

**AIMONDO AG**

**FINANCIAL STATEMENTS**  
31 December 2022

# AIMONDO AG

---

## FINANCIAL STATEMENTS

31 December 2022

### CONTENTS

### PAGE

Board of Directors and other officers	1
Independent auditor's report	2 - 3
Statement of profit or loss and other comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Cash flow statement	7
Notes to the financial statements	8 - 31

# AIMONDO AG

---

## BOARD OF DIRECTORS AND OTHER OFFICERS

**Board of Directors:**

Rene Friedrich Grubel

**Independent Auditors:**

M. Papadakis & Co.  
Certified Public Accountants and Registered Auditors  
1 Avlonos Street  
Maria House  
1075 Nicosia  
Cyprus

**Registered office:**

Seestrasse 17/19  
CH 8002 Zurich  
Switzerland

**Registration number:**

CH-243.496.194

## **Independent Auditor's Report**

### **To the Members of Aimondo AG**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of parent company Aimondo AG (the "Company"), which are presented in pages 4 to 31 and comprise the statement of financial position as at 31 December 2022, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows 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 give a true and fair view of the financial position of parent company Aimondo AG as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

##### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Responsibilities of the Board of Directors for the Financial Statements**

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

##### **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 ISAs 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.

## **Independent Auditor's Report (continued)**

### **To the Members of Aimondo AG**

#### **Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

As part of an audit in accordance with ISAs, 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 by the Board of Directors.
- 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors 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.

#### **Other Matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

We have reported separately on the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2022.



**MP** | **M.PAPADAKIS & Co.**  
Chartered Accountants

Andreas Ioannou  
Certified Public Accountant and Registered Auditor  
for and on behalf of  
**M. Papadakis & Co.**  
**Certified Public Accountants and Registered Auditors**

Nicosia, 27 December 2023

# AIMONDO AG

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 31 December 2022

	Note	2022 CHF	2021 CHF
<b>Revenue</b>	8	<b>580.477</b>	107.513
Cost of sales		<u>(237.955)</u>	<u>(35.992)</u>
<b>Gross profit</b>		<b>342.522</b>	71.521
Other operating income	9	-	639
Selling and distribution expenses	10	<b>(15.623)</b>	(220)
Administration expenses	11	<b>(110.761)</b>	(176.613)
Net impairment loss on financial and contract assets		<u>(222.052)</u>	<u>(3.000)</u>
<b>Operating loss</b>		<b>(5.914)</b>	<u>(107.673)</u>
Finance income		<b>434.463</b>	10
Finance costs		<u>(48.483)</u>	<u>(61.305)</u>
Net finance income/(cost)	12	<u><b>385.980</b></u>	<u>(61.295)</u>
<b>Net profit/(loss) for the year</b>		<b>380.066</b>	(168.968)
<b>Other comprehensive income</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><b>380.066</b></u>	<u>(168.968)</u>

The notes on pages 8 to 31 form an integral part of these financial statements.

# AIMONDO AG

## STATEMENT OF FINANCIAL POSITION

31 December 2022

	Note	2022 CHF	2021 CHF
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	13	<b>137.210</b>	4.502.423
Investments in associates	14	<b>29</b>	85.599
Non-current loans receivable	15	<b>2.885.015</b>	9.969
		<b>3.022.254</b>	4.597.991
<b>Current assets</b>			
Trade and other receivables	16	<b>191.852</b>	74.053
Cash at bank and in hand	17	<b>13.999</b>	107.497
		<b>205.851</b>	181.550
<b>Total assets</b>		<b>3.228.105</b>	4.779.541
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	18	<b>3.266.033</b>	3.266.033
Accumulated losses		<b>(68.029)</b>	(448.095)
<b>Total equity</b>		<b>3.198.004</b>	2.817.938
<b>Non-current liabilities</b>			
Borrowings	19	-	1.951.650
		-	1.951.650
<b>Current liabilities</b>			
Trade and other payables	20	<b>30.101</b>	9.953
		<b>30.101</b>	9.953
<b>Total liabilities</b>		<b>30.101</b>	1.961.603
<b>Total equity and liabilities</b>		<b>3.228.105</b>	4.779.541

On 27 December 2023 the Board of Directors of Aimondo AG authorised these financial statements for issue.



