SWISSNET AG, BERG (TG)
(FORMERLY BEACONSMIND AG, STÄFA)

REPORT OF THE STATUTORY AUDITOR ON THE FINANCIAL STATEMENTS FROM 1 JANUARY 2025 TO 31 DECEMBER 2025

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Swiss Auditors

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

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of swissnet AG (the Company), which comprise the balance sheet as at 31 December 2025, and the income statement for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements comply with Swiss law and the company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law 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 Financial Statements' section of our report. We are independent of the company 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. 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 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 Financial Statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the 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 Financial Statements as a whole.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 matter 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
Valuation of investments The balance sheet item investments represent 86.3 % of the assets of swissnet AG. The investments are valued at cost. The principle of individual valuation applies to all financial assets. These non-current assets are tested annually for impairment. In doing so, the management makes significant assumptions about future developments. If there are indications of impairment, the company calculates the recoverable amount. We consider the valuation of investments to be a key audit matter due to the size of the balance sheet item and the scope for judgment in determining the recoverable amount.	We performed the following audit procedures to assess the appropriateness of the valuation of the investments: ▪ Obtained an understanding of the impairment tests performed and evaluated the key valuation steps. ▪ Reviewed the Group's impairment manual for compliance with the applicable financial reporting framework and consistency of application. ▪ Discussed the valuation methodology applied, including the key assumptions and underlying data, with management. ▪ Evaluated the structure and key components of the valuation models used.

Key Audit Matters	How our audit addressed the key audit matters
	▪ Challenged the key assumptions, in particular the discount rate, for reasonableness and involved valuation specialists where appropriate. ▪ Verified the mathematical accuracy of the impairment tests. ▪ Reconciled the data used in the impairment tests to relevant supporting documentation, including budgets, forecasts and trial balances. ▪ Compared prior-year assumptions with actual results to assess the historical accuracy of management's estimates. ▪ Performed sensitivity analyses and developed an independent expectation of key valuation parameters. Based on the audit procedures performed, we concluded that the valuation of the investments was reasonable and did not identify any reportable audit findings.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the Financial Statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors is responsible for assessing the company'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 company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 Financial Statements.

As part of an audit in accordance with Swiss law 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 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 company'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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.

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 safe-guards 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 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 performed in accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing standard 890, we conclude that an internal control system with regard to the financial statement preparation, which has been designed in accordance with the instructions of the Board of Directors, is sufficiently documented but not implemented in all material aspects.

In our opinion, the internal control system does not comply with Swiss law and, accordingly, we cannot confirm the existence of an internal control system with regard to the preparation of the Financial Statements.

Furthermore, we confirm that the proposed carry forward of the accumulated losses complies with Swiss law and the company's articles of incorporation. We recommend that the Financial Statements submitted to you be approved.

Moreover, 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. In addition, 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

Balance sheet

As at 31 December 2025 | Swiss francs (CHF)

Description	Note	31.12.2025 CHF	31.12.2024 CHF
Cash and cash equivalents		274'040	4'124'387
Trade receivables from third parties		266'404	21'794
Trade receivables from related parties		404'749	-
Allowance for doubtful accounts		(405'347)	(12'495)
Other short-term receivables from third parties		25'049	47'009
Other short-term receivables from related parties		-	359'208
Inventory		-	25'000
Prepaid expenses and accrued income		162'704	75'228
Current assets		**727'599**	**4'640'130**
Financial assets	1	1'700'567	2
Investments	2, 12	22'055'303	10'220'423
Property, plant and equipment	7	1'007'002	2'100
Intangible assets		66'001	150'875
Non-current assets		**24'828'873**	**10'373'400**
Total assets		**25'556'472**	**15'013'530**
Trade payables due to third parties		370'419	366'215
Trade payables due to related parties		39'475	-
Other short-term liabilities due to third parties		305'079	58'603
Other short-term liabilities due to related parties		18'678	-
Accrued expenses and deferred income		954'297	381'816
Prepayments from customers		5'130	-
Current liabilities		**1'693'079**	**806'634**
Mortgage	7	545'000	-
InterCompany loans		3'219'678	2'647'705
Loans due to related parties	5	4'436'950	838'723
Non-current liabilities		**8'201'628**	**3'486'429**
Share capital		848'480	554'933
Reserves from capital contributions	3	33'492'806	26'621'276
Loss carried forward as negative items		(17'253'895)	(14'998'310)
Net result for the year		(1'425'626)	(1'457'431)
Shareholders' Equity		**15'661'765**	**10'720'468**
Total liabilities and shareholders' equity		**25'556'472**	**15'013'530**

