



Merkle

Tree

DISCLAIMER

For informational purposes only. Nothing in this document constitutes an offer or solicitation to sell digital assets in Merkle Tree or any related company.

IBBA Holdings

IBBA Holdings is a fintech holding company that strives to create a comprehensive, standalone banking system for the unbanked. With a presence in Argentina, Brazil, Chile, Colombia, Mexico, Panama, and Peru, IBBA Holdings operates a series of vertically integrated businesses throughout the payments, banking, and digital asset landscapes.

- **Merkle Tree** – Turnkey digital asset mining operations; focused on building, operating, and maintaining crypto mining facilities.
- **QuickEx** – A remittance transfer service between LatAm countries for convenient spending & money transfers. Quickex currently grosses \$50M US in sales per year.
- **QuikiPay** – Payment Gateway for merchants (e-commerce, online marketplaces, payment processors) to accept credit, debit, cash, crypto, and bank transfers.
- **HypeX** – All-in-one NFT platform that provides SDK, API, smart contracts, no-code hosting, and other tools to make NFT creation more practical and accessible.
- **Ibitt.co** – A professional cryptocurrency exchange (\$150M+ in annual sales) that facilitates flexible exchanges between over 100 crypto tokens and fiat currencies; allows users to securely store, manage, and trade blockchain assets.



Merkle Tree NFT: The First Onchain Annuity

Merkle Tree is the gateway for consumers to tap into the larger IBBA ecosystem, offering a range of B2B solutions for users.

Merkle Tree NFT is the **first Onchain Annuity delivered via NFT**, which is used to offer yields that are tracked and authenticated on the blockchain.

- Onchain Annuities provide consumers with consistent, guaranteed returns verified on the blockchain – **BTC dividend rewards in perpetuity.**
 - **Daily dividends** are equal to **25% the total daily yield** split evenly amongst all Merkle Tree NFTs.
 - **Annual dividend** equal to **25% of Merkle Tree's annual revenue** generated through private lending and VISA transaction fees (paid out in BTC at the end of each fiscal year)

Merkle Tree NFT utilizes ETH-based NFTs for Onchain Annuities to keep track of dividend and yield-bearing structures. We are aware of Ordinals and the wave of BRC20 – Merkle Tree is evaluating and closely monitoring the BRC20 with plans to migrate there when the barriers to entry decrease and there is enough development tooling to support a project of this scale.

Merkle Tree NFT: Dividend Distribution

Merkle Tree uses NFTs to deliver the **first annuity** whereby the custody, settlement, and yield on the underlying product is **delivered entirely on the blockchain** – this protects holders and ensures all subsequent yields are delivered, tracked, and authenticated on the blockchain.

While standard dividend distribution is plagued by ‘middlemen’ and lengthy settlement times, Merkle Tree’s NFT dividend utilizes Smart Contracts on the blockchain for instantaneous settlement.