.....  
Rene Friedrich Grubel  
Director

The notes on pages 8 to 31 form an integral part of these financial statements.

## AIMONDO AG

---

### STATEMENT OF CHANGES IN EQUITY

31 December 2022

	Share capital CHF	Accumulated losses CHF	Total CHF
<b>Balance at 1 January 2021</b>	<b>3.266.033</b>	<b>(279.127)</b>	<b>2.986.906</b>
<b>Comprehensive income</b>			
Net loss for the year	-	(168.968)	(168.968)
Total comprehensive income for the year	-	(168.968)	(168.968)
<b>Balance at 1 January 2022 as previously reported</b>	<b>3.266.033</b>	<b>(448.095)</b>	<b>2.817.938</b>
<b>Balance at 31 December 2021/ 1 January 2022</b>	<b>3.266.033</b>	<b>(448.095)</b>	<b>2.817.938</b>
<b>Comprehensive income</b>			
Net profit for the year	-	380.066	380.066
Total comprehensive income for the year	-	380.066	380.066
<b>Balance at 31 December 2022</b>	<b>3.266.033</b>	<b>(68.029)</b>	<b>3.198.004</b>

---

The notes on pages 8 to 31 form an integral part of these financial statements.



# AIMONDO AG

## CASH FLOW STATEMENT

31 December 2022

	Note	2022 CHF	2021 CHF
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit/(loss) before tax</b>		<b>380.066</b>	(168.968)
Adjustments for:			
Unrealised exchange loss		<b>4.863</b>	3.579
Share of profit from associates	14	-	(84.199)
Impairment charge - debt investments at amortised cost		<b>222.052</b>	3.000
Interest income	9	-	(639)
Interest expense	12	<b>41.660</b>	56.854
		<b>648.641</b>	(190.373)
<b>Changes in working capital:</b>			
Increase in trade and other receivables		<b>(117.799)</b>	(74.053)
Increase in trade and other payables		<b>20.148</b>	9.953
<b>Cash generated from/(used in) operations</b>		<b>550.990</b>	(254.473)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for purchase of investments in subsidiaries	13	<b>38.615</b>	-
Payment for purchase of financial assets at amortised cost		<b>(222.052)</b>	(3.000)
Loans granted		<b>(456.188)</b>	(9.969)
Interest received		-	639
<b>Net cash used in investing activities</b>		<b>(639.625)</b>	(12.330)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	1.951.650
Unrealised exchange (loss)		<b>(4.863)</b>	(3.579)
Interest paid		-	(56.854)
<b>Net cash (used in)/generated from financing activities</b>		<b>(4.863)</b>	1.891.217
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(93.498)</b>	1.624.414
Cash and cash equivalents at beginning of the year		<b>107.497</b>	(1.516.917)
<b>Cash and cash equivalents at end of the year</b>	17	<b>13.999</b>	107.497

The notes on pages 8 to 31 form an integral part of these financial statements.

# AIMONDO AG

---

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 1. Incorporation and principal activities

#### Country of incorporation

The Company Aimondo AG (the "Company") was incorporated in Switzerland on 12 March 2018 as a private limited liability company under the provisions of the Swiss Laws, Its registered office is at Seestrasse 17/19, CH 8002 Zurich, Switzerland.

#### Principal activities

The principal activities of the Company, which are unchanged from last year, are the development and sale of dynamic pricing software.

### 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS).

As of the date of the authorisation of the financial statements, all International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) that are effective as of 1 January 2022 and relevant to the Company have been adopted by the EU through the endorsement procedure established by the European Commission.

### 3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2022. This adoption did not have a material effect on the accounting policies of the Company.

### 4. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

#### Consolidated financial statements

The financial statements of all the Group companies are prepared using uniform accounting policies. All inter-company transactions and balances between Group companies have been eliminated during consolidation.

#### Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company 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.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

#### Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 4. Significant accounting policies (continued)

#### Investments in associates (continued)

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associate. When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Company's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When an entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the Company's financial statements only to the extent of interests in the associate that are not related to the Company.

