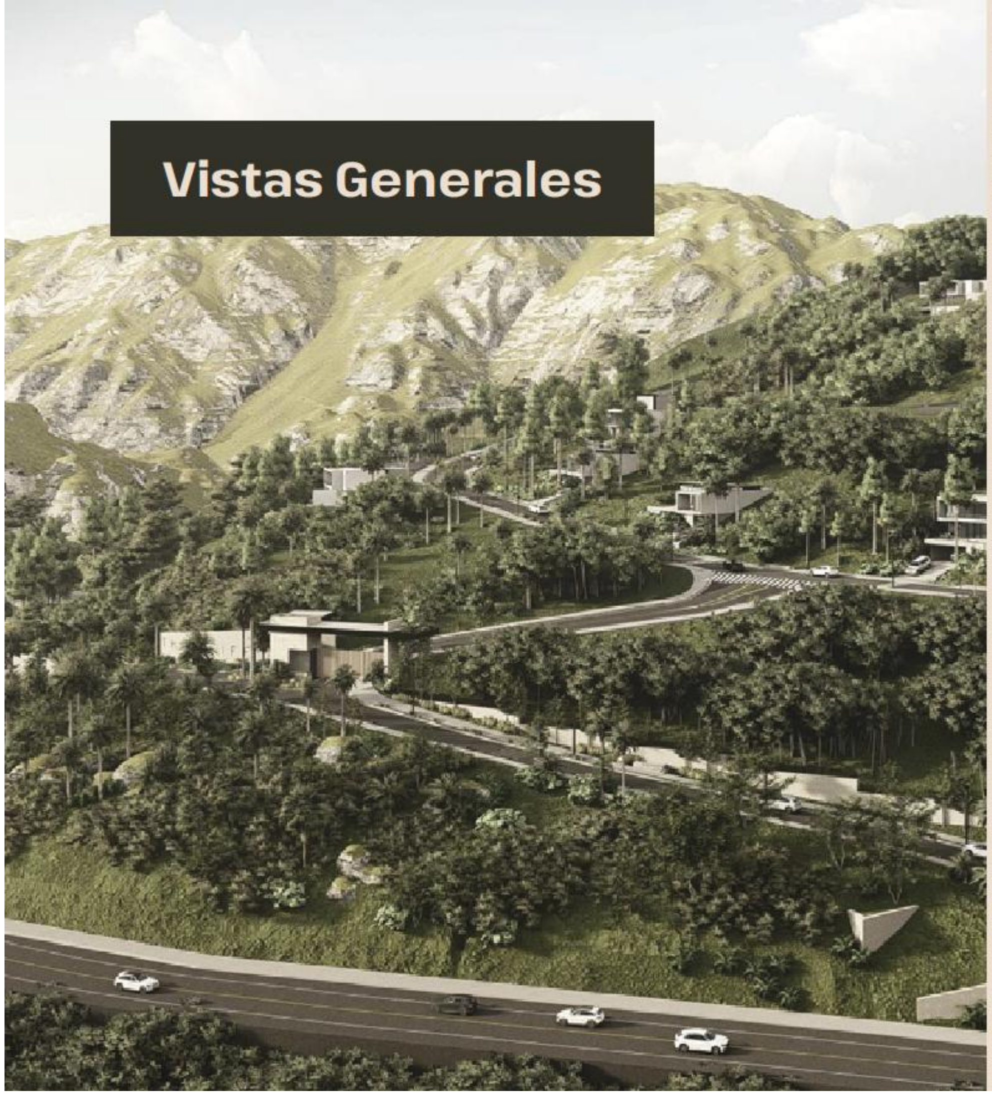
The Cliff Project, located in Surf City, El Salvador, has been designed to offer an unparalleled residential and tourist experience, with direct access to the beach and a wide range of amenities that guarantee comfort, exclusivity, and connectivity for its residents and investors.

Project Highlights

- **Spacious Lots**: From 800 to 1,200 square yards, distributed across 5 carefully planned zones.
- **Strategic Design**: Slopes that maximize ocean views on all lots, allowing for unparalleled panoramic construction.
- **Green Spaces and Conservation:** Natural conservation zones that promote a balanced lifestyle within the environment.
- **Condominium Regime:** Ensures harmony, aesthetics, harmonious coexistence among owners, and the maintenance of common areas, creating an exclusive and orderly environment.
- **Regulated Airbnb Rentals:** The condominium regime will allow for the orderly rental of units on Airbnb.
- **High-speed connectivity:** The project will feature high-speed fiber-optic internet, ideal for remote work and modern living.
- **All Permits in Order:** All necessary permits from the relevant authorities have been approved and are up to date, ensuring the safety and legality of the development.

These plans and renderings allow you to visualize the planned infrastructure and the quality of the development, ensuring that every aspect of The Cliff Project meets the highest standards of urban planning and sustainability.

Vistas Generales




Entrada Principal
THE
The Cliff
Entre el cielo y el mar


Áreas comunes
The Cliff®
Entre el cielo y el mar

Áreas comunes

Commitment to Transparency and Sustainability

This guarantee framework has been designed to ensure that any economic benefits derived from The Cliff Project, if any, are managed in a structured and traceable manner. The combination of a Debt Acknowledgment Agreement for debt tokens and a cash flow assignment agreement for revenue tokens strengthens the security of the issuance and protects investors' economic rights, ensuring that the generated cash flows remain exclusively tied to the fulfillment of the obligations established in the issuance.

Contractual Restrictions to Secure Cash Flows from Underlying Assets

To ensure that the cash flows from the underlying assets affected by this issuance are used exclusively to fulfill obligations to holders of BAES-TWCD and BAES-TWCP tokens, TOWCO, S.A. de C.V. establishes the following contractual conditions:

1. **Financial Restrictions**
   - **Prohibition on Assignment of Cash Flows:** The revenues generated from the sale of residential lots in The Cliff Project may not be assigned, encumbered, or committed to another creditor. This ensures that the projected cash flows are fully retained to meet the obligations of the issuance.

2. **Non-Financial Restrictions**
   - **Management of Underlying Assets:** The residential lots that generate the underlying cash flows of The Cliff Project may be sold in accordance with the terms defined in the issuance of BAES-TWCD and BAES-TWCP tokens.

     For debt tokens (BAES-TWCD):
     - The proceeds from these sales will be primarily allocated to fulfilling financial obligations to debt token holders, as stipulated in the Debt Acknowledgment Agreement.
     - These payments include interest payments, which will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations.
     - The absolute priority of BAES-TWCD investors is guaranteed over any other distribution of income within the project.

     For revenue tokens (BAES-TWCP):
     - Income before taxess generated from the sale of lots may be distributed among BAES-TWCP holders once all obligations related to the debt tokens (BAES-TWCD) have been fully met.
     - The distribution of income will be subject to the execution of the marketing plan and the availability of cash flows, ensuring that the project's financial commitments are met before any payments are made to income investors.
   - **Asset Maintenance:** TOWCO, S.A. de C.V. undertakes to maintain the underlying assets in optimal condition, making the necessary investments to ensure their continued development and the generation of projected revenues.

Covenants:

Obligations:

- Diligently execute the construction and marketing plan in accordance with the approved schedule.
- Keep the Issue Manager and the bank creditor informed of the project's financial, technical, and commercial progress.

- Timely fulfill the obligations arising from the bank loan agreement.
- Submit audit reports on the use of funds
- Prepare the company's financial statements on a monthly basis
- Submit audited financial statements annually
- Comply with any requests from the National Commission on Digital Assets (CNAD)

Do Not:

- Do not encumber, assign, or commit the proceeds generated from the sale of residential lots to third parties in a manner that affects compliance with the obligations of the issuance.
    - To ensure compliance with the provisions, an Account Management Agreement will be signed between the Issuer and the Issue Administrator, the purpose of which will be to manage the bank accounts of TOWCO, S.A. de C.V. held at Banco Atlántida El Salvador, S.A., which will manage the cash flows arising from the issuance of BAES-TWCP and BAES-TWCD tokens, the sale of Digital Assets, and their operation.
- Not to modify the terms of the marketing contracts in a manner that negatively affects the projected cash flows.

- Not to alter the project's contractual conditions or the profit distribution plan without authorization from the bank and the Administrator.
- Not to engage in any acts that jeopardize loan compliance or the future availability of benefits for token holders.

