SWISSNET AG, BERG
(FORMERLY BEACONSMIND AG, STÄFA)
REPORT OF THE STATUTORY AUDITOR
ON THE CONSOLIDATED FINANCIAL STATEMENTS
FROM 1 JANUARY 2025 TO 31 DECEMBER 2025

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Report of the Statutory Auditor
to the General Meeting of swissnet AG, Berg
(formerly beaconsmind AG)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of swissnet AG and its subsidiaries (the Group), comprising the Consolidated Statement of Financial position as at 31 December 2025, and the Consolidated Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, together with the notes to the Consolidated Financial Statements, including material accounting policy information.

In our opinion, the accompanying Consolidated Financial Statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted under European Union regulations (EU) and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the Consolidated Financial Statements' section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits for financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the Consolidated Financial Statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Consolidated Financial Statements.

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Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the Consolidated Financial Statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the Consolidated Financial Statements as a whole.

Overall Group Materiality	CHF 466'000
Benchmark Applied	Equity
Rationale for the Materiality benchmark applied	Our benchmark was Group equity, as the capital-intensive nature of the business and recurring losses make profit before tax an unreliable basis for determining overall materiality.

The Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the reporting period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matter to be communicated in our report.

Key Audit Matters	**How our audit addressed the key audit matters**
Revenue Recognition The consolidated revenue of the Group amounted for the financial year to CHF 21,003 million (2024: CHF 13,066 million). Revenue recognition for Software-as-a-Service (SaaS) subscriptions, services, and SaaS licensing was identified as a key audit matter due to the significance of these revenue streams and the judgement involved in applying the requirements of the applicable accounting standards. Management is required to identify distinct performance obligations, allocate the transaction	We obtained an understanding of the processes and controls around revenue recognition for contracts with multiple performance obligations and assessed whether the applied accounting policy is in line with International Financial Reporting Standards. We tested management's assessments around contracts with multiple performance obligations and the allocation of the transaction price to individual performance obligations, especially where judgement is involved.

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Key Audit Matters	How our audit addressed the key audit matters
price based on relative standalone selling prices, and determine whether revenue should be recognised over time or at a point in time. Changes in these judgements could materially affect revenue, contract balances, and profit for the year. Refer to Note 4 to the Consolidated Financial Statements for the Group's revenue recognition policy.s **Acquisitions (Business Combinations)** During the year on 15 January 2025, the Group completed the acquisition of swissnet AG, a Swiss ICT provider based in Berg (TG) and Advanced Digital Technology DWC-LCC (“Lokalee”), a Dubai-based provider of AI-powered concierge and guest engagement solutions. Due to the complexity of the transaction and the estimation uncertainty involved, this matter was considered a key audit matter. The accounting for the business combination required significant management judgment in identifying the acquired assets and liabilities and determining their acquisition-date fair values, including the valuation of customer relationships, other intangible assets and the resulting goodwill. The accounting policies regarding business combination and goodwill are further outlined in note 30 of the Consolidated Financial Statements.	We selected a sample of revenue transactions to test the appropriateness of the separation of individual performance obligations. We assessed, on a sample basis, whether performance obligations were fulfilled and revenue transactions occurred and were recorded in the correct period. With our audit procedures performed we obtained sufficient evidence to address the risks identified in connection with revenue recognition. Our audit procedures included, among others, evaluating whether the business combination was accounted for in accordance with IFRS 3, assessing management's identification of the acquired assets and liabilities, and if necessary to test to identify the concentration of fair value, and evaluating the valuation methodologies and key assumptions used to determine their acquisition-date fair values, including customer relationships and other identifiable intangible assets. We tested the mathematical accuracy of the purchase price allocation and the resulting goodwill, involved our valuation specialists where appropriate, and assessed the adequacy of the related disclosures in the financial statements. Based on the audit procedures performed, we obtained sufficient appropriate audit evidence to address the risks associated with the business combination.

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Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements, which give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with Swiss law, ISAs and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

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required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit in accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we have determined that an internal control system designed in accordance with the instructions of the Board of Directors for the preparation of the financial statements is not appropriate to the risks of the company, taking into account its size, complexity and risk profile.

In our opinion, the internal control system does not comply with Swiss law and consequently we cannot confirm the existence of the internal control system for the preparation of the financial statements.

We recommend that the Consolidated Financial Statements submitted to you be approved.

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Additionally, we point out that contrary to the requirements of article 958 para. 3 CO, a business report was not prepared within six months of the end of the financial year and submitted to the general meeting of shareholders for approval. Furthermore, the annual general meeting did not convene within six months of the end of the financial year, which is contrary to the requirements of article 699 para. 2 CO.

SWA Swiss Auditors AG

Jürg Bavaud
Licensed Audit Expert
Auditor in Charge

Marco Schäfli
Licensed Audit Expert

Pfaeffikon, 26 August 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 CHF	2024 CHF
Revenue	4	21'002'704	13'066'134
Other income	5	392'971	510'895
Direct cost	6	(8'670'270)	(4'426'070)
Personnel expenses	7	(7'661'468)	(4'902'367)
Other operating expenses	8	(4'642'515)	(3'742'002)
Earnings before interest, taxes, depreciation, amortisation and impairment (EBITDA)		**421'422**	**506'590**
Depreciation, amortisation and impairment	27	(5'710'597)	(1'902'368)
Operating profit / (loss)		**(5'289'175)**	**(1'395'778)**
Financial income	9	6'349	147'439
Financial expenses	9	(1'737'751)	(740'115)
Profit / (loss) before tax		**(7'020'577)**	**(1'988'454)**
Income tax	26	(502'028)	1'252'461
Profit / (loss) for the year		**(7'522'605)**	**(735'993)**
Profit / (loss) attributable to:			
Non-controlling interests	32	(303'101)	51'323
Owners of the Group		(7'219'504)	(787'316)
		(7'522'605)	**(735'993)**
Earnings per share			
Basic and diluted earnings per share	29	(0.8761)	(0.1558)

The attached notes 1 to 37 form part of these consolidated financial statements.

SWISSNET AG
BERG, SWITZERLAND

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 CHF	2024 CHF
Profit / (loss) for the year		(7'522'605)	(735'993)
Other comprehensive income/ (loss)			
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		71'963	35'575
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement on defined benefit plans	20	77'780	-
Deferred tax	26	(11'667)	-
Other comprehensive income for the year, net of tax		**138'076**	**35'575**
Total comprehensive loss for the year		**(7'384'529)**	**(700'418)**
Total comprehensive income / (loss) for the year attributable to:			
Non-controlling interests	32	(283'435)	51'734
Owners of the Group		(7'101'094)	(752'152)
		(7'384'529)	**(700'418)**

The attached notes 1 to 37 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025 CHF	2024 CHF
Assets			
Non-current assets			
Goodwill	10	9'865'886	2'922'847
Intangible assets	11	23'326'820	10'122'296
Property, plant and equipment	12	1'799'903	615'534
Software under development	13	471'352	-
Right-of-use assets	14.1	1'073'456	329'132
Deferred tax assets	26	692'590	1'701'473
Non-current assets		**37'230'007**	**15'691'282**
Current assets			
Inventories	15	623'797	419'844
Trade and other receivables	16	4'556'732	2'839'495
Prepayments and other receivables	17	1'835'222	1'435'921
Cash and cash equivalents	18	507'581	4'396'406
Current assets		**7'523'332**	**9'091'666**
Total assets		**44'753'339**	**24'782'948**
Equity and liabilities			
Share capital	19.1	848'480	554'933
Capital reserve	19.2	49'771'622	31'119'311
Equity share based payment reserve	33	221'942	85'302
Translation reserve		(229'070)	(281'367)
Accumulated losses		(28'037'196)	(20'883'805)
Equity attributable to owners of the Group		**22'575'778**	**10'594'374**
Non-controlling interests	32	(41'929)	241'506
Total equity		**22'533'849**	**10'835'880**
Liabilities			
Non-current liabilities			
Borrowings	25	8'230'208	6'549'704
Employee benefit obligations	20	222'362	62'650
Lease liabilities	14.2	791'073	156'229
Deferred tax liabilities	26	2'336'740	2'467'582
Total non-current liabilities		**11'580'383**	**9'236'165**
Current liabilities			
Borrowings	25	2'509'762	1'068'410
Bank overdraft	22	2'347'783	898'304
Trade payables	23	2'134'003	934'713
Accruals and other liabilities	24	3'332'932	1'618'345
Lease liabilities	14.2	314'627	191'131
Total current liabilities		**10'639'107**	**4'710'903**
Total liabilities		**22'219'490**	**13'947'068**
Total equity and liabilities		**44'753'339**	**24'782'948**

The attached notes 1 to 37 form part of these consolidated financial statements.

SWISSNET AG
BERG, SWITZERLAND

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

Year to 31 December 2025	Share capital CHF	Capital reserve CHF	Equity share based payment reserve CHF	Translation reserve CHF	Accumulated losses CHF	Total attributable to owners of the Group CHF	Non-controlling interests CHF	Total equity CHF
Balance at 31 December 2024	**554'933**	**31'119'311**	**85'302**	**(281'367)**	**(20'883'805)**	**10'594'374**	**241'506**	**10'835'880**
Issue of share capital	293'547	18'652'311	-	-	-	18'945'858	-	18'945'858
Issue of stock options (Note 33)	-	-	136'640	-	-	136'640	-	136'640
Transactions with owners	**293'547**	**18'652'311**	**136'640**	**-**	**-**	**19'082'498**	**-**	**19'082'498**
Profit/ (loss) for the year ended December 2025	-	-	-	-	(7'219'504)	(7'219'504)	(303'101)	(7'522'605)
Other comprehensive loss, net of tax	-	-	-	52'297	66'113	118'410	19'666	138'076
Total comprehensive loss for the year	**-**	**-**	**-**	**52'297**	**(7'153'391)**	**(7'101'094)**	**(283'435)**	**(7'384'529)**
Balance at 31 December 2025	**848'480**	**49'771'622**	**221'942**	**(229'070)**	**(28'037'196)**	**22'575'778**	**(41'929)**	**22'533'849**

Year to 31 December 2024	Share capital CHF	Capital reserve CHF	Equity share based payment reserve CHF	Translation reserve CHF	Accumulated losses CHF	Total attributable to owners of the Group CHF	Non-controlling interests CHF	Total equity CHF
Balance at 31 December 2023	**469'933**	**26'874'104**	**-**	**(316'531)**	**(20'093'903)**	**6'933'603**	**189'772**	**7'123'375**
Cumulative effect of adoption of IFRS 16	-	-	-	-	(2'586)	(2'586)	-	(2'586)
Issue of share capital	85'000	4'245'207	-	-	-	4'330'207	-	4'330'207
Issue of stock options	-	-	85'302	-	-	85'302	-	85'302
Transactions with owners	**85'000**	**4'245'207**	**85'302**	**-**	**(2'586)**	**4'412'923**	**-**	**4'412'923**
Profit/ (loss) for the year ended December 2024	-	-	-	-	(787'316)	(787'316)	51'323	(735'993)
Other comprehensive loss, net of tax	-	-	-	35'164	-	35'164	411	35'575
Total comprehensive loss for the year	-	-	-	**35'164**	**(787'316)**	**(752'152)**	**51'734**	**(700'418)**
Balance at 31 December 2024	**554'933**	**31'119'311**	**85'302**	**(281'367)**	**(20'883'805)**	**10'594'374**	**241'506**	**10'835'880**

The attached notes 1 to 37 form part of these consolidated financial statements.