Amounts are rounded to whole CHF. Subtotals may therefore differ from the sum of individual rounded line items by CHF 1.

Income statement

For the year ended 31 December 2025 | Swiss francs (CHF)

Description	Note	01.01.-31.12.2025 CHF	01.01.-31.12.2024 CHF
Net proceeds from sales of goods and services		5'625'794	1'169'112
Changes in inventories of unfinished and finished goods		(437'000)	(20'000)
Cost of sales		(2'135'894)	(50'847)
Gross profit		**3'052'900**	**1'098'265**
Personnel expenses		(1'960'756)	(744'938)
Other operating expenses		(1'304'317)	(1'341'739)
Earnings before depreciation and amortization (EBITDA)		**(212'173)**	**(988'412)**
Depreciation and amortization		(482'453)	(446'455)
Operating result (EBIT)		**(694’626)**	**(1'434'867)**
Financial income		117'714	75'240
Financial expenses		(857’402)	(288'011)
Net financial result		**(1’434’313)**	**(1’647’638)**
Non-operational income		42'473	42'000
Non-operational expenses		(19'054)	(14'939)
Extraordinary, non-recurring or prior-period income	9	49’456	181'468
Extraordinary, non-recurring or prior-period expenses	9	(60’031)	-
Earnings before taxes (EBT)		**(1’421’469)**	**(1'439'110)**
Income taxes		(4'156)	(18'321)
Net result for the year		**(1’425’626)**	**(1'457'431)**

Amounts are rounded to whole CHF. Subtotals may therefore differ from the sum of individual rounded line items by CHF 1.

General notes to the Financial Statements

Accounting basis, significant events and presentation

Principles

These annual Financial Statements were prepared according to the principles of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below. It should be noted that to ensure the Company's going concern, the Company may create or release hidden reserves.

The preparation of Financial Statements requires the Board of Directors to make estimates and judgements that may affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The Board of Directors decides in each case at its own discretion whether to make use of the existing statutory valuation and accounting latitude. In the interests of the Company, depreciation, value adjustments and provisions may be made in excess of the extent required for business purposes, in accordance with the principle of prudence.

Changes in accounting estimates

In 2024, hardware and equipment were depreciated over five years using the diminishing-balance method. From 2025, these assets are depreciated on a straight-line basis over five years.

To facilitate comparison, the presentation of the comparative figures has been adjusted to reflect the new structure of the balance sheet and the income statement.

Significant events

On 15 January 2025, Beaconsmind AG acquired 100% of the shares of the former Swissnet AG. The transaction was accounted for as an acquisition. Consequently, the current-year Financial Statements are not fully comparable with the prior year. The acquired business has been included from the acquisition date.

On 5 March 2025, Beaconsmind AG in Wollerau was renamed Swissnet AG (Berg, TG).

On 15 January 2025, Beaconsmind AG acquired 100% of Advanced Digital Technology DWC-LLC (Lokalee). Further details are disclosed in Note 12, "Transactions with related parties".

Full-time equivalents

The annual average number of full-time equivalent employees for the reporting year did not exceed 50 (prior year less than 10 employees on annual average).

Dispensing with cash flow statement, management report and additional disclosures in the notes

Since swissnet ag prepares Financial Statements according to a recognised accounting standard (International Financial Reporting Standards, IFRS), it has, in accordance with legal requirements, refrained from disclosing information in the annual Financial Statements regarding interest-bearing liabilities and audit fees, the management report and the presentation of a statement of cash flows.