- Do not use BAES-NXX token funds for purposes other than those authorized in the financial model.

These restrictions and conditions will be managed directly by the issuing company, which will assume responsibility for ensuring compliance. This framework ensures that the revenue generated from the sale of residential units is managed transparently and is used exclusively to fulfill the obligations of the issuance, thereby strengthening investor confidence.

Waivers:

- In the event of a breach by the Issuer, the PSAD will formally notify the Issuer of such breach and grant a period of thirty (30) business days from the date of notification for the Issuer to remedy or rectify the breach. If this period expires without the default having been corrected, the PSAD shall be authorized to declare an Event of Default and exercise the rights to which it is entitled in accordance with the provisions of this Document.

Supervision and Transparency

TOWCO, S.A. de C.V. shall be responsible for ensuring compliance with these provisions by implementing internal oversight mechanisms and ensuring that the established conditions are maintained throughout the term of the issuance. This approach strengthens investor confidence and promotes the sustainability and of the project.

Additional Protective Measures

To ensure transparency, sustainability, and protection of the cash flows generated by the residential lots of The Cliff Project, the company will implement the following additional measures:

External Audits

TOWCO, S.A. de C.V. commits to conducting semi-annual external audits to verify compliance with the obligations arising from the issuance and to ensure that the revenues generated from the sale of residential lots are used exclusively to fulfill commitments to holders of **BAES-TWCP and BAES-TWCD** tokens.

These audits will focus on:

- The proper management of cash flows.
- The proper allocation of revenues in accordance with the provisions of the economic rights assignment agreement.

Transparency and Security

The issuance is complemented by the use of blockchain technology, which ensures that all transactions related to the financial flows of The Cliff Project are transparent, traceable, and immutable. This includes:

- The recording of economic rights generated by the sale of residential lots.
- The automation of processes related to the issuance through smart contracts, operating on the Algorand blockchain under the Algorand Smart Contracts (ASC1) standard.

Active Oversight

To strengthen the protection of investors' rights, the issuance administrator and the issuance certifier will have the following responsibilities:

- **Issue Administrator:**
  - Will submit quarterly reports detailing the financial status of the lots, the project's progress, and the cash flows generated.
- **Issue Certifier:**
  - Issue semi-annual reports verifying that the generated revenue is managed in accordance with the provisions of the contracts related to the token issuance.

Minimum and Maximum Amounts of the Issuance

Debt Token (BAES-TWCD)

- Total issue amount: USD $5,000,000.00 (FIVE MILLION UNITED STATES DOLLARS).
- Minimum amount required for the offering to be valid: USD $500,000.00 (FIVE HUNDRED THOUSAND UNITED STATES DOLLARS).
- Deadline for reaching the minimum amount: Six months from the launch of the public offering.
- If the minimum amount is not reached within the stipulated period, an automatic refund mechanism will be activated, ensuring that investors recover 100% of the capital invested, without deductions or additional charges.
- The refund will include interest accrued up to the date of cancellation of the offering, ensuring that investors receive the corresponding return for the period during which they held their investment.

Revenue Token (BAES-TWCP)

- Total issue amount: USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS).
- Minimum amount required for the issuance to be valid: USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS).
- Cash flows subject to priority: The proceeds generated from the sale of the lots will be subordinated to the payment of obligations under the debt tokens (BAES-TWCD).
- In the event that the project does not generate sufficient revenue to make distributions to BAES-TWCP

holders, there will be no contractual obligation to make payments.

This structure is designed to protect investors' funds, ensuring the transparency and financial security of the offering, and guaranteeing that payments are made in accordance with the priorities established in the project's structure.

If the minimum required amount is not reached within the stipulated period, the Issuer may resort to traditional financing sources to continue the development of The Cliff Project, ensuring the execution of the strategic plan without relying exclusively on the placement of BAES-TWCD and BAES-TWCP tokens.

The refund process will be managed efficiently and transparently through the marketing platform, following these steps:

Refund Process.

If, at the end of the 6-month placement period, the minimum amount of USD $1,500,000.00 (ONE MILLION FIVE HUNDRED THOUSAND UNITED STATES DOLLARS) for the BAES-TWCP revenue tokens and the minimum placement amount of $500,000.00 (FIVE HUNDRED THOUSAND UNITED STATES DOLLARS) for the BAES-TWCD debt tokens has not been reached, and no other source of traditional financing is obtained, the offering will not take effect, and the capital contributed by the initial participants will be fully refunded, in accordance with the terms and conditions set forth in the Relevant Information Document (RID). This mechanism ensures that the project will only be executed if it has the full financing required for its development.

The refund will not include returns, since the issuance will not have gone into operation nor will any cash flows have been generated.

To ensure the transparency and security of the process, PSAD will manage the return of funds according to the following process:

Refund Process in the Event the Minimum Amount Is Not Reached

1. **Notification from the Administrator:**

The Administrator will formally notify the Issuer that the required minimum amount was not reached within the stipulated six-month period. This notification will mark the start of the refund process.

2. **Notification to Token Holders:**

The issuance administrator will inform token holders of the failure to reach the minimum amount via the trading platform. The notification will include details of the process and the estimated timeline for refunds.

3. **Transfer of Funds:**

The Administrator will be responsible for refunding 100% of the invested capital to each token holder. This refund will be made within no more than 15 business days from the notification to token holders.

4. **PSAD Confirmation:**

The Digital Asset Service Provider (DASP) will confirm to the issuer that the refund process has been 100% completed. Additionally, token holders will receive a receipt certifying the full return of their investment.

5. **Platform Registration:**

The entire reimbursement process will be recorded on the blockchain platform used for the offering, ensuring the traceability and immutability of transactions related to the refund.

This framework ensures that investors are protected against potential contingencies related to the placement of the offering, thereby enhancing transparency and confidence in The Cliff Project.

Access to Secondary Markets and Flexibility for Investors

The structure of the offering includes the possibility of trading on secondary markets, facilitated through the platform of Banco Atlántida El Salvador, S.A. This provides liquidity to investors, allowing them to flexibly manage their holdings during the term of the offering.

Term of the Offering and Structuring

The BAES-TWCD and BAES-TWCP token issuances will have a term of up to 36 months (THREE YEARS), at the end of which each token will be settled and extinguished in accordance with its respective terms and financial obligations within The Cliff Project.

Debt Token (BAES-TWCD)

- During the term of the issuance, BAES-TWCD holders will accrue interest periodically; payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion.
- Before making such a payment, the Issuer will take into account its financial stability and any outstanding obligations prior to making the payment.
- The Issuer must complete the repayment of the invested principal upon maturity of the issuance, ensuring full compliance with its obligations to BAES-TWCD investors.
- Once the final payment of principal and accrued interest has been made, the BAES-TWCP tokens will be delisted, concluding the debt issuance.

Revenue Token (BAES-TWCP)

- BAES-TWCP holders will participate in the distribution of income before taxess generated by the sale of the company's residential lots, once all obligations associated with the debt tokens (BAES-TWCD) have been met.
- The distribution of income will continue throughout the term of the issuance, subject to the project's financial performance.
- After the final distribution of available income before taxess, the BAES- TWCP tokens will be burned, marking the end of the issuance.

Special Conditions for Token Delisting

TOWCO, S.A. de C.V., as the issuing company, reserves the right to delist issued tokens exclusively under exceptional circumstances that may compromise the security, integrity, or viability of the issuance. These circumstances include, but are not limited to:

- **Cyberattacks or security breaches:** Incidents that affect the integrity of the blockchain platform on which the issuance runs, jeopardizing the traceability and security of the tokens.
- **Requirements from regulatory or law enforcement authorities:** Compliance with binding legal rulings that require adjustments to the issuance or the removal of tokens to align the project with local or international regulations.

- **Unforeseen events or force majeure:** Extraordinary situations that make it impossible to continue the issuance or meet its financial objectives, such as natural disasters, substantial regulatory changes, or severe operational failures.

Token Redemption and Refund Process

Should it become necessary to exercise this authority, a transparent and structured procedure will be activated to ensure the proper return of funds to investors, in accordance with the following steps:

1. **Identification of the Circumstance**
   - TOWCO, S.A. de C.V. will evaluate the exceptional situation justifying the token cancellation, taking into account technical, legal, and financial advice.
2. **Internal Authorization and Notification**
   - The token cancellation will require approval by the issuer’s board of directors, with documented evidence of the necessity of the measure.
   - Investors will be notified via the Banco Atlántida El Salvador, S.A. platform, detailing:
     - The reason for the cancellation of the tokens.
     - The timeline and steps to follow for the refund.
3. **Calculation and Audit of the Refund**

   The redemption process, if necessary, will be calculated and audited by an independent third party to ensure transparency, fairness, and compliance with the conditions established at the time of issuance.