SWISSNET AG
BERG, SWITZERLAND

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 CHF	2024 CHF
OPERATING ACTIVITIES			
Loss before taxes		**(7'020'577)**	**(1'988'454)**
Adjustments for:			
Depreciation, amortisation and impairment	27	5'710'597	1'902'368
Interest expenses		1'737'751	723'413
Equity settled share based payments	33	136'640	85'302
Other non-cash items		70'172	61'850
Income tax (payments)	26	(164'167)	(211'636)
Net changes in working capital:			
Changes in trade and other receivables		(1'070'305)	(117'811)
Changes in prepayments and other receivables		(59'696)	(1'403'503)
Changes in inventories		48'358	82'075
Changes in trade payables		487'412	(91'998)
Changes in employee benefit obligations		63'212	-
Changes in accruals and other liabilities		(932'610)	408'790
Net cash (used in)/ generated from operating activities		**(993'213)**	**(549'604)**
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	12	(86'938)	(79'224)
Increase of software under development	13	(471'352)	-
Purchase of intangible assets	11	(355'406)	(460'879)
Acquisition of subsidiaries, net of cash acquired	30	(4'311'712)	-
Sale proceeds from property, plant and equipment		207'548	208'286
Increase in financial assets		-	27'891
Net cash used in investing activities		**(5'017'860)**	**(303'926)**
FINANCING ACTIVITIES			
Increase in share capital	19.1	-	85'000
Increase in capital reserve	19.2	599'158	4'245'207
Increase in borrowings	18.1	2'168'812	328'124
Increase in bank overdraft		1'449'479	898'304
Payment of lease liabilities	14.2	(401'247)	(337'819)
Interest paid		(1'693'954)	(723'413)
Net cash from financing activities		**2'122'248**	**4'495'403**
Net (decrease) / increase in cash and cash equivalents		(3'888'825)	3'641'873
Cash and cash equivalents at the beginning of the year		4'396'406	754'533
Cash and cash equivalents at the end of the year	18	**507'581**	**4'396'406**

The attached notes 1 to 37 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2025

1 General information

The Group initially operated under the name Beaconsmind AG and was primarily engaged in providing location-based marketing software solutions. Its registered office and principal place of business was located at Samstagernstrasse 41, 8832 Wollerau, Switzerland.

During the year, on 10 January 2025, Beaconsmind AG completed the acquisition of Swissnet AG and subsequently changed its legal name to Swissnet AG in accordance with the merger agreement and the corresponding registration in the commercial register. Accordingly, the Group is presented under the name Swissnet AG in these consolidated financial statements. References to Beaconsmind AG relate to periods prior to the completion of the acquisition and the subsequent name change. The company registration number CHE-206.335.836 remained unchanged. On 25 January 2025, the registered office of Swissnet AG was relocated to Berg, in the canton of Thurgau, Switzerland (refer Notes 30 and 31).

Swissnet AG (formerly known as Beaconsmind AG) and its subsidiaries (together, “the Group” or “Swissnet Group”) are a diversified provider of digital and ICT solutions. The Group’s activities include ICT infrastructure and services under the Swissnet brand in Switzerland, as well as AI-powered concierge and guest engagement solutions offered through Advanced Digital Technology DWC-LLC (“Lokalee”).

These consolidated financial statements are presented in Swiss Francs (CHF) and have been prepared based on the accounting principles described below. These consolidated financial statements have been approved for issue by the Board of Directors of the Group on 19 August 2026.

The figures shown are rounded in every table. As the calculations are made with a higher level of numerical accuracy, it is possible that small rounding differences may occur.

2 Statement of compliance with IFRS and adoption of new or amended standards

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted under European Union regulations (EU IFRS).” and apply the historical cost convention unless stated otherwise. All amounts included in the consolidated financial statements are presented in Swiss Francs (“CHF”) except where otherwise indicated.

The material accounting policies and estimates that have been applied consistently by the Group is presented in Note 3. The preparation of the consolidated financial statements in conformity with IFRS requires the use of material accounting estimates. It also requires management to exercise judgement when applying the Group's accounting policies.

2.2 Changes in accounting policies

2.2.1 New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied the following amendment to IFRS Accounting Standards issued by the IASB, which is mandatorily effective for an accounting period that begins on or after 1 January 2025.

Lack of exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates)

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

The above amendment had no effect on the consolidated financial statements of the Group.

2.2.2 New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective and have not yet been early adopted**.**

2 Statement of compliance with IFRS and adoption of new or amended standards (Continued)

2.2 Changes in accounting policies (Continued)

New and revised IFRS Accounting Standards in issue but not yet effective (Continued)

	Effective Date	Expected date of application by the Group	Expected effects on the Group
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1.1.2026	1.1.2026	none
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	1.1.2026	1.1.2026	none
IFRS 18 Presentation and Disclosures in Financial Statements 1 January 2027	1.1.2027	1.1.2027	see below
Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)	When IFRS 18 is applied	1.1.2027	none
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1.1.2027	1.1.2027	none
Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)	1.1.2027	1.1.2027	none
IFRS 20 Regulatory Assets and Regulatory Liabilities	1.1.2029	1.1.2029	none

IFRS 18 Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 ‘Presentation of Financial Statements’. Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and to provide more detailed and useful information to investors, including:

a) two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes
b) the classification of all income and expenses within the statement of profit or loss in one of five categories
c) a new requirement to disclose performance measures defined by management, and
d) an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

Some of the disclosure requirements previously contained in IAS 1 have been transferred to IAS 8 without any material changes. This applies in particular to disclosures on accounting policies and sources of estimation uncertainty. As a result of these changes, *IAS 8 will be renamed ‘Basis of Preparation of Financial Statements’.* The publication of IFRS 18 also results in consequential amendments to other IFRS Accounting Standards, including IAS 7.

IFRS 18 is effective for annual periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 18 will be applied retrospectively with specific transitional provisions.

The management of the Group anticipate that the application of these amendments will have a significant impact on the presentation of the primary financial statements of the Group. Management has not yet started preparing the new presentation but in view of the limited complexity for the group expects to be ready by the date of issuing the 2027 financial statements.

3 Material accounting policies and estimates

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2025. The financial statements of the subsidiaries included in the preparation of these consolidated financial statements, are prepared for the same reporting date as the Group. Consistent accounting policies are applied to like transactions and events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Assets acquired and liabilities assumed are measured at their acquisition-date fair values. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the consolidated financial statements of the subsidiary to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

An overview of the interest in subsidiaries is included in Note 31.

3.2 Revenue

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to a customer. The transfer occurs when the customer acquires control over the asset, which can happen either over time or at a specific point in time.

Performance obligations
At the inception of a customer contract, the Group determines whether the promised goods or services constitute one or multiple performance obligations. Most standard offerings include several distinct performance obligations. A performance obligation is defined as a distinct promise to transfer a good or service to the customer. A promised good or service is considered distinct if:

- The customer can benefit from the good or service either on its own or together with other readily available resources.
- The promise to transfer the good or service is separately identifiable from other promises in the contract.

The Group's main revenue streams can be described as follows:

1. Revenue from sales of beacons and SaaS subscriptions

The Group sells a bundled solution allowing the customer targeted point-of-sale marketing and data collection through Bluetooth-based beacon hardware. The bundle consists of a sale of the beacon hardware, its installation and configuration and the subscription to the beaconsmind Suite, a Software-a-Service (SaaS) solution with a modular setup, allowing the customer different levels of data collection and analysis, the implementation of push-notification based marketing, beacon hardware management functionalities as well as ongoing support from the Group.

3 Material accounting policies and estimates (Continued)

3.2 Revenue (Continued)

1. Revenue from sales of beacons and SaaS subscriptions (Continued)

This bundle is considered to include the distinct performance obligations (i) sale of the beacon hardware (revenue recorded at the time of delivery of the beacons to the customer), (ii) installation and configuration (revenue recorded at the time the service is provided) and (iii) SaaS subscription (revenue recorded over the minimum contract term on a linear basis). SaaS subscriptions typically include renewal options, allowing the customer to renew the subscription on identical terms as the ones originally agreed. Depending on the terms originally agreed, such renewal options may represent material rights provided to the customer, resulting in the deferral of a part of the initial revenue and its recognition over the time of the renewal period.

2. SaaS licensing revenue

Distribution licensing: The Group has provided a license to address the above-described bundle in four European markets. Revenue from this agreement is recorded on a linear basis over the term of the agreement.

Software licensing: The Group offers the development of customised shopping Apps based on the needs of the customer to accompany the use of the beacons for point-of-sale marketing purposes. Apps are designed using the Group's modular App construction kit and can include multiple features as required by the customer. Revenue from such licenses is recorded at the time of delivery of the finished App to the customer.

3. Services revenue

The Group offers further services in the form of content management for the custom software programming such as for interfaces between the Swissnet AG Suite and the customer's other applications and general advisory services related to digitised marketing. Revenue from these services is recorded either at a point in time or over time, depending on the nature of the services. When revenue is recorded at a point in time the Group assesses at which point in time the criteria for the recognition of revenue are fulfilled. This is typically the case when customer acceptance occurs, at which point in time the Group has a present right to receive payment for its goods/ services. When recording revenue over time, the Group oftentimes may present deferred revenue balances as the timing of payment from the customer precedes the recognition of revenue

Determining the transaction price, the Group uses list prices for individual components that are included in a bundle of goods/ services sold to the customer. The Group takes into account variable consideration, such as discounts offered on certain elements of the Group's Suite bundle. These discounts are allocated between the different performance obligations identified in the offering to the customer based on relative stand-alone selling prices as represented by the list prices. No customer contracts within the Group are assessed to contain a significant financing component. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment, excluding discounts. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent and has concluded that it is acting as a principal in majority of its revenue arrangements, because the Group typically controls the goods or services before transferring to the customers.