Standard Dividend Distribution



Merkle Tree NFT Dividend Distribution



Merkle Tree NFT Holders

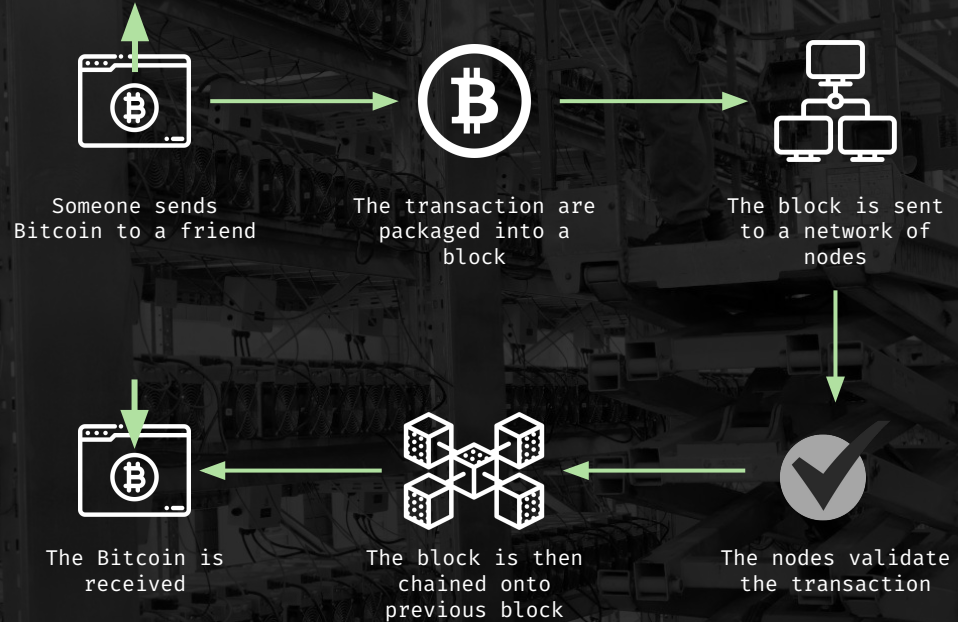
Holding a Merkle Tree NFT means you are **1 of only 12,000 individuals** with exclusive access to all of IBBA's subsidiary ventures.

Holders receive:

- Instantaneous daily & annual BTC dividend – Onchain Annuity delivered via NFT
- A preferred token granting access to equity swaps on other IBBA subsidiary fundraises
- Real-time news from IBBA about new products and investment opportunities
- Front-of-the-line access to new ventures

What is Crypto Mining?

- Mining is the process by which transactions on a peer-to-peer network are confirmed, and new digital assets are minted and circulated into supply.
- The physical process uses highly technical computing machines to solve cryptographic hash puzzles and mathematical equations.
- The mining unit that successfully solves the problem earns a mining reward (fee) for their efforts.



Merkle Tree

Merkle Tree

- Merkle Tree is the digital asset mining subsidiary of IBBA Holdings.
- Merkle Tree is currently operating its flagship 10MW facility in Argentina.
- Through a Private Public partnership (P3) with the Venezuelan government, IBBA is expanding to its second facility.

Argentinian Facility: Expected Annual Output (July 2023)

Argentinian Facility

Hash Rate 100 PH

Miner-Type Whatsminer M30
Antminers S19 Pro

Electricity Costs 0.07/KW

Output: 124.1 BTC

Venezuelan Facility: Expected Annual Output (July 2023)

Venezuelan Facility

Hash Rate 280 PH

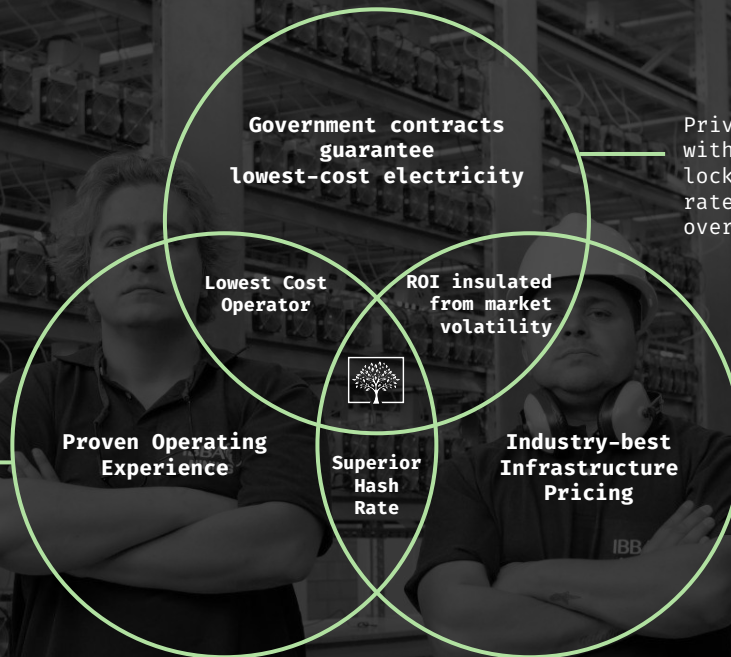
Miner-Type Whatsminer M30

Electricity Costs 0.01/KW

Output: 310.25 BTC

Key Differentiation

Merkle Tree has already been operating its 10mW facility and this proven experience will increase efficiencies, reduce bottlenecks and minimize machine rundown.