   Debt Token (BAES-TWCD)

   - In the event that the Issuer fails to repay the invested principal upon maturity of the issuance, the enforcement mechanisms of the Contract will be triggered, allowing BAES-TWCD holders to recover their funds through the liquidation of the underlying assets.
   - The amount to be repaid will correspond to the outstanding principal and interest accrued as of the repayment date.
   - The audit of the process will ensure that payments are made in accordance with the priority established in the issuance structure, ensuring that BAES-TWCD holders are the first to recover their investment before any other payments are made.

   Income Token (BAES-TWCP)

   - Since **BAES-TWCP** has no contractual obligation for fixed payments, there is no automatic repayment of the invested capital.
   - Investors will receive only the income before taxess generated by the sale of the company’s residential lots once obligations to **BAES-TWCP** holders have been fulfilled.
   - In the event that insufficient revenue is generated to distribute profits, there will be no return of capital or guaranteed reimbursement.
   - The audit of the process will ensure that any distribution of income before taxess has been made in accordance with the established terms, ensuring the proper execution of the financial model.
4. **Transfer of Funds**
   - TOWCO will transfer the necessary funds to Banco Atlántida El Salvador, S.A. to process the refunds within a maximum of 15 business days following official notification.
   - Refunds will be made directly to the bank accounts or digital wallets registered by investors on the platform.
5. **Refund Confirmation**

- Banco Atlántida will confirm the completion of the process, notifying both the investors and the issuer.
- Each investor will receive a digital receipt detailing the refunded amount and any adjustments applied.

Security and Transparency

The **BAES-TWCP and BAES-TWCD** token issuances are backed by blockchain technology based on the Algorand network, utilizing the Algorand Smart Contracts (ASC1) standard, which ensures traceability, immutability, and security in token management. This framework strengthens investor confidence in the project and provides a clear framework for addressing any contingencies that may arise during the term of the issuance.

This issuance design balances flexibility and security, ensuring that any decisions made in response to exceptional events are carried out with the highest level of transparency and protection of investor interests.

Token Trading Platform

The issuance and trading of BAES-TWCP and BAES-TWCD tokens will take place through the platform of Banco Atlántida El Salvador, S.A., an authorized Digital Asset Service Provider (DASP), ensuring a regulated, efficient, and transparent investment environment.

Token Tradability

The **BAES-TWCD and BAES-TWCP** tokens will have primary and secondary markets available from the start of the offering. Both markets will be developed and managed through the platform of the Digital Asset Service Provider (PSAD), Banco Atlántida El Salvador, S.A., ensuring a regulated, efficient, and transparent investment environment for participants.

For the operation and technical administration of the issuance, Banco Atlántida El Salvador, S.A. will use its platform, which will provide investors with:

- **Transparency and traceability:** All transactions will be recorded on the Algor 's blockchain, guaranteeing an immutable and auditable record of each transaction.
- **Global accessibility:** It will allow for the participation of domestic and international investors, facilitating the buying and selling of tokens without geographic restrictions.
- **Secondary market liquidity:** Investors will be able to freely trade their tokens on the platform, allowing for flexibility in managing their investments.
- **Operational efficiency:** Transactions will be executed quickly and securely, optimizing costs and reducing the need for traditional financial intermediaries.

With this structure, TOWCO, S.A. de C.V. reaffirms its commitment to financial innovation and the modernization of the real estate sector, offering a digital asset with access to liquidity, security, and transparency within a regulatory framework.

Smart Contracts and Technology to Be Used

The BAES-TWCP and BAES-TWCD token issuances by TOWCO, S.A. de C.V. are backed by the technology of Banco Atlántida El Salvador, S.A., a Digital Asset Service Provider (PSAD) authorized by the National Commission on Digital Assets (CNAD).

For the operation and technical administration of the issuance, Banco Atlántida El Salvador, S.A. utilizes its platform, ensuring a secure and efficient digital environment for the management of digital assets.

The platform operates on the Algorand blockchain, ensuring security, transparency, and efficiency in the issuance, trading, and custody of digital assets, in alignment with regulatory standards and market best practices.

1. Blockchain Infrastructure and Security

The **BAES-TWCP and BAES-TWCD** tokens are built on the Algorand blockchain, a network recognized for its high speed, scalability, and advanced security. The key benefits of this technology include:

- Low transaction fees, which optimize returns for investors.
- Fast confirmation times, ensuring efficient transactions without delays.
- Proof-of-Stake (PoS) consensus structure, which enhances the sustainability and decentralization of the ecosystem.
- Automated smart contracts, which manage the economic rights derived from the sale of lots at The Cliff, ensuring the enforcement of rules established at issuance.

Banco Atlántida El Salvador, S.A.'s technology integrates a decentralized and modular architecture that allows for the auditing and monitoring of each transaction, ensuring that all operations within the ecosystem are verifiable and transparent.

2. Secure Identity Management and Compliance

To ensure compliance with Know Your Customer (KYC) and Anti-Money Laundering (AML) regulations, Banco Atlántida El Salvador, S.A. implements advanced security protocols:

- A decentralized digital identity (DID) system, which validates the identity of investors and participants in the issuance.
- AES-256 encryption for the protection of private keys and user credentials.
- Monitoring of email addresses using risk analysis tools, preventing suspicious transactions and ensuring the integrity of digital assets.

These processes ensure that only properly verified investors can acquire and trade the **BAES-TWCP and BAES-TWCD** tokens, thereby strengthening the transparency and security of the ecosystem.

3. Creation and Management of Digital Wallets

The issuance and management of **BAES-TWCP and BAES-TWCD** tokens are carried out through internal digital wallets within the Banco Atlántida El Salvador, S.A. platform, following a secure process based on the following steps:

1. Generation of a blockchain address and a unique private key.
2. Encryption of the private key with AES-256, ensuring the protection of digital assets.
3. Storage in certified key vaults, minimizing the risk of unauthorized access.
4. Destruction of the unencrypted private key in memory, reducing vulnerabilities.
5. These measures guarantee the security and traceability of every digital asset within The Cliff ecosystem.

4. Disaster Recovery and Business Continuity Plan

To mitigate technological risks, Banco Atlántida El Salvador, S.A. has a Disaster Recovery Plan (DRP) that ensures the uninterrupted operation of the platform in the event of technological failures or critical incidents. Among the strategies implemented are:

- Automatic backups and data replication across multiple secure servers.
- Contingency plans in the event of cyberattacks or operational disruptions.
- Rapid response protocols, with defined roles and procedures to ensure service continuity.

This infrastructure allows all operations involving **BAES-TWCP and BAES-TWCD** tokens to be conducted with confidence and stability, minimizing the risk of disruption.

5. Validation and Monitoring Mechanisms

Banco Atlántida El Salvador, S.A. manages a digital ecosystem in which every transaction involving **BAES-TWCP and BAES-TWCD** tokens is traceable and verifiable in real time, ensuring that the economic rights generated by the sale of residential lots are correctly assigned to investors. Key functions include:

- Regulatory oversight in accordance with CNAD regulations.
- Validation of each transaction on the Algorand blockchain prior to its final execution.
- Auditable record of all operations, offering investors full transparency and access to relevant information regarding the issuance.

Conclusion: A Robust and Secure Ecosystem

Banco Atlántida El Salvador, S.A. positions itself as one of the leading platforms for digital asset management in El Salvador, combining security, advanced technology, and regulatory compliance to ensure investor confidence in the issuance of the BAES-TWCP and BAES-TWCD tokens.

For the operation and technical management of the issuance, Banco Atlántida El Salvador, S.A. utilizes its platform, ensuring an efficient infrastructure for the issuance, marketing, and custody of digital assets.

The combination of the Algorand blockchain, advanced security protocols, and strict regulatory compliance reinforces the robustness of the issuance, ensuring that investment in The Cliff Project is managed with maximum efficiency, transparency, and protection for investors.