Principles of valuation

Material accounting and valuation principles

Cash and cash equivalents

Cash and cash equivalents include petty cash, balances in postal and bank accounts, and short-term time deposits with a residual term of less than 90 days. They are measured at nominal value.

Trade receivables

Trade receivables include short-term receivables with a residual term of up to one year arising from ordinary operating activities. They are measured at nominal value. Credit-default risks are considered through specific and general allowances. General allowances are recognised for balances not already covered by a specific allowance, with the assumed default risk increasing as balances become more overdue.

Financial assets

Financial assets include long-term loans and deferred tax assets in addition to investments. Loans are measured at cost less any necessary impairment.

Property, plant and equipment

Property, plant and equipment are measured at acquisition cost less depreciation and any necessary impairment. Company-produced additions are recognised only when they are clearly identifiable, costs can be determined reliably and a measurable benefit is expected over several years. Depreciation is calculated on a straight-line basis over the useful life of the asset. The operational property in Berg is separated into non-depreciable land and depreciable building components. Building components and capitalised improvements are depreciated on a straight-line basis over their individually assessed useful lives; tenant fixtures are depreciated over five years.

The useful lives applied are:

Asset category	Useful life
Furniture	10 years
Hardware	5 years
Office equipment	5 years
Equipment for lease	3-5 years, depending on the end-customer contract
Tenant fixtures	5 years

Intangible assets

Intangible assets include software amortised over three years. There are currently no internally generated intangible assets. Intangible assets are recognised when they are clearly identifiable, costs can be determined reliably and a measurable benefit is expected over several years. They are measured at acquisition cost less amortization and any necessary impairment. Amortization is calculated on a straight-line basis over the useful life and recognised in the income statement.

Principles of valuation

Additional accounting principles

Impairment

At each reporting date, the Company assesses whether there are any specific indications that non-current assets, investments or loans may be overstated. Where such indications exist, the carrying amount of the respective assets is assessed and, where necessary, an impairment is recognised.

In assessing the recoverability of the assets, the Company considers the specific circumstances and information available, including, in particular, the financial performance and earning capacity, the financial and funding position, expected future cash flows, as well as other relevant market- and company-specific factors. Where appropriate, expected future cash flows and their present value, as well as other suitable valuation methods, may be used to assess the recoverability of the assets.

If the carrying amount exceeds the recoverable or economically supportable value determined in accordance with the applicable valuation principles, the resulting impairment is recognised in the income statement.

Liabilities

Liabilities are recognised at nominal value.

Provisions

Provisions are recognised when a past event gives rise to a probable obligation of uncertain timing or amount that can be estimated reliably. They are measured at the best estimate of the expenditure required to settle the obligation.

Contingent liabilities

The probability and potential financial impact of contingent liabilities are assessed at each balance-sheet date. Based on that assessment, contingent liabilities are evaluated and disclosed in the notes.

Revenue recognition

Revenue from the sale of goods is recognised when the significant risks and rewards and the power of disposal have transferred to the buyer. Revenue from services under long-term contracts is recognised based on the percentage of completion. Revenue from support, maintenance and subscriptions is recognised over the relevant contract period. Revenue from time-and-material arrangements is recognised in the period in which the services are rendered or the materials are delivered.

Notes to the Financial Statements

Cross-reference between the primary statements and the notes

1. Financial assets

Description	31.12.2025 CHF	31.12.2024 CHF
Raiffeisenbank share certificate	200	-
Loan to Beaconsmind DE	-	1
Loan to Beaconsmind Mena Data	-	1
Loan to Advanced Digital Technology DWC-LLC (Lokalee)	1'034'809	-
Loan to Swissnet Mena IT Tech Trading LLC	298'130	-
Loan to Socialwave Spain	17'949	-
Loan to Swissnet Mena IT Techno. Services LLC	48'503	-
Loan to Socialwave GmbH (EUR)	300'975	-
Total financial assets	**1'700'567**	**2**

2. Summary of direct and indirect investments, associates and joint ventures

The distribution of capital shares is consistent with the respective voting-right percentages.