3.3 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs

3.4 Inventory

Inventory include only purchased inventory. Costs are assigned to individual items of inventory on the basis of weighted average costs determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale

3.5 Foreign currencies

Items included in the financial statements of subsidiaries are measured using the currency of the primary economic environment in which the entity operates. Functional currencies of Swissnet AG's subsidiaries are either Arabian Emirates Dirham ("AED") or Euro ("EUR"). The consolidated financial statements are presented in Swiss Francs ("CHF"), which is the functional currency of the parent.

3 Material accounting policies and estimates (Continued)

3.5 Foreign currencies (Continued)

The following exchange rates were applied for the conversion of positions and companies in foreign currency:

	Average rate		Closing rate	
Currency	**1 Jan 25 - 31 Dec 25**	**1 Jan 24 - 31 Dec 24**	**31 Dec 25**	**31 Dec 24**
EUR	0.9466	0.9523	0.9396	0.9384
AED	0.2313	0.2402	0.2180	0.2467

3.6 Employee benefit liabilities

The Group's employee benefit obligations are accounted for in accordance with the applicable employment and pension regulations in the jurisdictions in which the Group operates.

For employees in Switzerland, the Group participates in pension arrangements that are accounted for as defined benefit plans in accordance with IAS 19 Employee Benefits. The defined benefit obligation is determined based on actuarial valuations and represents the present value of the future benefits earned by employees in respect of services rendered up to the reporting date.

For employees in the United Arab Emirates, the Group provides end-of-service benefits in accordance with applicable labour laws. The obligation recognised in the consolidated statement of financial position represents the present value of the estimated future payments to which employees are entitled in respect of services rendered up to the reporting date.

Remeasurements arising from defined benefit obligations, including actuarial gains and losses, are recognised in the consolidated statement of comprehensive income in the year in which they arise. Service costs and net interest costs are recognised in consolidated statement of profit and loss.

In the prior year, the Swiss defined benefit obligation was assessed by management to be immaterial to the consolidated financial statements and, accordingly, no independent actuarial valuation was obtained. During the year 2025, following the acquisition of Swissnet AG and the increase in the number of employees participating in the Swiss pension arrangements, the Group obtained an independent actuarial valuation of the defined benefit obligation in accordance with IAS 19

3.7 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures directly attributable to the acquisition of the asset. Subsequent expenditure is capitalised if it is probable that economic benefits associated with the asset will flow to the Group, and if the cost can be reliably measured. Expenditure on repairs and maintenance is expensed as incurred. This amount is depreciated over the estimated useful life, which the Group determines as follows per the respective classes of property, plant and equipment:

	Years
Leasehold improvements	3
Office equipment	2-15
IT hardware	3-5
Motor Vehicle	5
Land and building	10-15

The residual values and useful lives are reviewed regularly and adjusted when necessary. Gains or losses on the disposal of items of property, plant and equipment are recognised in the statement of profit or loss as other income or other operating expenses, respectively, and consist of the difference between the selling price and the carrying value at the time of disposal.

3.8 Intangible assets

Upon acquisition, an intangible asset is capitalised at cost or at fair value in case the asset is acquired in the context of a business combination and is separately identifiable from goodwill. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The carrying values of intangible assets are reviewed for indicators of impairment at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable.

3 Material accounting policies and estimates (Continued)

3.8 Intangible assets (Continued)

Intangible assets are amortised on a straight-line basis over their useful lives. The intangible assets of the Group comprises of software and customer relationships. The software was developed by third parties and through internal resources. The customer relationships are recognised at fair value at the time of the business combination. The useful lives of the intangible assets which are in the nature of software are estimated to be between 3 to 5 years and the customer relationships are estimated to be between 8-10 years. Estimates of useful lives, expected patterns of consumption and residual values are regularly reviewed. Changes in these factors are accounted for by changing the amortisation period or method as appropriate on a prospective basis. For purposes of impairment testing, items of intangible assets are grouped with other assets of their respective cash-generating unit unless it can be clearly demonstrated that an intangible asset should be tested for impairment on a stand-alone basis.

3.9 Impairment testing of goodwill, other intangible assets and property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill and intangible asset that has an indefinite useful life or is not yet available for use has been allocated (determined by the Group's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures is directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to the cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit.

With the exception of goodwill, all assets are subsequently reassessed for indications an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

3.10 Impairment of financial assets

The Group applies a simplified approach to measuring expected credit losses for trade receivables. Under this approach, a provision is made for lifetime expected credit losses for the trade receivable. Expected credit losses on trade receivables are primarily based on expected default rates of the Group's customers based on their credit rating.

The Group has established a provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the customers and the economic environment.

A financial asset is considered in default by the Group when the contractual payments are past due. However, in certain cases, a financial asset may be considered to be in default when internal or external information indicates that it is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the statement of comprehensive income.

3 Material accounting policies and estimates (Continued)

3.11 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Some lease contracts contain both lease and non-lease components. These non-lease components are usually associated with facilities management services at offices and servicing and repair contracts in respect of motor vehicles. The Group has elected to not separate its leases for offices into lease and non-lease components and instead accounts for these contracts as a single lease component. For its other leases, the lease components are split into their lease and non-lease components based on their relative stand-alone prices.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset

3.12 Cash and cash equivalents

Cash and cash equivalents comprise of cash balances held for the purpose of meeting short-term cash commitments and investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Where bank overdrafts are repayable on demand and form an integral part of the Group's cash management, they are netted against cash and cash equivalents for the purpose of the statement of cash flows

3.13 Financial assets

Financial assets include cash and cash equivalents, trade receivables and other financial assets. These financial assets are classified as at amortised cost. The Group currently does not hold any financial instruments in the fair value (FVTPL or FVTOCI) category.

3.14 Financial liabilities

Financial liabilities include borrowings, accrued expenses and trade payables. Recognition depends on how the liability is classified. These financial liabilities are classified as at amortised cost. The Group currently does not hold any financial instruments in the fair value category. Financial liabilities are initially measured at fair value less, transaction costs that are directly related to the acquisition or issue of financial liability.

3 Material accounting policies and estimates (Continued)

3.15 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued. Share premium includes any premiums received on the issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Translation reserve comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into CHF. All transactions with owners of the parent are recorded separately within equity.

3.16 Share-based employee remuneration

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans are cash-settled. All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (eg profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to retained earnings. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

3.17 Business combination, asset acquisitions and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. In all previous business combinations, the Group has elected to measure the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

The Group may elect to apply the optional concentration test in IFRS 3 to assess whether an acquisition must be accounted for as a business combination. When substantially all of the fair value of the gross assets acquired is concentrated in a single asset (or a group of similar assets), the transaction is accounted for as an asset acquisition. The consideration paid is allocated to the identifiable assets and liabilities acquired on the basis of their relative fair values at the acquisition date. Where an acquisition does not satisfy the concentration test and the acquired set of activities meets the definition of a business, the Group applies the acquisition method of accounting.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of

3 Material accounting policies and estimates (Continued)

3.17 Business combination, asset acquisitions and goodwill (Continued)

the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

During the year ended 31 December 2025, the Group completed certain acquisitions as detailed in Note 30. Acquisitions that meet the definition of a business under IFRS 3 are accounted for as business combinations using the acquisition method. For such acquisitions, the identifiable assets acquired and liabilities assumed are recognised at their acquisition-date fair values, and any resulting goodwill is recognised in accordance with the accounting policy described above. Acquisitions that do not meet the definition of a business are accounted for as asset acquisitions in accordance with the accounting policy described above.

3.18 Taxation

The consolidated statement of profit or loss includes all tax that is to be paid or received for the current year, adjustments relating to tax due for previous years, and changes in deferred tax. These taxes have been calculated at nominal amounts, in accordance with the tax regulations, and in accordance with tax rates that have either been decided or have been notified and can confidently be expected to be confirmed. For items recognised in the statement of profit or loss, associated tax effects are also recognised in the statement of profit or loss. The tax effects of items recognised directly against equity or in other comprehensive income are themselves recognised against equity or in other comprehensive income.

The liability method is used in accounting for deferred tax. This means that deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities and their respective tax bases. Deferred tax assets relating to tax losses carried forward or other future tax allowances are recognised to the extent that it is probable that the allowance can be offset against taxable income in future taxation. Deferred tax assets and deferred tax liabilities are offset when there is a legal right to do so and when deferred taxes relate to the same tax authority.

The Group measures each uncertain tax positions using either the most likely amount or the expected value, based on the method expected to reflect the outcome in the best way. Assessments are reconsidered when there is new information that affects earlier judgments.

3.19 Accounting estimates and judgments

The preparation of these consolidated financial statements requires management to exercise judgement and to make estimates and assumptions that affect the application of policies, reported amounts of revenues, expenses, assets and liabilities, and disclosures. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual future results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The critical accounting policies which involve material estimates, assumptions or judgements, the actual outcome of which could have a material impact on the Group's results and financial position relate the following items:

- Revenue: Judgement as to the term over which renewal options representing material rights are expected to be exercised.
- Leases: Judgement as to the (reasonably certain) lease term based on the existence of renewal and termination options.
- Impairment of non-financial assets and goodwill: In assessing impairment, management estimates the recoverable amount of each asset or cash generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.
- Non-financial assets: Judgment with regards to the use-full lives as well as with regards to impairment considerations.
- Recoverability of trade and other receivables: Judgement with regards to expected credit losses.
- Going concern: Note 34 explains why the consolidated financial statements are prepared on a going concern basis.

4 Revenue

The table below illustrates the disaggregation of recognised revenue by their nature as represented by the offered products and services	2025 CHF	2024 CHF
Services revenue	6'289'701	8'156'844
SaaS licensing and subscription revenue	9'525'935	4'909'290
Sale of products	5'187'068	-
Total revenue from sales and services	**21'002'704**	**13'066'134**

a. Segment Reporting

The Group's primary focus is on selling location-based marketing software as a service (SaaS) to enable retailers to transform the shopping experience for customers in physical stores. This service includes a comprehensive suite of software, Track Bluetooth-Beacons, and software for Wi-Fi management, all designed to be installed in physical stores. The Group's localisation technology and software suite empower retailers to merge digital and physical shopping experiences, addressing the convenience gaps inherent in each. This B2B solution, supported by necessary hardware, is marketed primarily to the retail market, aiming to revolutionize the way customers experience physical stores.