8) USE OF FUNDS

Use of Funds

The primary objective of the token issuance by TOWCO, S.A. de C.V. is to allow investors to participate in the economic rights generated by the sale of 104 residential lots within The Cliff Project, strategically located in Surf City, ensuring a diversified offering within the development. This real estate development seeks to establish itself as a benchmark in innovation, exclusivity, and sustainability, combining contemporary design with a privileged natural setting.

The token offering leverages El Salvador's regulatory framework, such as the Digital Asset Issuance Law (LEAD), to attract both local and foreign investment, offering an innovative alternative for participation in the real estate sector without the need to directly purchase a lot.

The funds raised from the issuance of BAES-TWCP and BAES-TWCD tokens will be used to: finance the project's development, ensuring the implementation of its key infrastructure according to the project's phase; democratize access to exclusive real estate investments, enabling the participation of domestic and international investors through tokenization; maximize returns for investors through a sustainable financial model and ensure transparency and security by using blockchain technology to record and audit all transactions.

Details regarding the use of funds are provided below; for greater clarity, please refer to **Annex V - TOWCO Financial Projections.**

Project Organization

Project administration will be handled by Banco Atlantida El Salvador, S.A., which will manage the funds

obtained from the issuance and disburse them for project execution.
Supervision will be the responsibility of **TOWCO S.A. de C.V.**
The external audit will be conducted by the firm **Audit and Accounting Central America, S.A. de C.V.**

The Cliff project has organized the project's implementation, establishing the funds designated for its execution and ensuring the proper use of those funds.

Stages of The Cliff

Past Stages:

- **Land Purchase:** TOWCO, S.A. de C.V. has already completed the purchase of the land located between Km 45 and 46 on the highway leading from La Libertad to Sonsonate, La Libertad, La Libertad Costa, La Libertad, and TAMANIQUE, LA LIBERTAD COSTA, LA LIBERTAD, property registered under number 30292777-00000 in the Real Estate and Mortgage Registry, where the project will be developed, providing legal and registry security to investors.

Current stages:

- **Token Issuance:** The issuance of the BAES-TWCD and BAES-TWCP tokens is expected, and with the funds raised, development of The Cliff project will begin.
- **Project Development:** Construction of The Cliff project, its amenities, access points, and other features is planned.

Future stages:

- **Marketing of The Cliff Project lots:** TOWCO will market the lots to various clients and negotiate other development agreements.
- **Payment to tokenholders:** based on the project's financial performance, after deducting all development expenses. The tokens will then be paid out and burned.

For greater clarity regarding current and future stages and how funds will be allocated, please refer to **Annex V - TOWCO Financial Projections,** which details, month by month from October 2025 until the end of the offering, how funds will be used for this project.

Project Implementation.
The financial model sets forth the estimated funds for the implementation of the project phases, with the allocation of funds as follows:

Summary	
Direct Costs	$ 5,257,612.36
Indirect Costs	$ 2,481,491.89
Tokenization Costs	$ 469,889.37
Land	$ 3,500,000.00
Administrative Fees	$ 500,000.00
Total costs	**$ 12,208,993.62**

- **Direct Costs:** These include temporary works, earthworks, walls and retaining walls, stormwater drainage system, potable water system, curb, sidewalks, hot mix asphalt pavement, concrete subbase, entrance ramp, signage, electrical grid surveying, landscaping, cameras, electric fence, access retaining walls, green areas, and soil and materials laboratory.

- **Indirect Costs:** These include sales expenses, external administration, internal supervision, operating expenses, interest, commissions, and contingencies.

- **Tokenization Costs:** These include structuring expenses, administration, certification fees, and the payment of the registration fee to the Commission, among others.

- **Land:** Land where The Cliff project will be developed.

- **Procedures:** Includes all registration procedures the company may undergo.

For more information on the use of funds, see **Annex V - TOWCO Financial Projections.**

Strategic Objectives of the Offering

1. **Participation in the revenues of The Cliff Project:**

   Debt Token (BAES-TWCD) – Predefined Return and Security

   - To offer an investment alternative with periodic interest accrual; interest payments will be made monthly; however, partial payments of principal and/or interest may be made prior to the maturity date at the Issuer's discretion. Before making such a payment, the Issuer will take into account financial stability and any outstanding obligations.
   - Ensure financial security through a Debt Acknowledgment Agreement, prioritizing the fulfillment of debt obligations.
   - Structure a regulated model that ensures transparency and traceability in payments, with absolute priority over any other distribution of income within the project.

   Revenue Token (BAES-TWCP) – Share in the Project's Income before taxess

   - Allow investors to access income before taxess generated by the sale of residential lots, aligning their returns with the project's financial performance.
   - Ensure that revenue distribution is carried out efficiently and in a regulated manner, using blockchain technology and smart contracts to ensure transparency and fairness in payments.
   - Respect the payment priority of debt tokens (BAES-TWCD), ensuring that revenue investors only receive distributions once the project's priority obligations have been met.

2. **Optimization of the financial structure:**
   - Improve the project's liquidity by optimizing its financing and ensuring execution aligned with the company's strategic objectives.

3. **Guarantee of transparency and security:**
   - Implement blockchain technology to record all transactions, ensuring traceability, immutability, and trust for investors.

4. **Streamlining the company and modernizing operations:**
   - Strengthen TOWCO, S.A. de C.V.'s position as a leader in innovation within the real estate sector.

5. **Access to secondary markets:**
   - Enable the trading of tokens on authorized secondary markets, providing greater flexibility and liquidity to investors.

6. **Cost efficiency and reduced intermediation:**
   - Minimize administrative and operational costs associated with traditional financing models, allowing a greater percentage of the funds raised to be allocated to project development.

7. **Leveraging the regulatory environment:**
   - Maximize the benefits of El Salvador's regulatory framework, establishing real estate asset tokenization as a reliable and efficient financing alternative.

The **BAES-TWCP and BAES-TWCD** token offerings represent an innovative opportunity for investors seeking to participate in an exclusive real estate development, backed by a solid and transparent financial structure. Furthermore, it contributes to the country's economic growth through the modernization of the real estate sector and the adoption of advanced financial technologies.

Internal Control of Fund Management

To ensure the efficient and transparent management of funds raised through the issuance of **BAES-TWCP and BAES-TWCD** tokens, TOWCO, S.A. de C.V. will implement an internal control framework aligned with best financial and regulatory practices:

1. **Deposit and Custody of Funds**
   - The funds raised will be deposited in segregated accounts under the issuer's control and subject to external audits, ensuring transparent and secure management.
   - These funds may only be used to fulfill the objectives of the issuance, as stipulated in the Relevant Information Document (RID).
2. **Authorization System**
   - All disbursements will require approval from at least one hierarchical level within the organization, including the Finance Manager and/or Legal Representative.
   - Each transaction must be supported by documentation justifying its purpose and alignment with the issuance's objectives.
3. **Supervision by the Issuance Administrator**
   - The issue administrator, authorized by the National Commission on Digital Assets (CNAD), will supervise the use of the funds and ensure their proper application.
   - Quarterly reports will be issued and shared with investors and regulatory authorities.
4. **Periodic External Audits**
   - The General Shareholders' Meeting of TOWCO, S.A. de C.V. will annually appoint an independent audit firm to conduct periodic reviews of the administration and use of the funds.
   - The objectives of these audits will be:
     - To verify compliance with the issuance guidelines and the proper use of funds.
     - To ensure transparency and regulatory compliance.
     - To oversee the proper implementation of internal control policies.
5. **Document Management System**

- All financial transactions and decisions related to the issuance will be documented in both digital and physical formats, ensuring traceability and controlled access to key information.
- The information will be stored on secure platforms, with access restricted to authorized stakeholders.

6. **Regulatory Compliance**
   - TOWCO, S.A. de C.V. will ensure that all internal control mechanisms comply with:
     - The provisions of the National Commission on Digital Assets (CNAD).
     - Applicable local and international regulations.
     - Globally recognized auditing and financial control standards.

These integrated internal control mechanisms reinforce trust and transparency in the management of funds, ensuring that they are used effectively and in compliance with the objectives of the issuance.