Private, public, partnership (P3) with Venezuelan government locks-in lowest cost rates(0.01/KM) over multi-year term.

Private deal with WhatsMiner powers the lowest-cost fleet of M30's in the industry.

Our Private public Partnership with the Venezuelan Government provides us with the land, electricity, and infrastructure to become the lowest-cost Bitcoin producers.

Merkle Tree Investment Opportunity

Merkle Tree is seeking **\$12 Million US** in bridge financing, structured as an NFT (Non Fungible Token) offering.

- Each Onchain Annuity in the form of the Merkle Tree NFT represents a 1:1 contract between Merkle Tree and the NFT holder.
 - Exposure into the lowest-cost producing Bitcoin mine in South America.
 - Daily Bitcoin dividend in perpetuity; the most cost effective daily-cost-averaging investment plan for building a Bitcoin portfolio.
 - Highly transferable asset that can be traded or sold on the open market.

| | |
|----------------|-----------------------------|
| Issuer | Merkle Tree |
| Issuance | 12,000 NFT Certificates |
| Issuance Price | \$1,000 US |
| Issuance Size | \$12,000,000 US |
| Dividend Rate | 25% (All Future BTC yields) |
| Dividend Terms | Perpetuity |

NFT Offering: Accumulate Bitcoin in Perpetuity

Daily BTC Dividend

- 25% of all newly mined BTC will be distributed to NFT holders as a dividend in perpetuity.
- Each NFT represents 1/10,000 of the entire 25% profit-share.
- Distributions are made on a daily basis, providing maximum flexibility on all deployed capital

| Fiscal Year | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|------------------|---------|---------|---------|---------|---------|
| BTC Mined | 548.76 | 754.75 | 774.71 | 759.21 | 746.06 |
| Dividend Returns | 137.19 | 118.69 | 193.68 | 189.80 | 186.52 |

Annual BTC Dividend

- NFT owners will receive 25% of Merkle Tree's annual revenue, paid out in Bitcoin at the end of each fiscal year.
- This revenue is generated through private lending and VISA transaction fees.

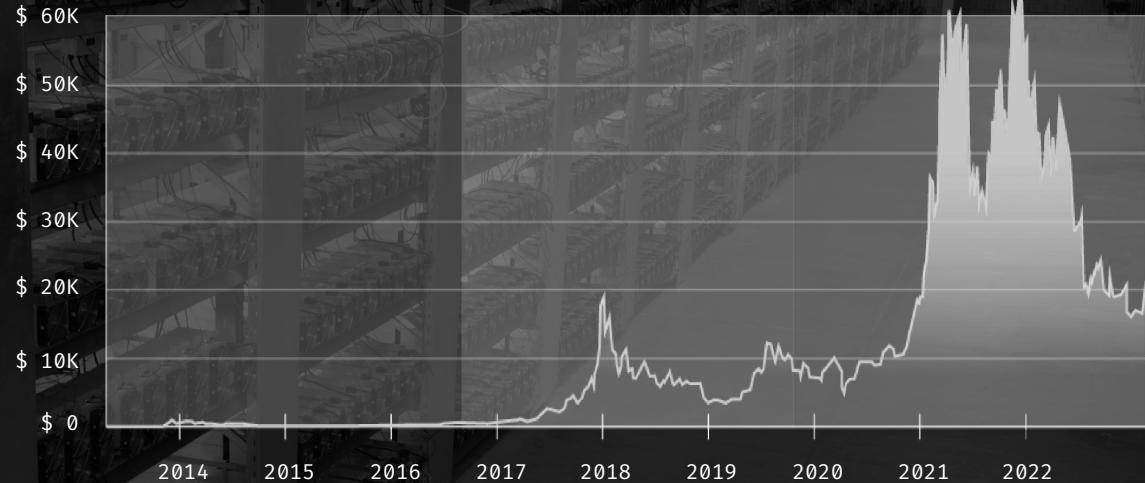
Discretionary BTC Dividend

- NFT owners may receive additional dividends at the discretion of Merkle Tree.