The financial management of the Group by the Board of Directors and management is based on net sales by market and revenue stream, as well as the income statement, balance sheet, and cash flow statement. The acquisitions did not change the Group's primary focus and accordingly, the Group still consists of one single reportable segment. The entity-wise segment disclosure requirements in accordance with IFRS 8.31ff are included in the section "revenue" below. The basics for revenue recognition are identical across all product areas and markets. The geographic distribution of net sales is based on the customer's domicile.

b. Revenue from Contracts with Customers	2025 CHF	2024 CHF
Client A	1'096'434	1'128'724
Client B	775'962	608'850
Client C	679'284	496'267
Client D	590'622	318'826
Total of top 4 customers	3'142'302	2'552'667
Other customers	17'860'402	10'513'467
Total revenue from sales and services	**21'002'704**	**13'066'134**

c. Revenue by geographical region	2025 CHF	2024 CHF
DACH region	18'626'267	12'834'093
Other European region	304'323	150'000
Rest of the world	2'072'114	82'041
Total revenue from sales and services	**21'002'704**	**13'066'134**

Information relating to the Group's non-current assets by geographical area has not been presented, as the information necessary to prepare such disclosure is not available and the cost to develop it would be excessive.

5 Other income

	2025 CHF	2024 CHF
Subsidies	9'146	8'705
Income from investments	-	17'664
Gain on sale of Property, Plant and Equipment	-	85'874
Other income	383'825	398'652
Total	**392'971**	**510'895**

6 Direct costs

	2025 CHF	2024 CHF
Material expenses	7'123'237	2'682'491
Services purchased	1'149'933	1'647'455
Inventory change	339'100	81'276
Other direct costs	58'000	14'848
Total	**8'670'270**	**4'426'070**

7 Personnel expenses

	2025 CHF	2024 CHF
Salary and other staff expenses	5'740'616	3'832'453
Social security charges	1'049'988	772'723
Employee stock options expenses (Note 33)	136'640	85'302
Other personnel expenses	734'224	211'889
Total	**7'661'468**	**4'902'367**

Other personnel expenses relate to expense allowances, housing allowance, leave salary expenses and car expenses.

8 Other operating expenses

	2025 CHF	2024 CHF
Professional fees	1'202'086	205'380
Utilities	1'198'756	539'199
Selling and marketing expenses	564'627	724'646
Consulting expenses	425'838	1'082'955
Office related expenses	154'193	326'065
Repairs and Maintenance	311'386	131'918
Travel expenses	387'563	117'271
Allowance for expected credit losses (Note 16)	235'175	287'842
Revision costs	-	222'932
Other expense	162'891	103'794
Total	**4'642'515**	**3'742'002**

9 Financial income and expenses, net

	2025 CHF	2024 CHF
Financial income		
Interest income	6'349	71'598
Financial income	-	75'240
Foreign exchange gains	-	601
Total	**6'349**	**147'439**
Financial expenses		
Interest expenses and bank charges	936'435	707'768
Loss on foreign currency fluctuations	721'362	-
Interest expenses on lease liabilities (Note 14.2)	43'797	16'702
Ancillary costs of financial transactions	34'968	4'187
Interest expenses	1'189	-
Total	**1'737'751**	**740'115**
Net financial expenses	**(1'731'402)**	**(592'676)**

10 Goodwill

	2025 CHF	2024 CHF
Balance at 1 January	2'922'847	2'922'847
Acquired through business combination (Note 30)	6'943'039	-
Carrying amount at 31 December	**9'865'886**	**2'922'847**

Goodwill represents the excess of the consideration transferred over the fair value of the identifiable net assets acquired in business combinations. Goodwill is allocated to the cash-generating units ("CGUs") that are expected to benefit from the synergies arising from the respective acquisitions and is tested annually for impairment, or more frequently where indicators of impairment exist.

10 Goodwill (Continued)

The carrying amount of goodwill recognised in the consolidated statement of financial position is as follows:

Acquisition	2025 CHF	2024 CHF
Swissnet AG (Note 30)	6'943'039	-
Socialwave GmbH	1'921'831	1'921'831
Frederix GmbH	616'012	616'012
Lindentor GmbH	385'004	385'004
	9'865'886	**2'922'847**

Impairment testing on goodwill

For impairment testing purposes, goodwill has been allocated to the following CGU:

CGU	**Principal business combinations**	**Recoverable amount basis**	**Impairment recognised**	**Carrying amount of goodwill allocated (CHF)**
ICT Infrastructure & Managed Services	Swissnet AG, Socialwave GmbH, Frederix GmbH and Lindentor GmbH	Value in use	Nil	9,865,886

The recoverable amount of the CGU has been determined using the value in use ("VIU") method based on discounted future cash flow projections derived from management-approved budgets and forecasts. Cash flows beyond the forecast period have been extrapolated using terminal growth rates that do not exceed the long-term average growth rates applicable to the relevant markets in which the CGUs operate. The discount rates applied reflect current market assessments of the time value of money and the risks specific to the CGU.

Key assumptions used for value in use calculations

CGU	**Measurement basis**	**Forecast period**	**Terminal growth rate**	**Pre-tax discount rate**
ICT Infrastructure & Managed Services	Value in use	4 years	1.2%	9.0%

The value in use calculations is based on management-approved budgets and forecasts and incorporate assumptions regarding revenue growth, operating margins, expected customer growth, capital expenditure, working capital requirements and terminal growth rates.

The recoverable amount of the CGU exceeded its carrying amount as at 31 December 2025. Accordingly, no impairment loss was recognised during the year.

Sensitivity analysis

Management performed sensitivity analyses over the key assumptions used in determining the recoverable amounts of the Group's CGU. The analyses considered reasonably possible changes in the principal assumptions while holding all other assumptions constant. Headroom represents the excess of the recoverable amount over the carrying amount of the respective CGU.

(a) Reasonably possible changes in key assumptions

CGU	**Key assumption**	**Reasonably possible change**	**Decrease in recoverable amount**	**Remaining headroom**	**Result**
ICT Infrastructure & Managed Services	Pre-tax discount rate	Increase by 1.0%	CHF 2.6 million	CHF 8.4 million	No impairment
	Terminal growth rate	Decrease by 0.5%	CHF 1.02 million	CHF 9.9 million	No impairment

Under each of the above scenarios, the recoverable amount of the respective CGU continued to exceed its carrying amount and, accordingly, no impairment loss would have been recognised.

10 Goodwill (Continued)

Sensitivity analysis (Continued)

(b) Headroom analysis

The table below illustrates the extent to which the key assumptions would need to change, in isolation, before the recoverable amount of the CGU equals its carrying amount.

CGU	Key assumption	Current assumption	Break-even assumption
ICT Infrastructure & Managed Services	Pre-tax discount rate	9.0%	16.0%

Break-even assumption represents the level at which the recoverable amount of the respective CGU would equal its carrying amount, assuming that all other assumptions remain unchanged.

Based on the analyses performed, management concluded that no reasonably possible change in the key assumptions used in the impairment assessment would cause the carrying amount of either CGU to exceed its recoverable amount. Accordingly, no impairment loss has been recognised as at 31 December 2025.

Management continues to monitor the potential effects of geopolitical and macroeconomic developments on forecast cash flows, discount rates and long-term growth assumptions. While no impairment indicators were identified as at the reporting date, changes in these assumptions could reduce the recoverable amounts of the Group's CGU and may result in impairment losses in future reporting periods.

11 Intangible assets

	Customer relationships	IT software	Total
Year to 31 December 2025	CHF	CHF	CHF
Gross carrying amount			
Balance at 1 January 2025	11'531'974	1'497'410	13'029'384
Additions through business combinations (Note 30)	3'302'520	-	3'302'520
Additions through asset acquisitions (Note 30)	-	14'295'549	14'295'549
Additions during the year 2025	-	355'406	355'406
Balance at 31 December 2025	**14'834'494**	**16'148'365**	**30'982'859**
Accumulated amortisation			
Balance at 1 January 2025	1'901'652	1'005'436	2'907'088
Amortisation during the year 2025 (note 27)	1'498'218	3'250'733	4'748'951
Balance at 31 December 2025	**3'399'870**	**4'256'169**	**7'656'039**
Carrying amount at 31 December 2025	**11'434'624**	**11'892'196**	**23'326'820**

	Customer relationships	IT software	Total
Year to 31 December 2024	CHF	CHF	CHF
Gross carrying amount			
Balance at 1 January 2024	11'531'974	1'036'531	12'568'505
Additions during the year 2024	-	460'879	460'879
Balance at 31 December 2024	**11'531'974**	**1'497'410**	**13'029'384**
Accumulated amortisation			
Balance at 1 January 2024	708'932	884'948	1'593'880
Amortisation during the year 2024 (note 27)	1'192'720	120'488	1'313'208
Balance at 31 December 2024	**1'901'652**	**1'005'436**	**2'907'088**
Carrying amount at 31 December 2024	**9'630'322**	**491'974**	**10'122'296**

- During the current year, the Group recognised internally developed software costs amounting to CHF 279,521 (2024: CHF 75,884). These costs are directly attributable to the development phase of the software and have met the recognition criteria under IAS 38. The remaining additions to IT software relate primarily to the acquisition of software licences and other software-related assets. These intangible assets are estimated to have a useful life of between 3 and 5 years.

- Customer relationships originate from the acquisitions of Swissnet AG (Note 30), Frederix, Socialwave, and Lindentor entities. These intangible assets are estimated to have a useful life between 5-10 years.