Stakeholders involved

PARTICIPANTS	
Issuer	**TOWCO, S.A. de C.V.** Address: Calle Las Rosas, Colonia La Sultana, #24-A, Antigua Vía del Ferrocarril, Antiguo Cuscatlán District, La Libertad Este Municipality, La Libertad Department Website: https://thecliffelsunzal.com/ CNAD Registration Number: EAD-0035 Designated contact person: Jose Ernesto Aguirrey Jaime Zaldaña Contact phone number: +503 2560-1100 / +503 2264-4811 Contact email: jose.aguirre@inmobiliariadvida.com; jaime.zaldaña@grupopublimovil.com
Issue Arranger	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ CNAD Registration Number: PSAD-0035 Designated Contact Person: Carlos Antonio Turcios Melgar (Chief Executive Officer) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv
Digital Asset Service Provider	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ CNAD Registration Number: PSAD-0035 Designated Contact Person: Carlos Antonio Turcios Melgar (CEO) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv Banco Atlántida El Salvador, S.A. acts as a registered Digital Asset Service Provider (PSAD), ensuring the proper management and custody of the tokens issued under this offering.
Digital Asset Certifier	**TR Capital, S.A. de C.V.** Cuscatlán Street, #4312, Escalón Neighborhood, San Salvador, El Salvador. https://www.trcapital.net/ CNAD Registration Number: CERT-0003 Designated Contact Person: Héctor Ramón Torres Córdova Contact Phone Number: +503 2538-6360 Contact email: info@trcapital.net

Legal Counsel	**Banco Atlántida El Salvador, S.A.** 1st West Street and Constitution Boulevard #3538, Escalón Neighborhood, San Salvador, ZIP Code 1101 https://www.bancoatlantida.com.sv/ CNAD Registration Number: PSAD-0035 Designated Contact Person: Carlos Antonio Turcios Melgar (CEO) Contact phone number: +503 2267-4250 and +503 2267-4411 Contact email: info@bancatlan.sv
External Auditor	**Audit and Accounting Central America, S.A. de C.V.** 75 Avenida Norte, Colonia Escalón, Escalón Shopping Center, #2-3, San Salvador, San Salvador Designated contact person: Jaime Arabia Contact phone numbers: +503 7351-8538 Contact Email: jarabia@audica.org

Supervision and Control Policy

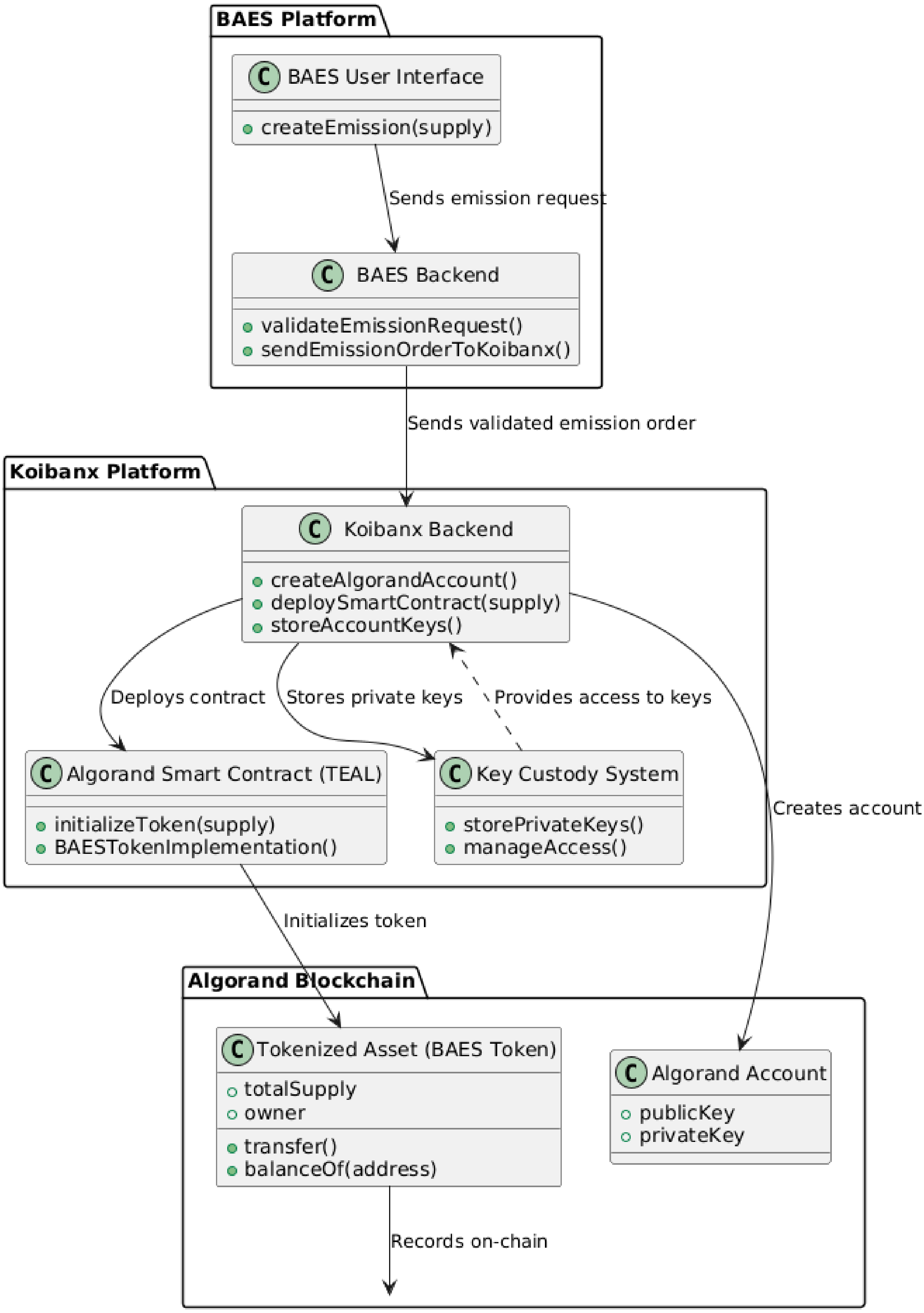
Issuer's Internal Anti-Money Laundering Policy

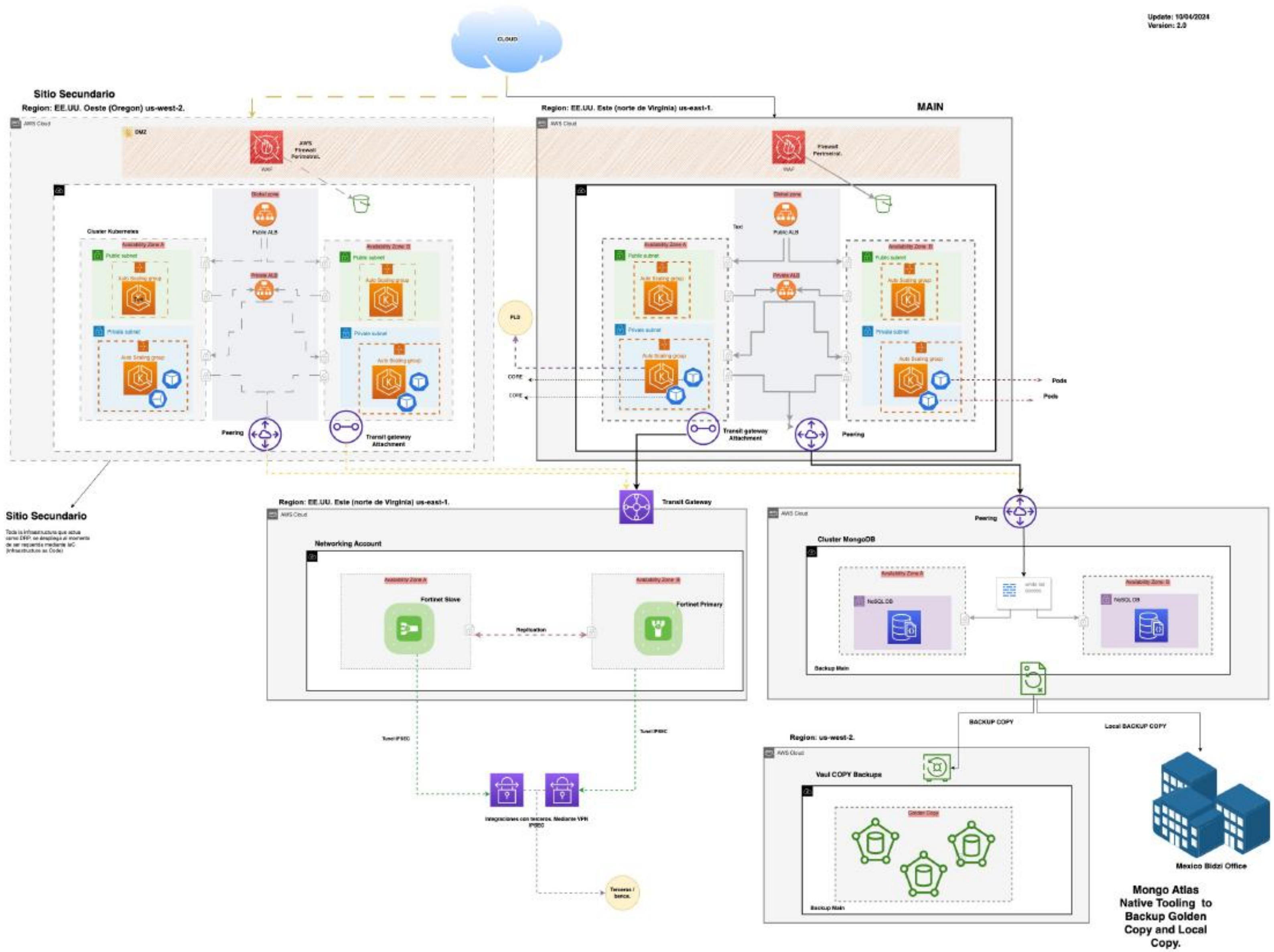
TOWCO, S.A. de C.V. has a robust internal policy that establishes clear guidelines and procedures to prevent and combat money laundering. This policy ensures strict compliance with El Salvador's Anti-Money Laundering and Asset Laundering Law, its regulations, the rules issued by the Superintendency of the Financial System, and the Recommendations of the Financial Action Task Force (FATF).