#### Revenue

##### Recognition and measurement

Revenue represents the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price. The Company includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Company's experience with similar contracts and forecasted sales to the customer.

The Company recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices ) and are committed to perform their respective obligations, the Company can identify each party's rights and the payment terms for the goods or services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract), it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific criteria have been met for each of the Company's contracts with customers.

The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Company considers only the customer's ability and intention to pay that amount of consideration when it is due.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 4. Significant accounting policies (continued)

#### Revenue (continued)

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the statement of profit or loss and other comprehensive income in the period in which the circumstances that give rise to the revision become known by Management.

#### Identification of performance obligations

The Company assesses whether contracts that involve the provision of a range of goods and/or services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand-alone selling price. A good or service that is promised to a customer is distinct if the customer can benefit from the good or service, either on its own or together with other resources that are readily available to the customer (that is the good or service is capable of being distinct) and the Company's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (that is, the good or service is distinct within the context of the contract).

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

- **Sale of goods**

Sales of goods are recognised at the point in time when the Company satisfies its performance obligation by transferring control over the promised goods to the customer, which is usually when the goods are delivered to the customer, risk of obsolescence and loss have been transferred to the customer and the customer has accepted the goods.

- **Interest income**

Interest income is recognised on a time-proportion basis using the effective interest method.

#### Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

#### Foreign currency translation

**(1) Functional and presentation currency**

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in CHF (CHF), which is the Company's functional and presentation currency.

**(2) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### Financial assets

##### Financial assets - Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

#### Financial assets - Classification (continued)

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

#### Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

#### Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Financial assets - impairment - credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

#### Financial assets - impairment - credit loss allowance for ECL (continued)

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

For all other financial instruments that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 6, Credit risk section, for a description of how the Company determines when a SICR has occurred. If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company's definition of credit impaired assets and definition of default is explained in note 6, Credit risk section.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 6, Credit risk section for a description of how the Company determines low credit risk financial assets.

#### Financial assets -Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

#### Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

##### Financial assets - modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

##### Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

##### Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

##### Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

##### Classification as trade receivables (continued)

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 6, Credit risk section.

Trade receivables are written off when 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 Company, and a failure to make contractual payments for a period of greater than 180 days past due.

##### Credit related commitments

The Company issues commitments to provide loans. Such commitments are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight-line basis over the life of the commitment, except for commitments to originate loans if it is probable that the Company will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination; such loan commitment fees are deferred and included in the carrying value of the loan on initial recognition. At the end of each reporting period, the commitments are measured at (i) the remaining unamortised balance of the amount at initial recognition, plus (ii) the amount of the loss allowance determined based on the expected credit loss model, unless the commitment is to provide a loan at a below market interest rate, in which case the measurement is at the higher of these two amounts. The carrying amount of the loan commitments represents a liability. For contracts that include both a loan and an undrawn commitment and where the Company cannot separately distinguish the ECL on the undrawn loan component from the loan component, the ECL on the undrawn commitment is recognised together with the loss allowance for the loan. To the extent that the combined ECLs exceed the gross carrying amount of the loan, they are recognised as a liability.

##### Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

##### Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

##### Financial liabilities - Modifications

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

#### Financial liabilities - Modifications (continued)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

#### Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

#### Share capital

Ordinary shares are classified as equity.

### 5. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 6. Financial risk management

#### Financial risk factors

The Company is exposed to interest rate risk, credit risk, liquidity risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

#### 6.1 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. The Company is exposed to interest rate risk in relation to its non-current borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

#### 6.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from [cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and contract assets as well as lease receivables. Further, credit risk arises from financial guarantees and credit related commitments.]