NFT Offering: DCA Investment Plan

Merkle Tree's BTC dividends compound on a daily basis, allowing NFT holders to build Bitcoin portfolio with 100% fixed costs.

Bitcoin has been one of the best performing assets over its lifecycle



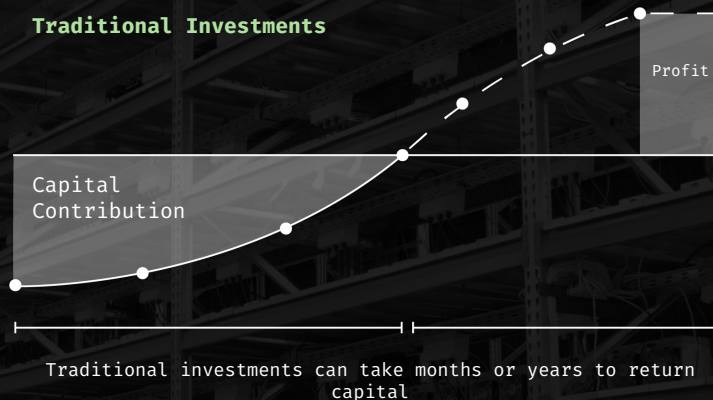
On a 5+ year time horizon, Merkle Tree's daily dividend is the most affordable Dollar-Cost Averaging investment plan for Bitcoin.

Value Proposition: Faster ROI

Faster ROI

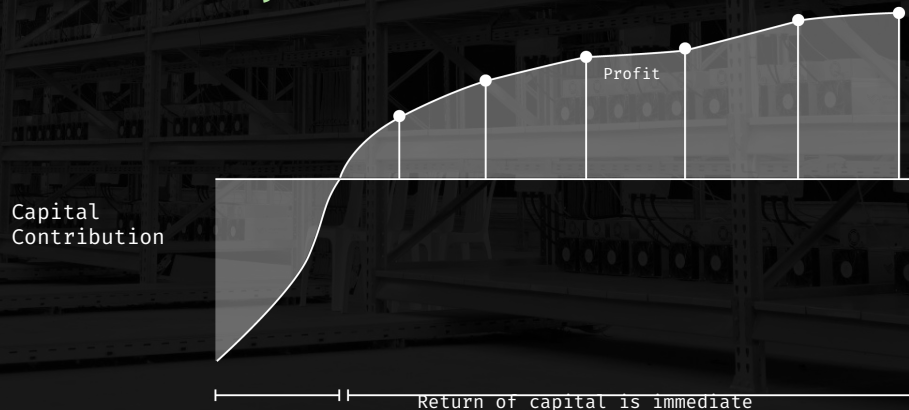
NFT owners receive an immediate return on their investment and continue to earn BTC dividends daily.

Traditional Investments



ROI can be slow and capital may be locked-up until there is a liquidity event.

Project Merkle Tree Investments



Self-sustaining facility generates YoY returns without additional capital calls or reinvestment.

Value Proposition: Compounding Returns

Compounding Financial Returns

Merkle Tree input costs are unchanged. As the price of BTC increases, ROI will increase proportionally, and investors will receive their principal faster.

Merkle Tree is the rare investment where expected returns are not static, but grow overtime.