The policy implements specific controls aimed at preventing, detecting, and reporting any transaction that could be related to money laundering, terrorist financing, or the proliferation of weapons of mass destruction.

In this way, TOWCO, S.A. de C.V. reaffirms its commitment to transparency, business ethics, and regulatory compliance in all its operations, ensuring a safe and reliable environment for both investors and the parties involved in the issuance of **BAES-TWCP and BAES-TWCD** tokens.

9) TOKEN FLOW WITHIN THE TRADING PLATFORM




Update: 10/04/2024
Version: 2.0
CLOUD
Sitio Secundario
Region: EE.UU. Oeste (Oregon) us-west-2.
Region: EE.UU. Este (norte de Virginia) us-east-1.
MAIN
Peering
Transit gateway Attachment
Transit gateway Attachment
Peering
Sitio Secundario
Region: EE.UU. Este (norte de Virginia) us-east-1.
Transit Gateway
Networking Account
Fortinet Slave
Fortinet Primary
Replication
Peering
Cluster MongoDB
Backup Main
BACKUP COPY
Local BACKUP COPY
Region: us-west-2.
Vaul COPY Backups
Backup Main
Mexico Bidzi Office
Mongo Atlas Native Tooling to Backup Golden Copy and Local Copy.

10) UNDERLYING TECHNOLOGY AND STANDARDS

The issuance of the **BAES-TWCD and BAES-TWCP** tokens is underpinned by an advanced technological architecture that ensures transparency, security, and regulatory compliance, built on the infrastructure of Banco Atlántida El Salvador, S.A., a Digital Asset Service Provider (PSAD-0035) authorized by the National Commission on Digital Assets (CNAD).

1. **Blockchain and Smart Contracts**

   The **BAES-TWCP and BAES-TWCD** tokens are based on the Algorand blockchain, utilizing Algorand Smart Contracts (ASC1). This choice ensures:

   - Low transaction fees, optimizing operating costs.
   - Confirmation times of less than 3 seconds, ensuring efficiency.
   - Proof of Pure Stake (PPoS), providing scalability and decentralization.

   ASC1 smart contracts regulate the issuance, trading, and revenue distribution of the **BAES-TWCP and BAES-TWCD** tokens, ensuring their execution without intermediaries and with full traceability.

2. **Digital Identity and Regulatory Compliance**

   A decentralized digital identity (DID) system is implemented in accordance with ERC-734 and ERC-735 standards, enabling:

   - Identity verification (KYC/AML), ensuring that only verified investors participate in the issuance.
   - Automated management of access and transfers, preventing unauthorized transactions.
   - Monitoring of electronic addresses via Chainalysis, ensuring regulatory compliance.

3. **Advanced Security**

   To protect investors' digital assets, the infrastructure includes:

   - AES-256 encryption, ensuring the integrity of private keys.
   - Secure Multi-Party Computation (MPC), distributing private keys across multiple parties, eliminating single points of failure.
   - AI-powered activity monitoring to detect suspicious access and prevent cyberattacks.

4. **Digital Wallet Creation and Management**

   The issuance and administration of **BAES-TWCP and BAES-TWCD** tokens is carried out through internal digital wallets within the platform. The creation process follows these steps:

   - Generation of a blockchain address and unique private key.
   - Encryption with AES-256 and storage in secure vaults.
   - Removal of unencrypted private keys from memory.
   - Assignment of the wallet to the registered investor.

5. **Disaster Recovery and Business Continuity Plan**

   The platform operates under a Disaster Recovery Plan (DRP), ensuring the platform's continuity in the event of technological failures or cyberattacks:

   - Data replication across multiple secure servers.
   - Cyber incident response procedures.
   - Real-time operational recovery capability.

6. **Transparency and Oversight**

The traceability of all transactions and token movements is guaranteed through:

1. An auditable record of every transaction on the blockchain.
2. Constant oversight by the CNAD for regulatory compliance.
3. Real-time validation of transactions made by investors.

Summary of Banco Atlantida's Infrastructure for the BAES-TWCP Issuance

Element	Description
Blockchain used	Algorand (PPoS)
Smart Contracts	Algorand Smart Contracts (ASC1)
Digital Identity	3237526656 / Block: 54139431
Key Security	AES-256-CTR Encrypted Keys
Wallet Management	Production database, data at rest encrypted with AES-256 (in Mongo Atlas) In transit: HTTPS and TLS 1.2
Business Continuity	DRP with real-time recovery and data replication
Monitoring	Auditable log, CNAD monitoring, transaction transparency

Conclusion
Banco Atlántida El Salvador, S.A. provides a secure and efficient infrastructure for the issuance and management of **BAES-TWCP** tokens**.** Its integration with Algorand, advanced cybersecurity measures, and a business continuity plan reinforce the reliability of the issuance, offering investors transparency and security in every transaction.

Smart Contract Addresses:

The smart contracts can be viewed at the following link:

Token ID: 3237526656

Scan-explorer address 3237526656 | Pera Algorand Explorer

The issued token has zero (0) decimal places.

Summary of Banco Atlantida's Infrastructure for the BAES-TWCD Issuance

Element	Description
Blockchain used	Algorand (PPoS)
Smart Contracts	Algorand Smart Contracts (ASC1)
Digital Identity	3237530732 / Block 54139491
Key Security	AES-256-CTR Encrypted Keys
Wallet Management	Production database, data at rest encrypted with AES-256 (in Mongo Atlas) In transit: HTTPS and TLS 1.2
Business Continuity	DRP with real-time recovery and data replication
Monitoring	Auditable log, CNAD monitoring, transaction transparency

Conclusion
Banco Atlántida El Salvador, S.A. provides a secure and efficient infrastructure for the issuance and management of the **BAES-TWCP and BAES-TWCD** tokens**.** Its integration with Algorand, advanced cybersecurity measures, and an operational recovery plan reinforce the reliability of the issuance, offering investors transparency and security in every transaction.

Smart Contract Addresses:

The smart contracts can be viewed at the following link:

Token ID: 3237530732

Scan-explorer address 3237530732 | Pera Algorand Explorer

The issued token has zero (0) decimal places.

11) RISKS ASSOCIATED WITH THE ISSUANCE AND METHODS OF MITIGATION

The issuance of BAES-TWCP (equity) and BAES-TWCD (debt) tokens entails certain risks inherent to the real estate market, the issuer's operations, and the regulatory and technological environment in which The Cliff Project is being developed. This section aims to inform investors about the potential risks that may affect the profitability and sustainability of the investment, as well as the mitigation strategies implemented by the Issuer to reduce such risks to acceptable levels.