##### *(i) Impairment of financial assets*

The Company has the following types of financial assets that are subject to the expected credit loss model:

- trade receivables
- cash and cash equivalents
- credit commitments

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

- For trade receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected losses to be recognised from initial recognition of the financial assets.
- For all other financial assets that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial asset that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Impairment losses are presented as net impairment losses on financial and contract assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

##### *Significant increase in credit risk*

The Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 6. Financial risk management (continued)

#### 6.2 Credit risk (continued)

##### *(i) Impairment of financial assets (continued)*

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's/counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the Company and changes in the operating results of the borrower/counterparty.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

##### *Low credit risk*

The Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

##### *Default*

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

##### *Write-off*

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a debt financial asset for write off when a debtor fails to make contractual payments greater than 180 days past due. Where debt financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Company's exposure to credit risk for each class of (asset/instrument) subject to the expected credit loss model is set out below:

#### **Trade receivables and contract assets**

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables (including those with a significant financing component, and contract assets.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 6. Financial risk management (continued)

#### 6.2 Credit risk (continued)

*(i) Impairment of financial assets (continued)*

##### Trade receivables and contract assets (continued)

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2022 or 1 January 2022 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The average credit period on sales of goods is 60 days. No interest is charged on outstanding trade receivables.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL.

There were no significant trade receivable and contract asset balances written off during the year that are subject to enforcement activity.

##### Loans to related parties

The Company does not hold any collateral as security for any loans to related parties.

There were no significant loans to related parties written off during the year that are subject to enforcement activity.

##### Receivables from related parties

For receivables from related parties lifetime ECL was provided for them upon initial application of IFRS 9 until these financial assets are derecognised as it was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk has increased significantly since initial recognition to the date of initial application of IFRS 9.

For any new loans to related parties, which are not purchased or originated credit-impaired financial assets, the impairment loss is recognised as 12-month ECL on initial recognition of such instruments and subsequently the Company assesses whether there was a significant increase in credit risk.

The Company does not hold any collateral as security for any receivables from related parties.

There were no significant receivables from related parties written off during the year that are subject to enforcement activity.

##### Cash and cash equivalents

The Company assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

Bank deposits held with banks with investment grade rating are considered as low credit risk.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 6. Financial risk management (continued)

#### 6.2 Credit risk (continued)

##### *(i) Impairment of financial assets (continued)*

#### Cash and cash equivalents (continued)

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls. The ECL on deposits accounts is calculated by considering published PDs for the rating as per Moody's and an LGD of 40-60% as published by ECB.

The Company does not hold any collateral as security for any cash at bank balances.

There were no significant cash at bank balances written off during the year that are subject to enforcement activity.

##### *(ii) Net impairment losses on financial and contract assets recognised in profit or loss*

During the year, the following gains/(losses) were recognised in profit or loss in relation to impaired financial assets and contract assets:

<b>Impairment losses</b>	<b>2022</b>	<b>2021</b>
	<b>CHF</b>	<b>CHF</b>
Impairment charge - debt investments at amortised cost	<u>(222.052)</u>	<u>(3.000)</u>
<b>Net impairment loss on financial and contract assets</b>	<u><b>(222.052)</b></u>	<u><b>(3.000)</b></u>

##### *(iii) Credit related commitments*

The primary purpose of these instruments is to ensure that funds are available to a borrower as required. Guarantees which represent irrevocable assurances that the Company will make payments in the event that a counterparty cannot meet its obligations to third parties, carry the same credit risk as loans receivable. Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans or guarantees. With respect to credit risk on commitments to extend credit, the Company is potentially exposed to loss in an amount equal to the total unused commitments, if the unused amounts were to be drawn down. The Company monitors the term to maturity of credit related commitments, because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

#### 6.3 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 6. Financial risk management (continued)

#### 6.3 Liquidity risk (continued)

31 December 2022	Carrying amounts CHF	Contractual cash flows CHF	3 months or less CHF	3-12 months CHF	1-2 years CHF	2-5 years CHF	More than 5 years CHF
Trade and other payables	14.512	14.512	14.512	-	-	-	-
Payables to related parties	29	29	29	-	-	-	-
	<b>14.541</b>	<b>14.541</b>	<b>14.541</b>	-	-	-	-
31 December 2021	Carrying amounts CHF	Contractual cash flows CHF	3 months or less CHF	3-12 months CHF	1-2 years CHF	2-5 years CHF	More than 5 years CHF
Trade and other payables	5.778	5.778	5.778	-	-	-	-
Payables to related parties	29	29	29	-	-	-	-
Loans from fellow subsidiaries	1.951.650	1.951.650	1.951.650	-	-	-	-
	<b>1.957.457</b>	<b>1.957.457</b>	<b>1.957.457</b>	-	-	-	-