Company name	Location	Note	Country	Currency	Capital 31.12.2025	Capital voting share 31.12.2025	Capital 31.12.2024	Capital voting share 31.12.2024
Swissnet Media GmbH	Grünwald	1)	DE	EUR	N/A	N/A	25'000	100%
Beaconsmind Mena Data LLC	Dubai	2)	UAE	AED	N/A	N/A	300'000	49%
Beaconsmind Shanghai Co. Ltd.	Shanghai	3)	CN	EUR	N/A	N/A	75'000	100%
Frederix Hotspot GmbH	Hannover		DE	EUR	75'000	62%	75'000	62%
Beaconsmind Socialwave Proximity GmbH	Munich		DE	EUR	25'000	100%	25'000	100%
Socialwave GmbH	Munich		DE	EUR	25'000	100%	25'000	100%
Kadsoft Computer GmbH	Freital	4)	DE	EUR	105'000	100%	105'000	100%
T2 Vertrieb GmbH	Lage	5)	DE	EUR	N/A	N/A	25'000	100%
Swissnet Mein Hotspot GmbH	Munich	6)	DE	EUR	25'000	100%	25'000	100%
Benyo Free WiFi GmbH	Leipzig		DE	EUR	25'000	19%	25'000	19%
Socialwave Spain SE	Barcelona		ES	EUR	3'000	100%	3'000	100%
Advanced Digital Technology DWC LLC	Dubai		UAE	AED	300'000	100%	N/A	N/A
Swissnet ICT GmbH	Reutlingen		DE	EUR	150'000	100%	N/A	N/A
Swissnet APAC PTE Ltd.	Singapore		SG	SGD	1'000	25%	N/A	N/A
Swissnet Mena IT Techno. Services LLC	Dubai		UAE	AED	100'000	50%	N/A	N/A
Swissnet Mena IT Tech Trading LLC	Dubai		UAE	AED	100'000	50%	N/A	N/A

Notes

1) Swissnet Media GmbH has been merged into Socialwave GmbH.
2) Beaconsmind Mena Data LLC has been liquidated.
3) Beaconsmind Shanghai Co. Ltd. has been liquidated.
4) Kadsoft Computer GmbH is merged into Swissnet ICT as of 1 January 2026.
5) T2 Vertrieb GmbH was merged into Swissnet ICT as of 18 August 2025.
6) Mein Hotspot is merged into Socialwave as of 1 January 2026.

3. Share capital and capital reserves

On 15 January 2025, the Board of Directors increased the share capital within the existing capital band by CHF 277'466.30, from CHF 554'932.60 to CHF 832'398.90, by issuing 2'774'663 fully paid registered shares with a nominal value of CHF 0.10 each. The capital band was thereby fully utilised.

On the same date, 160'809 fully paid registered shares with a nominal value of CHF 0.10 each were issued from conditional capital, increasing share capital by CHF 16'080.90. Following both capital increases, share capital amounted to CHF 848'479.80, divided into 8'484'798 fully paid registered shares with a nominal value of CHF 0.10 each.

As at 31 December 2025, CHF 11'100'736 (31 December 2024: CHF 4'229'206) of the reported capital-contribution reserves totalling CHF 33'492'806 had not yet been approved by the Federal Tax Administration.

4. Shares held by board members or employees

Participation rights owned by	Quantity 31.12.2025	Nominal value 31.12.2025 CHF	Quantity 31.12.2024	Nominal value 31.12.2024 CHF
Members of the board	307’442	30’744.20	412'465	41'247.00
Employees	592’788	59’278.80	-	-

The table presents participation rights held at the respective year-end.