12 Property, plant and equipment

Property, plant and equipment comprises assets owned by the Group related to IT hardware, office equipment, motor vehicle, land & buildings and leasehold improvements added to the Group's leased head office. The carrying amounts of property, plant and equipment were as follows during the reporting year:

Year to 31 December 2025	Leasehold improvements CHF	Office equipment CHF	IT hardware CHF	Motor vehicle CHF	Land & Building CHF	Total CHF
Gross carrying amount						
At 1 January 2025	260'097	153'713	646'852	125'290	-	1'185'952
Additions due to business combinations (Note 30)	-	114'979	-	86'551	1'663'751	1'865'281
Additions due to asset acquisition (Note 30)	16'879	11'207	-	-	-	28'086
Additions	12'343	57'062	8'559	8'975	-	86'939
Disposals	(181'049)	(88'140)	-	(103'481)	-	(372'670)
Exchange difference	-	10'708	(19'282)	(137)	-	(8'711)
At 31 December 2025	108'270	259'529	636'129	117'198	1'663'751	2'784'876
Accumulated depreciation						
At 1 January 2025	137'682	78'165	323'804	30'767	-	570'418
Depreciation (Note 27)	4'622	55'881	141'013	43'572	346'375	591'463
Disposals	(48'277)	(71'926)	-	(44'919)	-	(165'122)
Exchange difference	(396)	(490)	(10'598)	(302)	-	(11'786)
At 31 December 2025	93'631	61'630	454'219	29'118	346'375	984'973
Carrying amount as at 31 December 2025	**14'639**	**197'899**	**181'910**	**88'079**	**1'317'376**	**1'799'903**

Year to 31 December 2024	Leasehold improvements CHF	Office equipment CHF	IT hardware CHF	Motor vehicle CHF	Land & Building CHF	Total CHF
Gross carrying amount						
At 1 January 2024	250'401	138'377	616'152	87'039	199'690	1'291'659
Additions	-	27'494	14'748	36'982	-	79'224
Disposals	-	-	(8'438)	-	(204'628)	(213'066)
Exchange difference	9'696	(12'158)	24'390	1'269	4'938	28'135
At 31 December 2024	260'097	153'713	646'852	125'290	-	1'185'952
Accumulated depreciation						
At 1 January 2024	89'800	60'362	148'020	-	-	298'182
Depreciation (note 27)	49'170	18'228	178'658	30'767	4'780	281'603
Disposals	-	-	-	-	(4'780)	(4'780)
Exchange difference	(1'288)	(425)	(2'874)	-	-	(4'587)
At 31 December 2024	137'682	78'165	323'804	30'767	-	570'418
Carrying amount as at 31 December 2024	**122'415**	**75'548**	**323'048**	**94'523**	**-**	**615'534**

Land and buildings included within property, plant and equipment are subject to a charge as security for certain of the Group's borrowings (Note 25) as at the reporting date (2024: Nil). Except for these assets, no other property, plant and equipment were pledged as security against the Group's liabilities.

13 Software under development

	2025 CHF	2024 CHF
Additions and balance at the end of the year	471’352	-

Software under development represents costs incurred by the Group in the development and enhancement of software platforms, cloud-based applications and related technology solutions used in the provision of its Software-as-a-Service ("SaaS") and digital services offerings. These costs will be reclassified to intangible assets upon completion of the development phase and when the underlying assets are available for use, being the point at which they are capable of operating in the manner intended by management.

14 Leases

The Group exclusively leases vehicles and properties for office space.

Property leases include rent payment indexation clauses and renewal options. The Group assesses these renewal options to conclude whether it is reasonably certain that a renewal option may be exercised. The Group's lease liabilities have been determined based on the present value of the future minimum lease payments over the lease term, discounted using the incremental borrowing rate. The discount rate applied to the capitalised lease is in between 1.90% and 4.00%.

The carrying amounts of right-of-use assets related to leases entered into by the Group developed as follows during the reporting year:

14.1 Right-of-use asset

	Cars CHF	Property CHF	Total CHF
Gross carrying amount			
At 1 January 2025	670'600	547'898	1'218'498
Additions	558'316	559'362	1'117'678
Disposals	-	(404'950)	(404'950)
Exchange difference	5'300	2'031	7'331
At 31 December 2025	1'234'216	704'341	1'938'557
Accumulated depreciation			
At 1 January 2025	377'814	511'552	889'366
Amortisation (Note 27)	288'679	81'504	370'183
Disposals	-	(394'448)	(394'448)
At 31 December 2025	666'493	198'608	865'101
Carrying amount at 31 December 2025	**567'723**	**505'733**	**1'073'456**

	Cars CHF	Property CHF	Total CHF
Gross carrying amount			
At 1 January 2024	443'303	547'898	991'201
Additions	153'380	-	153'380
Additions due to adoption of IFRS 16 Leases	111'639	-	111'639
Disposals	(37'722)	-	(37'722)
At 31 December 2024	670'600	547'898	1'218'498
Accumulated depreciation			
At 1 January 2024	183'310	398'499	581'809
Amortisation (Note 27)	194'504	113'053	307'557
At 31 December 2024	377'814	511'552	889'366
Carrying amount at 31 December 2024	**292'786**	**36'346**	**329'132**

14 Leases (Continued)

14.2 Lease liabilities

The below table provides an overview of the development in the carrying amounts of Group's lease liabilities during the reporting year:

	2025 CHF	2024 CHF
Carrying amount at 1st January	347'360	435'754
Additions	1'125'364	153'380
Additions due to adoption of IFRS 16 leases	-	114'224
Disposal	(12'893)	(38'861)
Accretion of interest (Note 9)	43'797	16'702
Payments	(401'247)	(337'819)
Exchange difference	3'319	3'980
Carrying amount at 31 December	**1'105'700**	**347'360**
There of current	314'627	191'131
There of non-current	791'073	156'229

The maturity of the lease liabilities is included in note 21.

Amounts recognised in the consolidated statement of profit and loss

The following amounts related to the Group's activities as a lessee and are recognised in the consolidated statement of profit and loss during the reporting year:

	2025 CHF	2024 CHF
Amortisation expense on right-of-use assets (Note 27)	370,183	307'557
Interest expense on lease liabilities (Note 9)	43'797	16'702
	413'980	324'259

15 Inventories

	2025 CHF	2024 CHF
Inventory	623'797	469'844
Less: allowance for impairment of inventories	-	(50'000)
	623'797	**419'844**

Details about movement in allowance for impairment of inventories during the year are the following:	2025 CHF	2024 CHF
At the beginning of the year	50'000	65'000
Less: released for write off during the year	(50'000)	(15'000)
	-	**50'000**

Inventory mainly includes custom solution hardware bundle, beacons, converter and feeder which is held for sale in the ordinary course of business.

16 Trade and other receivables

	2025 CHF	2024 CHF
Trade receivables	2'690'621	1'188'064
Provision for trade receivables	(55'302)	(26'539)
Total receivables (net of provision)	2'635'319	1'161'525
Work in progress	333'544	377'999
Accrued revenue	1'587'869	1'299'971
	4'556'732	2'839'495

16 Trade and other receivables (Continued)

The ageing analysis of trade receivables is as follows:	2025 CHF	2024 CHF
Neither past due nor impaired	1'258'612	210'732
Past due but not impaired:		
Less than 30 days	461'545	426'782
30 to 60 days	214'734	431'181
More than 60 days but less than 90 days	755'730	83'664
Aged above 90 days	-	35'705
Total	**2'690'621**	**1'188'064**

Details about movement in allowance for expected credit losses during the year are the following:	2025 CHF	2024 CHF
At the beginning of the year	26'539	12'495
Increase in allowance for expected credit losses during the year (Note 8)	235'175	287'842
Released for write off during the year	(206'412)	(273'798)
At the end of the year	**55'302**	**26'539**

- Unimpaired trade receivables are considered collectible based on historic experience.
- Work in progress represents costs incurred in relation to ongoing customer projects as at the reporting date, which are expected to be recovered through subsequent customer billings in accordance with the underlying contractual arrangements.
- Accrued revenue represents revenue recognised for performance obligations satisfied as at the reporting date for which the Group does not yet have an unconditional right to consideration. The balance primarily relates to goods delivered or services rendered that have not yet been invoiced as the contractual billing milestones or invoicing conditions have not been met.
- Information about the impairment of trade receivables and the Group's exposure to credit risk and foreign currency risk is disclosed in note 21.

17 Prepayments and other receivables

	2025 CHF	2024 CHF
Prepaid expenses	188'285	35'181
Deposits	104'207	76'163
Advance payments	83'716	123'148
Other receivables	1'459'014	1'201'429
Total	**1'835'222**	**1'435'921**

18 Cash and cash equivalents

	2025 CHF	2024 CHF
Bank balance CHF	159'813	4'106'699
Bank balance other currencies (Note 21)	347'007	289'113
Cash in hand	761	594
Total	**507'581**	**4'396'406**

The details of bank balance held in other currencies are detailed below	2025 CHF	2024 CHF
Balances in AED	146'337	14'231
Balances in EUR	200'670	274'882
Total	**347'007**	**289'113**

18 Cash and cash equivalents (Continued)

18.1 Cash flow-related information

The table below presents the components of the Group's net debt. The Group has a net debt position due to the Group's debt comprising of lease liabilities and borrowings exceeding the cash reserves.

	2025 CHF	2024 CHF
Lease liabilities (Note 14.2)	(1'105'700)	(347'360)
Borrowings (Note 25)	(10'739'970)	(7'618'114)
Cash and cash equivalents (in CHF)	159'813	4'106'699
Cash and cash equivalents (in EUR)	146'337	14'231
Cash and cash equivalents (in AED)	200'671	274'882
Cash in hand	761	594
Net debt	**(11'338'088)**	**(3'569'068)**

Movement in opening to closing net cash/(debt):	Leases CHF	Borrowings CHF	Cash and cash equivalents CHF	Total CHF
Net cash as of 1 January 2024	**(435'754)**	**(7'289'990)**	**754'533**	**(6'971'211)**
Cash flows	337'819	(328'124)	3'641'873	3'651'568
Non-cash effective changes				
Relating to additions	(153'380)	-	-	(153'380)
Accretion of interest	(16'702)	-	-	(16'702)
Additions due to adoption of IFRS 16 leases	(114'224)	-	-	(114'224)
Disposals	38'861	-	-	38'861
Effect of currency translation	(3'980)	-	-	(3'980)
Net cash / (debt) as of 31 December 2024	**(347'360)**	**(7'618'114)**	**4'396'406**	**(3'569'068)**
Cash flows	401'247	(2'168'812)	(3'888'825)	(5'656'390)
Non-cash effective changes				
Relating to additions (Note 14.2)	(1'125'364)	-	-	(1'125'364)
Acquired through business combinations (Note 30)	-	(953'044)	-	(953'044)
Accretion of interest	(43'797)	-	-	(43'797)
Disposals	12'893	-	-	12'893
Effect of currency translation	(3'318)	-	-	(3'318)
Net cash / (debt) as of 31 December 2025	**(1'105'699)**	**(10'739'970)**	**507'581**	**(11'338'088)**

19 Equity

19.1 Share capital

	2025 CHF	2024 CHF
Ordinary shares fully paid	848'480	554'933
Total share capital	**848'480**	**554'933**

	2025 CHF	2024 CHF
Number of shares		
Ordinary shares fully paid	8'484'798	5'549'326
Total number of shares	**8'484'798**	**5'549'326**

19 Equity (Continued)

19.1 Share capital (Continued)

The share capital on 31 December 2025 consists of 8'484'798 registered shares (2024: 5'549'325) with a nominal value of CHF 0.10 each, amounting to CHF 848'480 (2024: CHF 554'933). Ordinary shares entitle the holder to participate in dividends, hold one vote per share at general meetings of the Company and share in the liquidation proceeds of the Company in proportion to the number of and amounts paid on the shares held. The share capital is fully paid in