#### 6.4 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar and the Euro. The Company's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

#### 6.5 Capital risk management

Capital includes equity shares and share premium, convertible preference shares and loan from parent company.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

### 7. Critical accounting estimates, judgments and assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 7. Critical accounting estimates, judgments and assumptions (continued)

#### *Critical accounting estimates and assumptions*

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- **Calculation of loss allowance**

When measuring expected credit losses the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

#### *Critical judgements in applying the Company's accounting policies*

- **Impairment of investments in subsidiaries/associates**

The Company periodically evaluates the recoverability of investments in subsidiaries/associates whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries/associates may be impaired, the estimated future discounted cash flows associated with these subsidiaries/associates would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

- **Impairment of loans receivable**

The Company periodically evaluates the recoverability of loans receivable whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country in which the borrower operates, which may indicate that the carrying amount of the loan is not recoverable. If facts and circumstances indicate that loans receivable may be impaired, the estimated future discounted cash flows associated with these loans would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

- **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 6, Credit risk section.

# AIMONDO AG

---

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 8. Revenue

The Company derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major product lines.

<b>Disaggregation of revenue</b>	<b>2022</b>	2021
	<b>CHF</b>	CHF
Credit sales	<u>580.477</u>	107.513
	<u>580.477</u>	107.513

### 9. Other operating income

	<b>2022</b>	2021
	<b>CHF</b>	CHF
Interest income	<u>-</u>	639
	<u>-</u>	639

### 10. Selling and distribution expenses

	<b>2022</b>	2021
	<b>CHF</b>	CHF
Advertising	<u>15.623</u>	220
	<u>15.623</u>	220

### 11. Administration expenses

	<b>2022</b>	2021
	<b>CHF</b>	CHF
Rent	12.985	13.200
Municipality taxes	-	1.656
Sundry expenses	1.520	6.497
Telephone and postage	1.719	130
Subscriptions and contributions	4.774	337
Sundry staff costs	171	-
Computer supplies and maintenance	166	-
Auditors' remuneration	3.944	4.146
Legal fees	3.853	-
Other professional fees	79.084	150.647
Overseas travelling	467	-
Inland travelling and accommodation	887	-
Entertaining	<u>1.191</u>	-
	<u>110.761</u>	176.613



# AIMONDO AG

---

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 12. Finance income/(costs)

	2022 CHF	2021 CHF
<b>Finance income</b>		
Realised foreign exchange profit	433.089	10
Unrealised foreign exchange profit	<u>1.374</u>	<u>-</u>
	<u>434.463</u>	<u>10</u>
<b>Finance costs</b>		
<b>Interest expense</b>		
Loan interest	(41.660)	(56.854)
<b>Sundry finance expenses</b>		
Bank charges	(586)	(195)
<b>Net foreign exchange losses</b>		
Realised foreign exchange loss	-	(677)
Unrealised foreign exchange loss	<u>(6.237)</u>	<u>(3.579)</u>
	<u>(48.483)</u>	<u>(61.305)</u>
<b>Net finance income/(costs)</b>	<u>385.980</u>	<u>(61.295)</u>

# AIMONDO AG

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 13. Investments in subsidiaries

	2022 CHF	2021 CHF
Balance at 1 January	4.502.423	4.502.423
Additions	41.875	-
Disposals	(4.502.423)	-
Impairment charge	(3.000)	-
Capital Contribution	98.335	-
<b>Balance at 31 December</b>	<b>137.210</b>	<b>4.502.423</b>

The details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	2022 Holding %	2021 Holding %	2022 CHF	2021 CHF
Aimondo Italia SRL	Italy	Sale of Dynamic Pricing Software	100	20	67.342	-
Aimondo Austria GmbH	Austria	Sale of Dynamic Pricing Software	100	20	44.747	-
Aimondo GmbH	Germany	Development and Sale of Dynamic Pricing Software	-	100	-	4.502.423
Pepper Pricing GmbH	Germany	Development and Sale of Dynamic Pricing Software	100	-	25.121	-
					<b>137.210</b>	<b>4.502.423</b>

During 2022, the Company acquired the remaining 80% of each of the companies Aimondo Italia SRL and Aimondo Austria GmbH. Until 2021, the Company held the 20% of these companies (note 14).