5. Liabilities to related parties

Description	31.12.2025 CHF	31.12.2024 CHF
Loan from Crown Private Investments	1'528'231	838'723
Loan from AT-Vision	1'223'820	-
Loan from Urs Minger	523'490	-
Loan from Bo Invest AG	539'597	-
Loan from Philipp Minger	151'007	-
Loan from Thorsten Abbenzeller	120'805	-
Loan from BelleGut Immobilien AG	350'000	-

6. Unrecognised liabilities

Description	31.12.2025 CHF	31.12.2024 CHF
Obligations from leasing contracts - maturity within 1 year	75'656	-
Obligations from leasing contracts - maturity within 2-5 years	-	75'656
Total	**75'656**	**75'656**

7. Assets pledged as security

The property located in Berg TG is pledged by way of registered mortgage notes amounting to CHF 600’000 as collateral for interest-bearing financial liabilities. The carrying amount of the pledged property amounts to CHF 720’000. The secured financial liabilities amounted to CHF 545’000 as of 31 December 2025.

8. Major shareholders

Shareholder Company	31.12.2025	31.12.2024
Crown Liquid Fund	46.6%	48.2%
AT-Vision	17.6%	0.0%
Swissnet Shareholders	10.1%	0.0%
eKomi Holding GmbH	4.6%	7.0%
Socialwave Shareholders	2.5%	4.0%
CEO	2.0%	2.8%
Other management	1.7%	3.3%
Free float	8.4%	34.6%

9. Extraordinary, non-recurring or prior-period items

The line item represents a net expense of CHF 10'575 (2024: net income of CHF 181'468) and mainly comprises liquidation and wind-down effects relating to legacy legal entities, including Beaconsmind MENA and others.

10. Liabilities to pension funds

As at 31 December 2025, liabilities to pension institutions amounted to CHF 107'120 (31 December 2024: CHF 21'606).

11. Contingent assets and liabilities

As at 31 December 2025, there were no material contingent assets or contingent liabilities requiring disclosure.

The Company has not entered into material long-term rental obligations.

12. Transactions with related parties

On 15 January 2025, the Company, then operating as Beaconsmind AG, acquired 100% of the shares of Advanced Digital Technology DWC-LLC (Lokalee) from related parties. The transaction was completed at a purchase price of CHF 11’579’220.

13. Going concern

The Company incurred a net loss of CHF 1’425’626 the year ended 31 December 2025 and loss carry forwards of CHF 18’679’521, the Company reported cash and cash equivalents of CHF 274’040. This indicates that a material uncertainty exists that may cast significant doubt on the Company'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 Company's expected cash flows and liquidity requirements for a period of at least twelve months from the date of approval of these 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 Financial Statements, demonstrating that the Company 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 Company’s liquidity position (see note 14 Subsequent events)
- 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, primarily through reductions in personnel costs of approximately CHF 407’000, with certain employees having already left the Company 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 469’700, 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 Company will have adequate financial resources to continue its operations for at least twelve months from the date of approval of these Financial Statements. Accordingly, the Financial Statements have been prepared on a going concern basis.

14. Subsequent events

Subsequent to the reporting date, in June 2026, a major shareholder committed to strengthen the Company'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 Swissnet has adequate financial resources to continue as a going concern for at least the next 12 months.

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 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 Company'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 Financial Statements, management is not able to reliably estimate the financial effects of these developments. Consequently, no adjustments have been recognized in these Financial Statements. Management has implemented appropriate contingency measures to mitigate operational risks and will continue to monitor the situation closely.

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.

Proposed allocation of losses

Proposal of the Board of Directors to the Annual General Meeting | Swiss francs (CHF)

The Board of Directors proposes that the accumulated loss available to the Annual General Meeting be carried forward as follows:

Description	2025 CHF	2024 CHF
Accumulated losses brought forward	(16'455'741)	(14'998'310)
Adjustments following the merger	501'846	
Interim dividends	(1'300'000)	
Net result for the year	(1'425'626)	(1'457'431)
Accumulated loss at the disposal of the Annual General Meeting	**(18'679'521)**	**(16'455'741)**
Allocation to legal reserves	-	-
Balance carried forward to new account	**(18'679'521)**	**(16'455'741)**