Since this issuance incorporates two types of digital assets, the risks have been categorized as follows:

A. **General Risks**: Applicable to the offering as a whole, including regulatory, operational, and macroeconomic factors.

B. **Risks specific to revenue tokenization (BAES-TWCP)**: Related to the dependence on revenue streams from the sale of residential lots.

C. **Risks specific to debt tokenization (BAES-TWCD)**: Linked to the Issuer's ability to meet interest payments and principal repayment to investors.

Each risk is presented based on the following criteria:

- **Identification:** Explanation of the risk and how it may affect the issuance.
- **Potential impact:** Possible consequences for the issuer and investors.
- **Mitigation strategy:** General measures to reduce exposure to the risk.
- **Measures Implemented:** Specific actions the Issuer has taken to manage and mitigate each risk.

The Issuer maintains a dynamic approach to risk management and continuously monitors market conditions and the project's progress. As part of its commitment to transparency and investment security, it will implement periodic audits and internal controls to enable informed decision-making and protect investors' interests.

A. GENERAL RISKS ASSOCIATED WITH THE ISSUE

These risks affect both offerings.

1. Risk of Changes in Legislation

- **Identification:** Changes in digital asset regulations or taxes may affect the operation of the issuance.
- **Potential Impact:** Increased operating costs, disruption to financial planning, and restrictions on token operations.
- **Mitigation Strategy:** Continuous monitoring of regulatory changes with legal and tax advisors.
- **Measures Implemented:**
  - Action plan adaptable to new regulations.
  - Quarterly legal reviews to anticipate changes.

- Strict compliance with applicable regulations.

2. **Risk of Judicial and Administrative Proceedings**

- **Identification:** Lawsuits or administrative proceedings may affect the issuer's operational stability.
- **Potential Impact:** Unforeseen costs, delays in project execution, and reputational damage.
- **Mitigation Strategy:** Hiring specialized legal advisors and implementing best governance practices.
- **Measures Implemented:**
    - Periodic legal audits.
    - Internal dispute resolution protocols.
    - Strict compliance with contractual regulations.

3. **Money Laundering and Terrorist Financing Risk**

- **Identification:** Misuse of tokens in illicit activities.
- **Potential Impact:** Regulatory sanctions and reputational damage.
- **Mitigation Strategy:** Implementation of strict KYC (Know Your Customer) and AML (Anti-Money Laundering) standards.
- **Measures Implemented:**
    - Identity verification tools (KYC).
    - Real-time transaction monitoring (KYT).
    - Periodic internal audits.

4. **Operational Risk**

- **Identification:** Failures in operational, technological, or administrative processes can affect the project's progress.
- **Potential Impact:** Delays in the commercialization and execution of the project.
- **Mitigation Strategy:** Establishment of internal controls and hiring of companies with experience in project management.
- **Measures Implemented:**
    - Annual operational risk assessments.
    - Continuous monitoring protocols.
    - Implementation of operational efficiency standards.

5. **Risk of Conflicts Among Shareholders**

- **Identification:** Internal disputes can affect strategic decision-making.
- **Potential Impact:** Delays in the implementation of key project strategies.
- **Mitigation Strategy:** Formalization of shareholder agreements with conflict resolution clauses.
- **Measures Implemented:**
    - Application of best practices in corporate governance.
    - Establishment of protocols for mediation and internal dispute resolution.

B. SPECIFIC RISKS OF REVENUE TOKENIZATION (BAES-TWCP)

These risks exclusively affect the issuance of revenue tokens, whose performance depends on the revenue generated from the sale of residential lots.

1. **Risk of Fluctuation in Project Revenue**

- **Identification:** Depends on the success of lot sales; lower revenue will reduce investor returns.

- **Potential Impact:** Decrease in annual income distribution.
- **Mitigation Strategy:** Diversification of sales strategies and strategic partnerships with developers.
- **Measures Implemented:**
    - Financing for buyers.
    - Market analysis for price adjustments.
    - International promotion to attract investors.

2. Risk of Delays in Marketing

- **Identification:** Issues with permits or infrastructure may delay the sale of lots.
- **Potential Impact:** Delays in revenue generation and reduced liquidity in the short term.
- **Mitigation Strategy:** Pre-sale contracts and aggressive marketing.
- **Measures Implemented:**
    - Marketing plan with defined timelines.
    - Incentives for early buyers.
    - Financing strategies to facilitate sales.

C. SPECIFIC RISKS OF DEBT TOKENIZATION (BAES-TWCD)

These risks apply exclusively to the issuance of debt tokens, which have fixed interest payments and principal repayment at maturity.

1. Risk of Default on Payments

- **Identification:** The issuer's financial problems may impact its ability to pay interest or principal.
- **Potential Impact:** Loss of confidence and reduced liquidity for investors.
- **Mitigation Strategy:** Backed by a Promissory Note and financial monitoring of the issuer.
- **Measures Implemented:**
    - Cash flow monitoring.
    - Creation of reserve funds for interest payments.

2. Risk of Changes in Market Interest Rates

- **Identification:** If interest rates rise, the issuance may lose appeal compared to other investment opportunities.
- **Potential Impact:** Reduced demand for BAES-TWCP and BAES-TWCD tokens in the secondary market.
- **Mitigation Strategy:** Adjusting rates for future offerings and promoting contractual backing.
- **Measures Implemented:**
    - Periodic assessments of the financial environment.
    - Design of incentives for investors.

3. Risk of Project Execution Delays

- **Identification:** Infrastructure delays may affect the issuer's ability to generate revenue and meet payment obligations.
- **Potential Impact:** Risk of insufficient liquidity to cover financial obligations.
- **Mitigation Strategy:** Strict monitoring of schedules and contracts with penalties for delays.
- **Measures Implemented:**
    - Audits of construction progress.

- Quality control during infrastructure construction.

12) RISK MANAGEMENT

Within the framework of this Prospectus, it is essential to detail the strategies and mechanisms that the issuer will implement to manage the various risks associated with the project. Effective management of these risks is crucial to ensuring the stability and sustainability of the offering. The following describes the policies and procedures that will be adopted to identify, assess, and mitigate each type of risk, thereby ensuring the protection of investors' interests and the soundness of the project as a whole.

Management of Risks Associated with the Issuer

I. **Risk of Changes in Legislation:**
- **Management:** Maintain a specialized legal and tax advisory team that continuously monitors regulatory changes and enables proactive strategy adjustments.
- **Action to be taken:** Conduct quarterly regulatory reviews and establish action plans to ensure legal compliance.

II. **Risk of Judicial and Administrative Proceedings:**
- **Management:** Hire qualified legal advisors to manage potential disputes and establish internal protocols for efficient resolution.
- **Action to be taken:** Conduct periodic legal audits and formalize internal governance procedures.

III. **Operational risk:**
- **Management:** Implement robust internal controls and hire companies with experience in project management.
- **Action to be taken:** Conduct semi-annual audits and establish continuous monitoring of technological and operational processes.

IV. **Technology dependency risk:**
- **Management:** Ensure backup and disaster recovery systems are in place to maintain operational continuity.
- **Action to be taken:** Conduct periodic recovery tests and keep critical technological systems up to date.

V. **Risk of real estate market fluctuations:**
- **Management:** Diversify sales strategies and adjust competitive pricing based on market trends.
- **Action to be taken:** Regularly monitor the real estate market and update marketing strategies in real time.

Risk Management Associated with the Offering of Digital Assets

I. **Regulatory risk:**
- **Management:** Monitor regulatory changes and adapt internal policies to ensure compliance.
- **Action to be taken:** Conduct quarterly legal reviews with the support of specialized advisors.

II. **Market acceptance risk:**
- **Management:** Conduct market analysis and educational campaigns to inform investors about the benefits of digital assets.

- **Action to be taken:** Conduct surveys and market analysis to adjust marketing and education strategies according to the public's needs.

III. **Liquidity risk:**

- **Management:** Promote the creation of an active secondary market in collaboration with PSAD and, if feasible, establish buyback programs.
- **Action to be taken:** Monitor the primary market and negotiate with recognized secondary platforms to improve liquidity.

IV. **Security risk:**

- **Management:** Implement advanced cybersecurity measures and technology infrastructure audits.
- **Action to be taken:** Conduct quarterly security audits and update encryption and authentication protocols.