Also, during 2022, the Company acquired the 100% shareholding in Pepper Pricing GmbH for EUR 25.000.

Finally, during 2022, the Company disposed the 100% holding of Aimondo GmbH to its related company TTIP Limited for the amount of CHF 4.687.298.

As at 31 December 2021, the loan balances of Aimondo Italia GmbH of CHF 49.500 (EUR 45.000) and Aimondo Austria GmbH of 34.100 (EUR 31.000) including their respective accrued interest, were transferred into the Company's investments as Capital Contribution.

As at 31 December 2022, the loan balances of Aimondo Italia GmbH of CHF 5.189 (EUR 5.000) and Aimondo Austria GmbH of 4.950 (EUR 4.500) were also transferred into the Company's investments as Capital Contribution (Note 14).

### 14. Investments in associates

	2022 CHF	2021 CHF
Balance at 1 January	85.599	4.400
Impairment charge	-	(3.000)
Transferred to investments in subsidiaries	(85.570)	-
Capital Contribution	-	84.199
<b>Balance at 31 December</b>	<b>29</b>	<b>85.599</b>

# AIMONDO AG

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 14. Investments in associates (continued)

The details of the investments are as follows:

Name	Country of incorporation	Principal activities	2022 Holding %	2021 Holding %	2022 CHF	2021 CHF
Aimondo Italia SRL	Italy	Sale of Dynamic Pricing Software	-	20	-	50.123
Aimondo UK Ltd	United Kingdom	Sale of Dynamic Pricing Software	20	20	29	29
Aimondo Austria GmbH	Austria	Sale of Dynamic Pricing Software	-	20	-	35.447
					<b>29</b>	<b>85.599</b>

During 2021, the Company acquired the 20% holding of Aimondo UK Ltd for the amount of CHF 29 (GBP 26).

Also, during 2021, the investment in Aimondo Italia SRL was impaired by CHF 3.000 due to the company's financial position.

During 2021, the Company granted loans to its associates Aimondo Italia GmbH and Aimondo Austria GmbH of total amount CHF 93.500 with interest rate 1%. As at 31 December 2021, the loan balances including the accrued interest, were transferred into the Company's investments as Capital Contribution.

During 2022, the Company acquired the 100% of the investments in Aimondo Italia SRL and Aimondo Austria GmbH (note 13).

### 15. Non-current loans receivable

	2022 CHF	2021 CHF
Loans receivable	15.000	-
Loans to own subsidiaries (Note 22.2)	<b>2.870.015</b>	9.969
	<b>2.885.015</b>	9.969

# AIMONDO AG

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 15. Non-current loans receivable (continued)

During 2021, the Company granted a loan to Aimondo Austria SRL for the amount of EUR 40.000 with interest rate 1% p.a. The loan is repayable on 31 December 2024.

Also, during 2021, the Company granted a loan to Aimondo Italia SRL for the amount of EUR 45.000 with interest rate 1% p. a. The loan is repayable on 31 December 2024.

As at 31 December 2021, the loan balances of Aimondo Italia GmbH of CHF 49.500 (EUR 45.000) and Aimondo Austria GmbH of 34.100 (EUR 31.000) including their respective accrued interest, were transferred into the Company's investments as Capital Contribution. As at 31 December 2022, the loan balances of Aimondo Italia GmbH of CHF 5.189 (EUR 5.000) and Aimondo Austria GmbH of 4.950 (EUR 4.500) were also transferred into the Company's investments as Capital Contribution (Note 14).

During 2022, the Company granted loans to Aimondo GmbH for the total amount of EUR 168.000 with interest rate 4,5% p.a. The loans were repayable during 2024. During the same year, the loans receivable were written -off due to the company's financial position.

During 2022, the Company disposed the 100% share holding of its subsidiary Aimondo GmbH to TTIP Limited. As per the mutually agreed waiver agreement, the payable loans to TTIP Limited were set-off against the purchase price, with the excess amount creating a loan receivable due from TTIP Limited of amount CHF 2.865.236 (note 19). The loan bears interest 2,75% per annum and is repayable on 26th September 2029.