Movements under share capital during the year:	2025 CHF	2024 CHF
Opening balance	554'933	469'933
Against current year business acquisitions (note 30)	86'000	-
Against current year asset acquisitions (note 30)	207'547	
Inflow by cash	-	85'000
	848'480	**554'933**

19.2 Capital reserves

Movements under capital reserve during the year:	2025 CHF	2024 CHF
Opening balance	31'119'311	26'874'104
Against current year acquisitions (note 30)	5'289'000	-
Against current year asset acquisitions (note 30)	12'764'153	
Inflow by cash	599'158	4'245'207
	49'771'622	**31'119'311**

20 Employee benefit obligations

The Group provides post-employment benefits to its employees through defined benefit arrangements in the jurisdictions in which it operates. The Group's defined benefit arrangements comprise:

a) **Plan A:** Swiss employee benefit plans, which are accounted for as defined benefit plans under IAS 19 based on independent actuarial valuations. The liability recognised represents the present value of the defined benefit obligation measured using actuarial assumptions, including discount rates, salary progression, employee turnover and mortality assumptions.

b) **Plan B:** End-of-service gratuity obligations in the United Arab Emirates, the plan is unfunded and provides lump-sum benefits to employees upon termination of employment based on employees' final basic salary and years of service in accordance with applicable labour legislation. The Group bears the actuarial and salary risks associated with these arrangements and accordingly accounts for such obligations as defined benefit plans under IAS 19.

The employee terminal benefit liability recognised in the consolidated statement of financial position therefore represents the aggregate of the defined benefit obligations arising from the Group's Swiss employee benefit plans and United Arab Emirates end-of-service gratuity arrangements, which can be summarized as per the below table:

Defined benefit obligation recognised in the consolidated statement of financial position	2025 CHF	2024 CHF
Plan A	199'887	62'650
Plan B	22'475	-
	222'362	62'650

Plan A: Swiss employee benefit plans

Below shows the details of the Swiss employee benefit plans recognized during the year:

	2025	2024
Number of members	13	-
Average age in years	41	-
Total annual insured salary (CHF)	1'391'952	-

During the year ended 31 December 2024, management assessed the Swiss defined benefit obligation to be immaterial to the consolidated financial statements and, accordingly, no independent actuarial valuation was obtained. The liability recognised was based on management's best estimate of the obligation at the reporting date.

20 Employee benefit obligations (Continued)

Key actuarial assumptions as at 31 December 2025 for Plan A

The below table summarizes the key assumptions used in the preparation of the actuarial valuation report:

	2025
Discount rate	1.10%
Salary growth rate	1.25%
Pension increase rate	0.00%
Inflation rate	0.75%
Interest credit rate	1.75%
Lump sum payment rate	25.00%
Mortality rates	BVG 2020 G

Movement in the net defined benefit liability for the year ended 31 December 2025 for Plan A

The below table summarizes the movement for both the defined benefit obligation and the fair value of the plan assets and further indicates the amounts recorded in the consolidated statement of profit or loss and in other comprehensive income:

	Defined benefit obligation CHF	Plan assets CHF	Net liability CHF
At 1 January 2025	688'173	482'674	205'499
Current service cost	143'742	-	143'742
Net interest expense / (income)	6'531	5'342	1'189
Employee contributions	81'802	81'802	-
Employer contributions	-	82'287	(82'287)
Benefits paid	(24'811)	(24'811)	-
Administration expenses	-	(9'524)	9'524
Actuarial gains from financial assumptions	(17'995)	-	(17'995)
Actuarial gains from experience adjustments	(25'136)	-	(25'136)
Return on plan assets excluding interest income	-	34'649	(34'649)
At 31 December 2025	**852'306**	**652'419**	**199'887**

Plan A consists of the following asset categories:

	2025 CHF
Equities	237'481
Bonds	165'062
Real estate	150'056
Alternative investments	23'487
Cash	15'658
Other assets	60'675
Total	**652'419**

Sensitivity analysis for the year ended 31 December 2025 for Plan A

The sensitivity analysis has been determined based on reasonably possible changes in the respective assumptions occurring at the reporting date while holding all other assumptions constant. The below table summarises the sensitivity analysis:

	Impact on defined benefit obligation	
	CHF	CHF
	0.50%	**(0.50%)**
Discount rate	73'696	(62'496)
Salary growth rate	12'459	(13'265)

Plan B: End-of-service gratuity obligations in the United Arab Emirates

The Plan B represents unfunded statutory obligations and hence no plan assets are held in respect of these arrangements. The movement during the year ended 31 December 2025 is as per the below table:

	2025	2024
Acquired through asset combinations (Note 30)	31'431	-
Payments made during the year	(8'956)	-
At 31 December	**22'475**	**-**

20 Employee benefit obligations (Continued)

The net movement in the defined benefit obligation recognized in the consolidated statement of financial statements is as per the below table:

	Plan A	**Plan B**	**Total**
	CHF	CHF	CHF
At 1 January 2025	62'650	-	62'650
Acquired through business combinations (Note 30)	142'849	31'431	174'280
Recognised in the consolidated statement of profit and loss			
Current year service costs	143'742	-	143'742
Current year finance costs	1'189	-	1'189
Other administration expenses	9'524	-	9'524
Recognised in the consolidated statement of comprehensive income			
Remeasurement on defined benefit plan	(77'780)	-	(77'780)
Benefits paid during the year	(82'287)	(8'956)	(91'243)
At 31 December 2025	**199'887**	**22'475**	**222'362**

21 Financial instruments

The Group is exposed to a variety of financial risks, namely market risk in the form of currency risk, interest rate risk, credit risk and liquidity risk.

The Group operates a centralised risk management system that distinguishes between strategic and operating risks and encompasses the Group's financial risk management. The Group's overall risk management program seeks to minimize the potential adverse effects on the group's financial condition or performance.

Currency risk

The Group operates internationally and is exposed to foreign exchange risk from its day-to-day activities that are conducted in currencies other than CHF. These currencies are mainly EUR, USD, GBP and AED.

The following table provides an overview of the Group's net exposure to foreign currencies as represented by its monetary financial assets and financial liabilities denominated in foreign currencies as at the reporting date.

Carrying amount at 31 December 2025	EUR	USD	GBP	AED	Total
Trade receivables	2'002'739	6'861	-	675'355	2'684'955
Cash and cash equivalents	200'670	-	-	146'337	347'007
Trade payables	(2'074'183)	(28'120)	(10'763)	(20'937)	(2'134'003)
Borrowings	(10'739'970)	-	-	-	(10'739'970)
Lease liabilites	(1'105'700)	-	-	-	(1'105'700)
Net exposure	**(11'716'444)**	**(21'259)**	**(10'763)**	**800'755**	**(10'947'711)**

Carrying amount at 31 December 2024	EUR	USD	GBP	AED	Total
Trade receivables	2'452'197	-	-	-	2'452'197
Cash and cash equivalents	274'882	-	-	14'231	289'113
Trade payables	(934'713)	-	-	-	(934'713)
Borrowings	(7'618'114)	-	-	-	(7'618'114)
Lease liabilites	(347'360)	-	-	-	(347'360)
Net exposure	**(6'173'108)**	**-**	**-**	**14'231**	**(6'158'877)**

Exchange rate sensitivity

A change of 5% of the spot rate of any of these currencies against the CHF would not have a material impact on the group's net profit or loss or on the group's equity.

Interest rate risk

The Group's interest rate risk arises mainly from its lease liabilities and, to a minor extent, from cash and cash equivalents held in interest-bearing bank balances. The risk related to the latter is not considered material. A sensitivity analysis for the Group's lease liabilities is not performed given the interest rate applied in measuring these liabilities (which are not measured at fair value) is not subject to regular reassessment

21 Financial instruments (Continued)

Liquidity risk

Rolling forecasts of the Group's liquidity requirements are established on a regular basis to ensure sufficient cash is available to meet operational needs. The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows. All interest payments and repayments of financial liabilities are based on contractual agreements.

Contractual maturity table as of 31.12.2025	Carrying amount CHF	Contractual Cash flow CHF	Within 1 year CHF	Between 1 and 2 years CHF	Between 2 and 5 years CHF
Borrowings	10'739'971	11'437'934	2'614'608	4'745'621	4'077'705
Lease liabilities	1'105'699	1'247'618	348'355	280'024	619'239
Trade payables	2'134'003	2'134'003	2'134'003	-	-
Accrued expenses	2'512'731	2'512'731	2'512'731	-	-
Total financial liabilities	16'492'404	17'332'286	7'609'697	5'025'645	4'696'944

Contractual maturity table as of 31.12.2024	Carrying amount CHF	Contractual Cash flow CHF	Within 1 year CHF	Between 1 and 2 years CHF	Between 2 and 5 years CHF
Borrowings	7'618'114	9'209'432	1'441'529	2'304'153	5'463'750
Lease liabilities	347'360	352'630	198'437	134'896	19'297
Trade payables	934'713	934'713	934'713	-	-
Accrued expenses	1'045'327	1'045'327	1'045'327	-	-
Total financial liabilities	10'843'818	12'440'406	3'620'006	2'439'049	5'483'047

Credit risk

Credit risk arises when a customer or counterparty may fail to perform its contractual obligations. The maximum exposure to credit risk is represented in the consolidated statement of financial position by the carrying value of each financial asset. The Group periodically assesses the financial reliability of its customers and their credit limits.

Based on management's assessment of expected credit losses as at the reporting date, any required loss allowance was considered immaterial to the consolidated financial statements. During the year, impairment losses of CHF 235'175 (2024: CHF 287,842) were recognised in the consolidated statement of profit or loss in respect of specifically identified impaired financial assets. As per general policy, trade and other receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

Fair value estimation

The fair value of current financial assets and liabilities at amortised cost is assumed to approximate their carrying amounts due to the short-term nature of these financial instruments.

22 Bank overdraft

	2025 CHF	2024 CHF
Short-term bank overdrafts	2'347'783	898'304
Total	**2'347'783**	**898'304**

Bank overdrafts represent short-term credit facilities obtained from banks to meet the Group's working capital requirements. The overdrafts are repayable on demand and bear interest at commercial rates.

23 Trade payables

	2025 CHF	2024 CHF
Trade payables	2'134'003	934'713
Total	**2'134'003**	**934'713**

The carrying amounts of trade payables and short-term bank overdrafts approximate their fair values due to their short-term nature.