V. **Private Key Loss Risk:**

- **Administration:** Offer custody services and key recovery mechanisms in collaboration with the PSAD.
- **Action to be taken:** Develop educational programs on key management and provide secure custody options.

Risk Management Associated with Digital Assets

I. **Security Risk**

- **Management**: Implement advanced cybersecurity measures and regular audits.
- **Action to be Implemented:** Utilize Banco Atlántida's technological infrastructure, based on encryption algorithms such as AES256 and the Algorand blockchain protocol, with mechanisms such as Proof of Pure Stake (PPoS) and verifiable random functions (VRF).

II. **Liquidity Risk**

- **Management**: The tokens will be traded exclusively on the Banco Atlántida platform, with limited secondary market options in the short term.
- **Implementation Measure**: Encourage active participation on the platform and evaluate listing on additional exchanges that comply with regulatory requirements.

III. **Fraud Risk:**

- **Management:** Establish strict verification procedures and internal controls to prevent fraud.
- **Action to be taken:** Implement robust KYC (Know Your Customer) and AML (Anti-Money Laundering) processes integrated into Banco Atlántida's technology platform.

IV. **Risk of private key loss:**

- **Management:** Offer secure custody solutions and private key recovery options for users.
- **Action to be taken:** Provide advanced encryption services such as AES256 and educate users on the proper use of digital wallets.

V. **Volatility risk:**

- **Management:** Offer diversification strategies and guaranteed returns.
- **Action to be taken:** Design complementary financial instruments that stabilize returns and combine guaranteed returns with future variable income.

Risk Management Associated with Project Execution

I. **Regulatory risk:**

- **Management:** Monitor legislative and regulatory changes, ensuring that suppliers comply with current regulations.
- **Action to be taken:** Review regulations quarterly with the legal team and update contracts. Use blockchain to ensure transaction traceability.

II. **Risk from fluctuations in the real estate market**

- **Management:** Diversify the offering and dynamically adjust prices according to market conditions.
- **Action to be taken:** Hire firms specializing in market analysis and conduct semi-annual reviews of prices and strategies.

III. **Financing risk:**

- **Management:** Diversify financing sources between debt and equity, and maintain constant communication with lenders.
- **Action to be taken:** Hold quarterly meetings with investors and use tokenization to raise funds efficiently.

IV. **Risk of Declining Occupancy**

- **Management:** Implement tenant retention strategies and marketing campaigns to maintain high occupancy levels.
- **Action to be taken:** Develop a CRM system to monitor tenant satisfaction and proactively respond to their needs.

V. **Risk of environmental issues**

- **Management:** Conduct environmental audits and adopt preventive measures to minimize impacts.
- **Action to be implemented:** The project has an environmental permit issued by the authorized entity, the Ministry of the Environment (MARN), which includes: An adequate environmental management plan for mitigation, prevention, and environmental compensation, duly secured.

Management of Risks Associated with the Technology Used

I. **Risk of technical failures:**

- **Management:** Conduct periodic stress tests and maintain backup systems and disaster recovery plans.
- **Measure to be implemented:** Conduct quarterly load tests and establish an emergency technical support team.

II. **Risk of Security Vulnerabilities:**

- **Management:** Adopt advanced security measures and conduct regular audits of the technology infrastructure.
- **Action to be** taken: Conduct security audits and penetration tests on a quarterly basis.

III. **Risk of technological obsolescence:**

- **Management:** Monitor technological advancements and update systems to maintain their compatibility and competitiveness.
- **Action to be implemented:** Conduct semi-annual technology reviews and evaluate emerging technologies annually.

IV. **Compatibility risk:**

- **Management:** Ensure interoperability with other platforms and perform integration tests prior to launch.
- **Action to be taken:** Establish technology standards and conduct regular compatibility tests.

V. **Centralization risk:**

- **Management:** Diversify suppliers and maintain alternative arrangements to reduce technological dependence.
- **Action to be taken:** Contract multiple PSADs and establish contingency plans to ensure operational continuity.

13) DISPUTE RESOLUTION

Arbitration, Governing Law, and Jurisdiction to Which the Parties Submit

The Tokens are governed by and shall be interpreted in accordance with the laws of El Salvador, specifically the Digital Asset Issuance Law and the corresponding regulations.

All controversies, disputes, or claims arising out of or in connection with the issuance of the BAES-TWCP (income) and BAES-TWCD (debt) tokens, including those related to their interpretation, performance, validity, or termination, shall be resolved by arbitration, in accordance with the rules and procedures established by the Mediation and Arbitration Center of the Chamber of Commerce and Industry of El Salvador.
The parties submit to the jurisdiction of the Republic of El Salvador.
The arbitral award shall be final and binding on the parties involved.

14) PROCESSING OF PERSONAL DATA

The Issuer hereby informs that it processes investors' personal data for the purpose of carrying out its operational and commercial activities. These processes are conducted in accordance with the provisions of our Privacy Policy, which details the procedures and purposes of such data processing.
This policy is available for review on our marketing platform and applications website, and in **Annex VII - PSAD POLICIES**, ensuring transparency and compliance with current regulations regarding the protection of personal data.

15) TAX REGIME

Tax Regime

Under no circumstances shall the Issuer be liable for any tax or tax obligation of the investors. The issuance shall be subject to the tax provisions regulated within the legal framework governing Digital Asset Service Providers, as well as Digital Asset Issuers and Issuances in force in the Republic of El Salvador.

In accordance with Article 36 of the Digital Asset Issuance Law, the issuance benefits from significant tax advantages that enhance the appeal of our digital asset offerings.

These benefits include:

Tax Exemptions: Both the face value and any yield or income derived from digital assets are exempt from all types of taxes, levies, fees, and contributions. This includes exemptions from the Tax on Property Transfers and Services, Income Tax, and Municipal Taxes, as well as all other forms of taxation, regardless of their nature. In addition, capital gains or ordinary income from the sale or transfer of digital assets, including debt forgiveness, are also tax-exempt.

General Tax Benefits: Registered issuers, certifiers, and service providers of digital assets benefit from all the aforementioned tax advantages, fostering a favorable environment for digital asset operations.

Disclaimer Regarding Tax Advice: While we describe the tax benefits associated with digital assets under Article 36 of the Digital Asset Issuance Act, it is important for participants to understand that the company does not provide tax advice. Participants are advised to consult their own tax professionals to fully understand the tax implications of purchasing, holding, or disposing of digital assets in accordance with their personal tax circumstances and the law applicable to them. The company assumes no liability for tax advice provided to participants by third parties or for participants' compliance with tax laws.

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16) COMMUNICATION CHANNELS

For any questions, inquiries, additional information, or notifications regarding this Material Information Document, please contact us via the following email addresses: jose.aguirre@inmobiliariadvida.com ; jaime.zaldaña@grupopublimovil.com , as well as by phone at +503 2560-1100 / +503 2264-4811, and the following address: Calle Las Rosas, Colonia La Sultana, #24-A, Antigua Vía del Ferrocarril, District of Antiguo Cuscatlán, Municipality of La Libertad Este, Department of La Libertad. Furthermore, I hereby authorize the following persons to receive notifications or any documents that must be delivered to us: Jose Ernesto Aguirre and Jaime Zaldaña.

17) OTHER DECLARATIONS:

In accordance with the provisions of the Regulations on the Registration of Issuers and Public and Private Offerings, TOWCO declares:

- “The issuer of the digital assets is solely responsible for the content of this Relevant Information Document”;
- The digital assets subject to this offering are registered in the CNAD Public Registry. Their registration does not imply certification of the quality of the security or the issuer’s solvency”;
- It is the investor’s responsibility to read all the information contained in this Material Information Document”;
- Digital assets may lose all or part of their value;
- Digital assets may not always be tradable;
- Digital assets may not be liquid;
- The offering focuses solely on certain specific digital assets and does not constitute an invitation to sell financial instruments; and
- This offering is subject to applicable regulations and does not constitute an offer in jurisdictions where its marketing is illegal.

18) APPENDICES

Appendix I - Affidavit.
Appendix II - Certifier’s Report.
Appendix III – Contracting Policies.
Appendix IV – Issuer’s Opening Balance Sheet.
Appendix V - Financial Projections of TOWCO S.A. de C.V.
Appendix VI - TOWCO, S.A. de C.V. Contracts
Appendix VII - PSAD Policies.
Appendix VIII – Debt Acknowledgment Agreement