Net profit increases as the prices of Bitcoin increases while input costs remain stable

Increase in Bitcoin's market price generates faster ROI and faster return of capital

Increasing Price of BTC

Current Price of BTC



Months to ROI

- Input Costs Over 5-yr Period
- Net Profit Over 5-yr Period
- Months to ROI

Value Proposition: Efficient Infrastructure

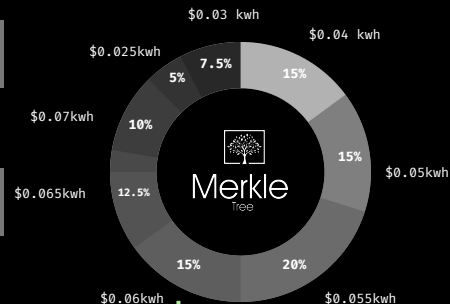
Efficient Infrastructure

Merkle Tree has the lowest electricity costs in the industry, generating some of the highest margin BTC output in South America.

| Description | Argentina Facility | Venezuela Facility | Total Capacity |
|---------------------------|--------------------|--------------------|----------------|
| Mining Rigs | 3,000 | 3,500 | 6,500 |
| TH/s per machine | 100/Machine | 100/Machine | 100/Machine |
| Total TH/s | 300,000 | 350,000 | 650,000 |
| Daily BTC Mined | 0.34 | 0.952 | 1.292 |
| Annual BTC Mined | 124.10 | 347.48 | 471.58 |
| KW per hour cost | 0.07 | 0.01 | 0.0258 |
| Monthly Operating Cost | 20,000 | 20,000 | 40,000 |
| BTC daily dividend payout | 25% | | |

Breakeven BTC Price

\$14,452



Projected IBBA electricity rates are lower than an estimated 98% of miners.

As long as the price of BTC stays above Merkle Tree's breakeven point, the facility will remain profitable.

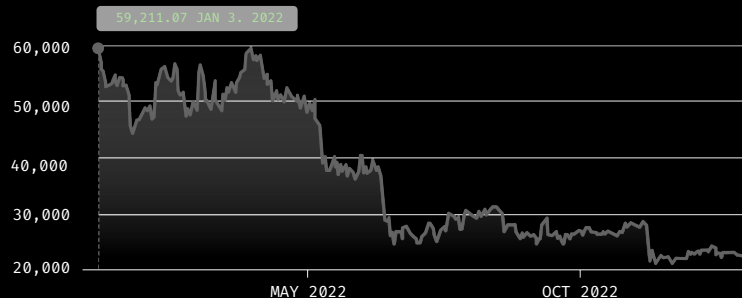
Revenue Projections & Price Assumptions

BTC Volatility Risk

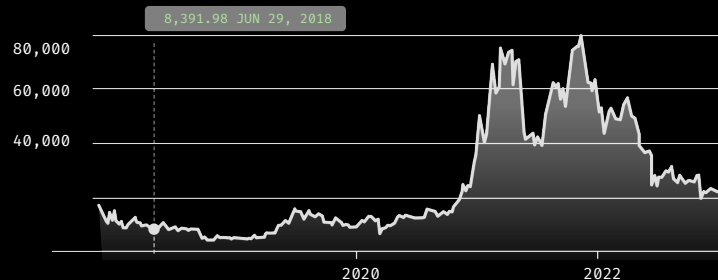
As Merkle Tree's revenue is generated through BTC mining, several price assumptions must be made in order to accurately forecast revenue. The projections are based on average BTC trends:

| | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
|---|---------------|---------------|---------------|---------------|---------------|
| BTC Mining | | | | | |
| BTC Mined | 548.76 | 754.75 | 774.71 | 759.21 | 746.07 |
| Less: Daily BTC Dividend | 137.19 | 188.69 | 193.68 | 189.80 | 186.52 |
| Less: Annual BTC Dividend for loan & Visa Revenue | 0.36 | 0.51 | 0.52 | 0.51 | 0.50 |
| Net BTC | 411.20 | 565.56 | 580.51 | 568.90 | 559.05 |

BTC - 1 Year



BTC - 5 Year



BTC - All Time



Revenue Projections & Price Assumptions

Linear / Pessimistic Projection

The linear/pessimistic projection assumes an average BTC price for each fiscal year with linear growth year-over-year compared to the previous year.

| | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
|---|--------------|--------------|--------------|--------------|--------------|
| Income Statement: | | | | | |
| Revenue | | | | | |
| BTC Mined (\$) | \$9,877,656 | \$16,604,478 | \$19,367,667 | \$22,776,376 | \$29,842,668 |
| Less: BTC Dividend (\$) | -\$2,469,414 | -\$4,151,119 | -\$4,841,917 | -\$5,694,094 | -\$7,460,667 |
| Less: Annual BTC Dividend for Loan & Visa Revenue | -\$6,552 | -\$11,114 | -\$12,990 | -\$15,278 | -\$20,018 |
| Net BTC revenue | \$7,401,690 | \$12,442,244 | \$14,512,760 | \$17,067,003 | \$22,361,983 |
| Crypto loan fee revenue | \$19,755 | \$33,273 | \$38,836 | \$45,677 | \$59,848 |
| Visa transaction fee revenue | \$6,453 | 11,182 | \$13,124 | \$15,436 | \$20,225 |
| Total Revenue | \$7,427,898 | \$12,486,699 | \$14,564,720 | \$17,128,117 | \$22,442,056 |

Optimistic Projection

The optimistic projection assumes significant BTC price volatility year-over-year, but optimistic growth over a 5-year term.

| | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
|---|---------------|----------------|---------------|----------------|----------------|
| Income Statement: | | | | | |
| Revenue | | | | | |
| BTC Mined (\$) | \$ 16,462,759 | \$ 41,511,194 | \$ 28,664,146 | \$ 56,940,940 | \$ 74,606,671 |
| Less: BTC Dividend (\$) | -\$ 4,115,690 | -\$ 10,377,798 | -\$ 7,166,037 | -\$ 14,235,235 | -\$ 18,651,668 |
| Less: Annual BTC Dividend for Loan & Visa Revenue | -\$ 10,920 | -\$ 27,784 | -\$ 19,225 | -\$ 38,196 | -\$ 50,046 |
| Net BTC revenue | \$ 12,336,149 | \$ 31,105,611 | \$ 21,478,884 | \$ 42,667,509 | \$ 55,904,957 |
| Crypto loan fee revenue | \$ 32,926 | \$ 83,183 | \$ 57,478 | \$ 114,194 | \$ 149,621 |
| Visa transaction fee revenue | \$ 10,755 | \$ 27,955 | \$ 19,424 | \$ 38,591 | \$ 50,563 |
| Total Revenue | \$ 12,379,830 | \$ 31,216,749 | \$ 21,555,786 | \$ 42,820,293 | \$ 56,105,141 |

Historic 5-Year Growth Projection

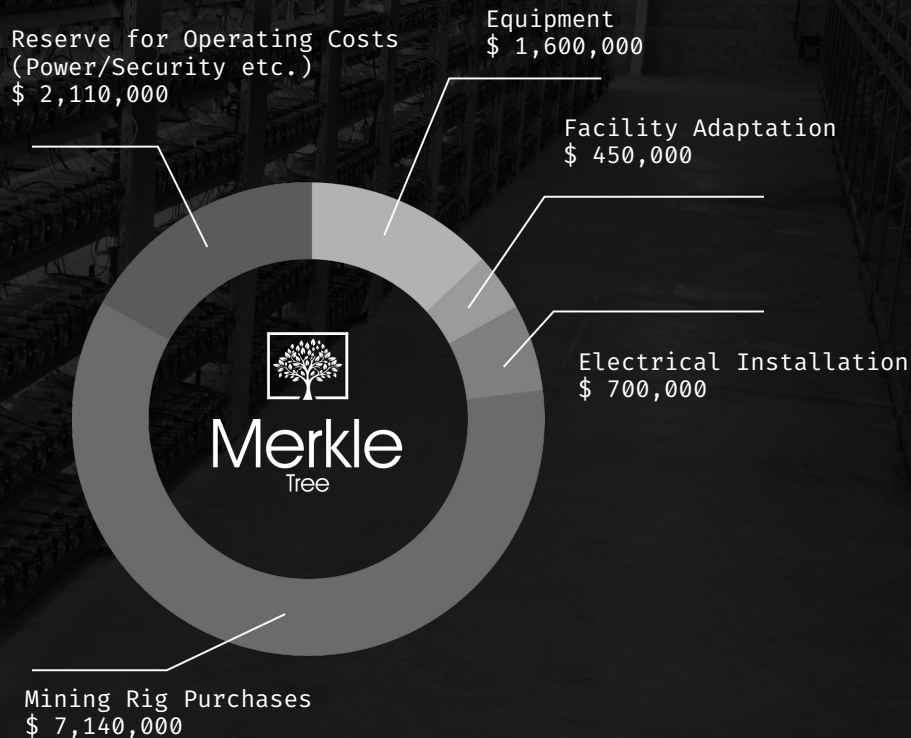
The historic 5-year growth projection assumes significant BTC price volatility year-over-year but historic growth over a 5-year term with BTC reaching a new all-time high.

| | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
|---|--------------|--------------|---------------|---------------|---------------|
| Income Statement: | | | | | |
| Revenue | | | | | |
| BTC Mined (\$) | \$12,718,230 | \$33,620,881 | \$139,130,170 | \$217,703,356 | \$76,448,738 |
| Less: BTC Dividend (\$) | -\$3,179,557 | -\$8,405,220 | -\$34,782,542 | -\$54,425,839 | -\$19,112,185 |
| Less: Annual BTC Dividend for Loan & Visa Revenue | -\$8,436 | -\$22,503 | -\$93,317 | -\$146,036 | -\$51,281 |
| Net BTC revenue | \$9,530,236 | \$25,193,158 | \$104,254,311 | \$163,131,481 | \$57,285,272 |
| Crypto loan fee revenue | \$25,436 | \$67,371 | \$278,986 | \$436,599 | \$ 53,315 |
| Visa transaction fee revenue | \$8,309 | \$22,641 | \$94,280 | \$147,544 | 51,811 |
| Total Revenue | \$9,563,981 | \$25,283,171 | \$104,627,577 | \$163,715,624 | \$57,490,398 |

Use of Proceeds

Merkle Tree is raising USD \$12M to launch its second crypto mining facility

- Electrical installation
- Facility adaptation
- Mining rigs – adding approx. 5,500 mining rigs (currently have 1,000 rigs in operation)
- Reserve fund for OpEx – security, farm costs, electricity



Merkle Tree Team

The Merkle Tree team is made up of industry experts with an innate understanding of crypto mining. Together, the team has a proven track record of launching and operating a successful Bitcoin mining farm in Argentina.



Chris V. Schwarzenbach

CEO / Founder | 15 years. of experience.
Santiago Chile based, Chris has a background in law, engineering & project management at Quito Airport. His last venture offered prepaid credit cards to LATAM residents & excited to Banco de Chile.



Carlos Zazo

COO | 37 years of experience
Ex-CEO of Movistar Brazil, Peru and Chile, Carlos has a strong corporate background and impressive network of CEOs across LATAM with whom he has previously worked.



Fernanda González

CFO | 19 years of experience
Ex CFO of Santa FE mining company, Fernanda looks after the financial reporting, bookkeeping & controls of the company.



Juan S. Vallejo Vivero

Chief Growth Officer | 25 years of experience
Executive with 25 years of experience in Marketing, Business Development and Business Administration. Extensive experience in brand positioning and innovation in industries mass consumption and retail. Expert in business planning and strategic management.



Camilo Vallejo

Chief Mining Office | 10 years of experience
Camilo is a seasoned crypto specialist with over 10 years of hands-on experience in Bitcoin mining. His background in both political affairs and technology provides a unique perspective on the intersection of cryptocurrencies, regulatory environments, and geopolitical dynamics. With a deep understanding of blockchain technology and its implications, Camilo is a valuable asset in navigating the complexities of the digital currency landscape.



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