24 Accruals and other liabilities

	2025 CHF	2024 CHF
Accrued expenses	2'209'681	827'716
Deferred income	485'615	444'983
Employee payables	303'050	217'611
Advance from customers	158'208	-
Tax liabilities	176'378	128'035
Total	**3'332'932**	**1'618'345**

25 Borrowings

	2025 CHF	2024 CHF
Bank borrowings	7'793'951	7'482'168
Other borrowings	2'946'019	135'946
Total	**10'739'970**	**7'618'114**
Thereof current	2'509'762	1'068'410
Thereof non-current	8'230'208	6'549'704

The details of the bank borrowings are summarised below for the year 2025:

Sl No	Interest rate	Tenure	Repayment terms	Amount (CHF)	Secured by
1	18.00%	From March 2023 to March 2027	One time settlement	1'528'248	Lien on the revenue collections from a subsidiary company
2	5.950%	From June 2023 to March 2029	Quarterly	1'781'402	-do-
3	5.950%	From June 2023 to March 2029	Quarterly	1'409'505	-do-
4	5.906%	Up until June 2030	Quarterly	1'174'588	-do-
5	5.950%	From May 2024 to June 2030	Quarterly	845'703	-do-
6	1.460%	Up until 31 December 2030	Quarterly	39'675	No securities
7	0'950%	From June 2020 to June 2027	Quarterly	545'000	Lien on fixed asset (Note 12)
8	0'840%	Up until 31 December 2027	Quarterly	469'830	Personnel and government guarantee
				7'793'951	

The details of the bank borrowings are summarised below for the year 2024:

Sl No	Interest rate	Tenure	Repayment terms	Amount (CHF)	Secured by
1	18.00%	To be repaid by May2026	One time settlement	838'723	Lien on the revenue collections from a subsidiary company
2	5.950%	From June 2023 to March 2029	Quarterly	2'326'574	-do-
3	6.152%	From June 2023 to March 2029	To repay fully on March 2029	1'407'675	-do-
4	5.950%	will end by June 2030	Quarterly	1'032'295	-do-
5	7.385%	From May 2024 to June 2030	To repay fully on June 2030	1'173'063	-do-
6	0.840%	Up until 30 Dec 2027	Quarterly	703'838	Personnel and government guarantee
				7'482'168	

26 Income tax

Taxes expensed and recorded

Income tax expense recognised in the consolidated statement of profit or loss consists of the following items:

Taxes recorded in the consolidated statement of profit or loss and other comprehensive income	2025 CHF	2024 CHF
Current tax income/(expense)	(164'167)	(211'636)
Deferred tax income relating to the origination and reversal of temporary differences – recognised in the consolidated statement of profit or loss	(337'861)	1'464'097
	(502'028)	**1'252'461**
Deferred tax income relating to the origination and reversal of temporary differences – recognised in the consolidated statement of other comprehensive income	(11'667)	
Total	**(513'695)**	**1'252'461**

Tax reconciliation statement	2025 CHF	2024 CHF
Loss before taxes	(7'020'577)	(1'988'454)
Average Tax rate of the Group	15.00%	17.14%
Expected tax income (expense)	1'053'087	340'960
Impact of different tax rates across jurisdictions	(1'266'782)	-
Recognition of deferred tax asset on unused tax losses	(300'000)	900'000
(Decrease) / increase of tax losses not capitalized	-	11'501
Effective tax expense	(513'695)	1'252'461

Analysis of deferred tax assets and liabilities

Deferred tax liabilities are recognised in the consolidated statement of financial position under non-current liabilities. The Group offsets tax assets and liabilities only if it has a legally enforceable right to offset current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

	2025 CHF			2024 CHF		
Components of deferred tax assets and liabilities:	Net	Deferred tax assets	Deferred tax liabilities	Net	Deferred tax assets	Deferred tax liabilities
Intangible assets, property plant and equipment and other non current assets	(1'835'818)	-	(1'835'818)	(1'720'810)	259'302	(1'980'112)
Other current receivables and assets	38'128	38'128	-	81'195	502'786	(421'591)
Employee benefits	29'983	29'983	-	14'621	14'621	-
Current provisions	(476'443)	24'479	(500'922)	(46'916)	24'764	(71'680)
Liabilities	-	-	-	5'801	-	5'801
Tax losses and tax credit carried forward	600'000	600'000	-	900'000	900'000	-
Item in the statement of financial position	**(1'644'150)**	**692'590**	**(2'336'740)**	**(766'109)**	**1'701'473**	**(2'467'582)**

Movement table of deferred tax assets and liabilities:	2025 CHF	2024 CHF
Beginning balance	(766'109)	(2'190'750)
Arising on acquisitions (net) (Note 30)	(528'513)	-
Recognised in the consolidated statement of profit and loss	(337'861)	1'464'097
Recognised in the consolidated statement of other comprehensive income	(11'667)	-
Exchange difference	-	(39'456)
	(1'644'150)	**(766'109)**

26 Income tax (Continued)

Unused tax losses for which no deferred tax asset was recognised is as follows:	2025 CHF	2024 CHF
Tax losses of year 2018 and expiring in the year 2025	-	205'277
Tax losses of year 2019 and expiring in the year 2026	-	242'679
Tax losses of year 2020 and expiring in the year 2027	-	549'303
Tax losses of year 2021 and expiring in the year 2028	-	1'817'113
Tax losses of year 2022 and expiring in the year 2029	2'294'792	4'729'152
Tax losses of year 2023 and expiring in the year 2030	4'478'055	4'478'055
Tax losses of year 2024 and expiring in the year 2031	1'457'431	1'457'431
Tax losses of year 2025 and expiring in the year 2032	963'994	-
Less: tax losses capitalised	-	(5'248'732)
Total tax losses carried forward	9'194'272	8'230'278

27 Depreciation, amortisation and impairment

	2025 CHF	2024 CHF
Depreciation of property, plant and equipment (note 12)	591'463	281'603
Amortisation of intangible assets (note 11)	4'748'951	1'313'208
Amortisation of right of use assets (note 14.1)	370'183	307'557
	5'710'597	1'902'368

28 Related party transactions and balances

The Group has in the ordinary course of business, entered into commercial transactions or financial transactions with the concerns, in which the shareholder or his relatives have an investing/controlling interest. The prices and terms of these transactions are approved by the management.

The following transactions were entered into with related parties during the reporting year:

	2025 CHF	2024 CHF
Compensation to Key Management Personnel (including the directors of the Group)	1'093'741	636'168

- An amount of CHF 136’640 relating to stock options has been included in the Key Management Personnel expenses for the year 2025 (year 2024 – 85’303).
- Amounts due from / (to) related parties are interest free, unsecured and receivable / (repayable) on demand.

29 Earnings per share

The basic earnings per share (EPS) is calculated by dividing the loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year. The following table presents the income and share data used in the basic and diluted EPS calculations:

	2025	2024
Share of net loss attributable to equity holders (CHF)	(7'219'504)	(787'316)
Weighted average number of shares outstanding (number)	8'240'175	5'053'493
Basic and diluted earnings per share (in CHF)	(0.8761)	(0.1558)

Diluted earnings per share: During the year, the Group issued stock options. Although the average market price of the shares exceeded the exercise price of the outstanding options, suggesting potential dilution, these instruments have been excluded from the diluted EPS calculation, as the Group reported a net loss. The effect would therefore anti-dilutive Accordingly, diluted EPS is equal to basic EPS for the year.

30 Acquisition of subsidiaries (Business acquisitions and Asset acquisitions)

During the year ended 31 December 2025, the Group completed two acquisitions, comprising one business combination and one asset acquisition. The details of these acquisitions are as follows:

Acquisition	Acquisition date	Nature of transaction
Swissnet AG	15 January 2025	Accounted for in accordance with IFRS 3 using the acquisition method
Advanced Digital Technology DWC-LLC (Lokalee)	15 January 2025	Accounted for as an asset acquisition, as substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets

Business acquisitions – Swissnet AG

During the year on 15 January 2025, Swissnet AG completed the acquisition of 100% of the shares of **Swissnet AG**, a Swiss ICT service provider based in Berg, Switzerland, for a total consideration of CHF 10,000,000, comprising CHF 5,000,000 in cash and CHF 5,000,000 in shares. Following the completion of the transaction and approval by the shareholders on 10 January 2025, beaconsmind AG merged with Swissnet AG and changed its name to Swissnet AG. Subsequently, on 25 January 2025, the registered office of the Company was relocated to Berg, Canton of Thurgau, Switzerland.

The details of the consideration transferred and a summary of the identifiable net assets acquired and goodwill arising from the business combination completed during the current financial year are summarised below:

Fair value of consideration transferred (CHF)	**Swissnet AG** CHF
Fair value of consideration settled in kind:	
• Amount settled in cash	5’000’000
• Share capital (note 19.1)	86'000
• Capital reserves (note 19.2)	5'289'000
	10'375'000

Recognised amount of identifiable net assets (CHF)		
Property, plant and equipment (Note 12)		1’865’281
Intangible assets (Note 11)		3'302'520
Deferred tax asset		21'428
Total non-current assets	(a)	5'189'229
Inventory		252’311
Trade receivables		633’064
Other receivables		322’729
Cash and cash equivalents		1’909’396
Total current assets	(b)	3’117’500
Borrowings		(953’044)
Employee benefit obligation		(142’849)
Deferred tax liabilities		(549'941)
Total non-current liabilities	(c)	**(1'645'834)**
Trade payables		(679'799)
Accruals and other payables		(2'549'133)
Total current liabilities	(d)	**(3'228'932)**
Identifiable net assets (a+b-c-d)	(e)	**3'431'963**
Goodwill on acquisition		**6'943'037**

30 Acquisition of subsidiaries (Business acquisitions and Asset acquisitions)

Asset acquisitions-ADT Lokalee

During the year on 15 January 2025, Swissnet AG acquired 100% of the shares of **Advanced Digital Technology DWC-LLC** ("**Lokalee**"), a Dubai-based provider of AI-powered concierge and guest engagement solutions. Lokalee operates a digital platform that enables hotels and hospitality providers to enhance guest experiences through personalized recommendations and AI-driven services. The acquisition was undertaken to strengthen the Group's technology portfolio and expand its presence in the hospitality technology sector. As the acquisition was completed on 15 January 2025, the financial results of Advanced Digital Technology DWC-LLC have been included in the consolidated financial statements from the acquisition date. Since Swissnet AG acquired 100% ownership of Advanced Digital Technology DWC-LLC, no non-controlling interest arose from the transaction.