During 2022, the Company granted a loan to a third party, Aimondo Suisse GmbH, for the amount of CHF 20.000 with interest rate 1% and not specific repayment date.

The loans are repayable as follows:

	2022	2021
	CHF	CHF
Between one and five years	19.779	9.969
After five years	<u>2.865.236</u>	-
	<u>2.885.015</u>	9.969

Loans are denominated in CHF.

The exposure of the Company to credit risk in relation to loans receivable is reported in note 6 of the financial statements.

The fair values of non-current receivables approximate to their carrying amounts as presented above.

### 16. Trade and other receivables

	2022	2021
	CHF	CHF
Trade receivables	99.259	20.671
Receivables from fellow subsidiaries (Note 22.1)	4.251	46.564
Accrued income	81.126	-
Other receivables	80	80
Refundable VAT	<u>7.136</u>	6.738
	<u>191.852</u>	74.053

The Company does not hold any collateral over the trading balances.

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

# AIMONDO AG

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 16. Trade and other receivables (continued)

The exposure of the Company to credit risk and impairment losses in relation to trade and other receivables is reported in note 6 of the financial statements.

### 17. Cash at bank and in hand

Cash balances are analysed as follows:

	<b>2022</b>	2021
	<b>CHF</b>	CHF
Cash at bank	<u><b>13.999</b></u>	107.497
	<u><b>13.999</b></u>	<u>107.497</u>

### Cash and cash equivalents by currency:

	<b>2022</b>	2021
	<b>CHF</b>	CHF
United States Dollars	<b>798</b>	-
Euro	<b>10.942</b>	57.308
British Pounds	<b>920</b>	6.413
CHF	<u><b>1.339</b></u>	<u>43.776</u>
	<u><b>13.999</b></u>	<u>107.497</u>

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 6 of the financial statements.

### 18. Share capital

	<b>2022</b>	<b>2022</b>	2021	2021
	<b>Number of</b>	<b>CHF</b>	Number of	CHF
	<b>shares</b>		shares	
<b>Authorised</b>				
Ordinary shares of CHF 0,05 each	<u>21.773.553</u>	<u>1.088.678</u>	<u>21.773.553</u>	<u>1.088.678</u>
<b>Issued and fully paid</b>				
Ordinary "A" shares -				
Balance at 1 January	<u>21.773.553</u>	<u>1.088.678</u>	<u>21.773.553</u>	<u>1.088.678</u>
<b>Balance at 31 December</b>	<u><b>21.773.553</b></u>	<u><b>1.088.678</b></u>	<u>21.773.553</u>	<u>1.088.678</u>
Preference shares -				
Balance at 1 January	<u>43.547.107</u>	<u>2.177.355</u>	<u>43.547.107</u>	<u>2.177.355</u>
<b>Balance at 31 December</b>	<u><b>43.547.107</b></u>	<u><b>2.177.355</b></u>	<u>43.547.107</u>	<u>2.177.355</u>
<b>Total at 31 December</b>	<u><b>65.320.660</b></u>	<u><b>3.266.033</b></u>	<u>65.320.660</u>	<u>3.266.033</u>

# AIMONDO AG

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 19. Borrowings

	2022 CHF	2021 CHF
<b>Non-current borrowings</b>		
Loans from fellow subsidiaries (Note 22.4)	-	1.951.650
	<u>-</u>	<u>1.951.650</u>

During 2019, the Company entered into loan agreements with TTIP Limited for the total amount of EUR89.000 with interest rate 2,5% p.a. and no repayment date.

During 2020, the Company entered into loan agreements with TTIP Limited for the total amount of EUR 191.000 with interest rate 5% p.a. The loans were repayable within one year.

During the same year, the Company entered into a loan agreement with TTIP Limited for the total amount of EUR 1.250.000 with interest rate 5% p.a. The loan was repayable during 2025.

During 2021, the Company entered into loan agreements with TTIP Limited for the total amount of EUR 237.000 with interest rate 5% p.a. The loans were repayable within one year.

During 2022, the Company entered into loan agreements with TTIP Limited for the total amount of EUR 50.000 with interest rate 5% p.a. The loans were repayable within one year.

During 2022, the Company disposed the 100% share holding of its subsidiary Aimondo GmbH to TTIP Limited. As per the mutually agreed waiver agreement, the payable loans to TTIP Limited were set-off against the purchase price, with the excess amount creating a loan receivable due from TTIP Limited of amount CHF 2.865.236 (note 15).

Maturity of non-current borrowings:

	2022 CHF	2021 CHF
Between two and five years	-	1.951.650

### 20. Trade and other payables

	2022 CHF	2021 CHF
Trade payables	14.512	5.778
Accruals	15.560	4.146
Payables to associates (Note 22.3)	29	29
	<u>30.101</u>	<u>9.953</u>

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

### 21. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 21. Operating Environment of the Company (continued)

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

With the recent and rapid development of the Coronavirus disease (COVID-19) pandemic the world economy entered a period of unprecedented health care crisis that has caused considerable global disruption in business activities and everyday life.

Many countries have adopted extraordinary and economically costly containment measures. Certain countries have required companies to limit or even suspend normal business operations. Governments have implemented restrictions on travelling as well as strict quarantine measures throughout the year.

Industries such as tourism, hospitality and entertainment have been directly disrupted significantly by these measures. Other industries such as manufacturing and financial services have also been indirectly affected.

The event is reflected in the recognition and measurement of the assets and liabilities in the financial statements as at 31 December 2022. The Company's management has assessed:

- (1) whether any impairment allowances are deemed necessary for the Company's financial assets, non-financial assets, loan commitments, investments in subsidiaries and associates by considering the economic situation and outlook at the end of the reporting period.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty though, due to the pace at which the outbreak expands and the high level of uncertainties arising from the inability to reliably predict the outcome. Management's current expectations and estimates could differ from actual results.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that the main impact in the Company's profitability position has arisen from [please complete accordingly]. The event did have an immediate material impact on the business operations.

The Company's management believes that it is taking all the necessary measures to maintain the viability of the Company and the development of its business in the current business and economic environment.

### 22. Related party transactions

The Company is controlled by TTIP Ltd, incorporated in Cyprus, which owns 100% of the Company's shares. The ultimate beneficial owners of the Company are Heinrich Mueller and Manfred Peters, who own 75% and 25% respectively, of the Company's shares.

# AIMONDO AG

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

### 22. Related party transactions (continued)

The following transactions were carried out with related parties:

#### 22.1 Receivables from related parties (Note 16)

<u>Name</u>	<u>Nature of transactions</u>	<b>2022</b> <b>CHF</b>	2021 CHF
Aimondo GmbH	Finance	-	46.564
Aimondo Austria GmbH	Trade	94	-
Pepper Pricing GmbH	Trade	20	-
Aimondo Italia SRL	Trade	<b>4.137</b>	-
		<b>4.251</b>	46.564

#### 22.2 Loans to related parties (Note 15)

	<u>Terms</u>	<b>2022</b> <b>CHF</b>	2021 CHF
Aimondo Austria GmbH	Finance	4.779	9.969
TTIP Limited	Trade	<b>2.865.236</b>	-
		<b>2.870.015</b>	9.969

#### 22.3 Payables to related parties (Note 20)

<u>Name</u>	<b>2022</b> <b>CHF</b>	2021 CHF
Aimondo UK Limited	29	29
	<b>29</b>	29

#### 22.4 Loans from related parties (Note 19)

	<b>2022</b> <b>CHF</b>	2021 CHF
TTIP Limited	-	1.951.650
	<b>-</b>	1.951.650

### 23. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2022.

### 24. Commitments

The Company had no capital or other commitments as at 31 December 2022.

### 25. Events after the reporting period

As explained in note 21 the geopolitical situation in Eastern Europe remains intense with the continuation of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

Depending on the duration of the conflict between Russia and Ukraine, and continued negative impact on economic activity, the Company might experience further negative results, and liquidity restraints and incur additional impairments on its assets in 2023 which relate to new developments that occurred after the reporting period.



**NOTES TO THE FINANCIAL STATEMENTS**  
31 December 2022

**Independent auditor's report on pages 2 to 3**