The Group has applied the concentration test in IFRS 3 to the acquisition of ADT Lokalee and concluded that they constitute acquisitions of assets as substantially all of the fair value is concentrated in a single asset. The consideration transferred has been allocated to the identifiable assets acquired and liabilities assumed based on their relative fair values at the acquisition date. No goodwill has been recognised in respect of this transaction.The details of the consideration transferred and the assets acquired are summarised below:

Fair value of consideration transferred (CHF)	**ADT Lokalee** CHF
Fair value of consideration settled in kind:	
• Amount settled in cash	1'221'805
• Share capital (note 19.1)	207'547
• Capital reserves (note 19.2)	12'764'153
	14'193'505

Recognised amount of identifiable net assets (CHF)		
Intangible assets (Note 11)		14'295'549
Property, plant and equipment (Note 12)		28'086
Trade and other receivables		30'744
Cash and cash equivalents		697
Total assets	(a)	14'355'076
Employee benefit obligation		31'431
Accruals and other payables		130'140
Total liabilities	(b)	161'571
Total net assets acquired	(a-b)	14'193'505

31 Interest in subsidiaries

The Group structure after the sequential events of acquisitions and disposals as at the reporting date is as below:

		Share Capital		Ownership		NCI	
Parent company		2025	2024	2025	2024	2025	2024
SWISSNET AG (formerly known as beaconsmind AG)	CHF	848'480	554'933	100%	100%	0%	0%
Subsidiary companies							
Beaconsmind Proximity	EUR	25'000	25'000	100%	100%	0%	0%
Beaconsmind Mena Data L.L.C; Dubai	AED	--	300'000	--	49%	--	--
Socialwave GmbH	EUR	42'154	42'154	100%	100%	0%	0%
Frederix GmbH	EUR	25'000	25'000	62%	62%	38%	38%
Kadsoft GmbH	EUR	53'686	53'686	100%	100%	0%	0%
T2 Vertrrieb GmbH	EUR	25'000	25'000	100%	100%	0%	0%
Swissnet Media,GmbH	EUR	25'000	25'000	100%	100%	0%	0%
Socialwave Spain S. L	EUR	3'000	3'000	100%	100%	0%	0%
Advanced Digital Technology DWC-LLC, Dubai	AED	300'000	-	100%	-	-	-
Swissnet Mena IT Technologies Trading LLC, Dubai	AED	51'100	-	51.1%	-	49.9%	-
Swissnet Mena IT Technologies Services LLC, Dubai	AED	51'100	-	51.1%	-	49.9%	-

31 Interest in subsidiaries (Continued)

Disposals

During the year, Beaconsmind Mena Data L.L.C, based in Dubai, ceased operations and was subsequently deregistered. Accordingly, the Group derecognised its interest in the subsidiary upon loss of control. As the group unit, did not hold any material assets or liabilities and did not undertake any significant operating activities during the year, the derecognition did not have a material impact on the Group's consolidated financial statements.

New incorporations

Swissnet Mena IT Technologies Trading LLC, Dubai and Swissnet Mena IT Technologies Services LLC, Dubai were incorporated during the year. The Group holds a 51.1% equity interest in each entity and has consolidated the entities from the date control was obtained. As the entities were newly incorporated during the year and no business was acquired as part of the transaction, the incorporation did not constitute a business combination within the scope of IFRS 3. Accordingly, no purchase price allocation was required.

32 Subsidiary with non-controlling interests

The Group includes three subsidiaries (2024 - one subsidiary) with a material non-controlling interest (NCI):

Name of subsidiaries	NCI%	Total profit / (loss) allocated to NCI	
		2025 CHF	2024 CHF
Frederix GmbH, Germany	38%	44’340	51’734
Swissnet Mena IT Technologies Trading LLC, Dubai	49.9%	(188’776)	-
Swissnet Mena IT Technologies Services LLC, Dubai	49.9%	(138’999)	-
		(283,435)	51’734

The movement in non-controlling interests is as follows:

	2025 CHF	2024 CHF
Balance at the beginning of the year	241’506	189'772
Recognised on consolidated statement of profit and loss	(303'101)	51'323
Recognised on statement of other comprehensive loss	19'666	411
Balance at the end of the year	**(41'929)**	**241’506**

33 Share-based payments

The Group operates an equity-settled share option plan for certain directors and key management personnel. The grant-date fair value of options granted is recognised as an employee benefit expense over the vesting period, with a corresponding increase in equity. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of profit and loss over the remaining vesting period.

Starting from July 1, 2024, the company operates an equity settled share based remuneration scheme for directors and key management. Members of the board of directors and members of key management can be invited to join the scheme. The board of directors approves each participant to the scheme upon request of the CEO or any board member.

33 Share-based payments (Continued)

The table below presents the details of equity-settled share options granted under the Group's share-based payment plan during the year ended 31 December 2025.

Grant date	Granted to:	Vesting date (1 year from grant date)	Fair value per option (CHF)	No of options granted	Share based compensation expense
1 January 2025	Key management personnel	31 December 2025	≈ 0.56	50’000	28'219
1 January 2025	Key management personnel	30 June 2026	≈ 0.56	80’000	45'150
				130’000	**73'369**

The options can be exercised at any time within four years of the grant date and are subject to a one-year lock-up period after exercise. The exercise price is determined in accordance with the terms of the share option plan and the relevant grant agreements.

The share-based payment expense is recognised over the respective vesting periods of the awards in accordance with IFRS 2. For the year ended 31 December 2025, the Group recognised share-based payment expense of CHF 136'640 in profit or loss, representing the portion of the grant-date fair value attributable to services received during the year. The remaining unrecognised expense of CHF 22,031 will be recognised over the remaining vesting period ending 30 June 2026.

The table below presents the details of equity-settled share options granted under the Group's share-based payment plan during the year ended 31 December 2024.

Grant date	Granted to:	Vesting date (1 year from grant date)	Fair value per option (CHF)	No of options granted	Share based compensation expense
1 July 2024	Chief executive officer	30 June 2025	≈ 0.46	180’000	82’157
1 July 2024	Key management personnel	30 June 2025	≈ 0.61	145’000	88’448
				325’000	**170’605**

The options can be exercised at any time within four years of the grant date and are subject to a one-year lock-up period after exercise. The exercise price is determined in accordance with the terms of the share option plan and the relevant grant agreements.

The share-based payment expense is recognised over the respective vesting periods of the awards in accordance with IFRS 2. For the year ended 31 December 2024, the Group recognised share-based payment expense of CHF 85’302 in consolidated statement of profit and loss, representing the portion of the grant-date fair value attributable to services received during the year. The remaining unrecognised expense of CHF 85’303 is recognised during the period ended 30 June 2025.

The movement in stock options during the year is as follows:

	Number of shares	
	2025	2024
Outstanding at January 1	325’000	-
Granted during the year	130’000	325’000
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at December 31	**455’000**	**325’000**

33 Share-based payments (Continued)

The share based expense recognised in the consolidated statement of profit and loss is as below:

	2025 CHF	2024 CHF
Relating to grants for the year 2024	85’302	85’302
Relating to grants for the year 2025	51’338	-
	136’640	**85’302**

As the options remained unexercised as at the reporting date, the cumulative amount recognised in equity in respect of the Group's equity-settled share-based payment arrangements amounted to CHF 221,942 (2024: CHF 85,302), which is presented within the equity-settled share-based payment reserve in the consolidated statement of changes in equity.

34 Going Concern

The Group incurred a net loss after tax of CHF 7’384’529 for the year ended 31 December 2025 and had accumulated loss carry-forwards of CHF 28’037’196. As at the reporting date, the Group's cash and cash equivalents amounted to CHF 507’581. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

In assessing the appropriateness of the going concern basis of accounting, the Board of Directors has evaluated the Group's expected cash flows and liquidity requirements for a period of at least twelve months from the date of approval of these consolidated financial statements. As part of this assessment, the Board has implemented and initiated the following measures:

- Preparation of a rolling cash flow forecast covering a period of at least twelve months from the date of approval of these consolidated financial statements, demonstrating that the Group is expected to maintain sufficient liquidity to meet its obligations as they fall due.

- Receipt of a shareholder loan of CHF 1’200’000 in July 2026 to strengthen the Group's liquidity position.

- Planned conversion of existing shareholder loans into equity during the fourth quarter of 2026, which is expected to reduce annual finance costs by approximately CHF 1’000’000.

- Implementation of cost reduction initiatives across the Group, primarily through reductions in personnel costs of approximately CHF 1’039’000, with certain employees having already left the Group or being within their contractual notice periods.

- Recognition that the results for the year ended 31 December 2025 were adversely affected by non-recurring items amounting to approximately CHF 949’000, which are not expected to recur.

Based on the cash flow forecasts and the successful implementation of the above measures, the Board of Directors has concluded that the Group will have adequate financial resources to continue its operations for at least twelve months from the date of approval of these consolidated financial statements. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

35 Comparative figures

The previous year’s figures have been regrouped or reclassified wherever necessary to make them comparable to those of the current year.

36 Impact of Geopolitical Developments

Subsequent to December 31, 2025, geopolitical tensions in the Middle East escalated, including military conflict involving the United States, Israel, and Iran. These developments have resulted in increased volatility in global financial and commodity markets, higher energy prices, and disruptions to maritime shipping routes in the region.

Management has assessed these developments and concluded that they do not provide evidence of conditions that existed as of December 31, 2025. Accordingly, no adjustment has been made to the consolidated financial statements for the year ended December 31, 2025.

Management continues to monitor the evolving situation and its potential impact on the Group's operations, supply chain, revenues, and costs. Depending on the duration and severity of the conflict, these developments could adversely affect the Group's investment in ADT Lokalee and its Swissnet MENA entities and may give rise to impairment indicators in future reporting periods. As of the date of authorization of these consolidated financial statements, management is not able to reliably estimate the financial effects of these developments. Consequently, no adjustments have been recognized in these consolidated financial statements. Management has implemented appropriate contingency measures to mitigate operational risks and will continue to monitor the situation closely.

37 Events after the balance sheet date

Subsequent to the reporting date, in June 2026, a major shareholder committed to strengthen the Group's cash position through a capital injection of CHF 1,200,000 in the form of a convertible loan. The funds were received in two tranches on 2 July 2026 and 9 July 2026. It is intended that the convertible loan will be converted into equity shares in the coming months. Based on this capital injection, the Board of Directors has concluded that the Group has adequate financial resources to continue as a going concern for at least the next 12 months.

Except for the matters described above, there have been no other material events occurring after the reporting date that require adjustment to or disclosure in these financial statements.