

Prospectus
regarding the public offer of
2,000,000 existing registered shares with a par value of CHF 0.10 each
of Zazoon AG

each of the shares carrying full dividend rights as from 1st January 2026.

ISIN CH1163569887

Securities Number CH1163569887

Trading currency: CHF

This prospectus is issued for the public offering of shares of Zazoon AG, Beethovenstrasse 11, 8002 Zurich, Switzerland ("**Issuer**") of 2,000,000 existing shares of the Issuer from the holdings of its major shareholder 2020 Management AG, Beethovenstrasse 11, 8002 Zurich ("**Sale Shares**"). The Sale Shares carry full dividend rights. In total, there are 30,380,950 registered shares with a par value of CHF 0.10 each, the total par capital thus amounts to CHF 3,038,095. The Sale Shares are issued in the form of intermediated securities. The offer price will be determined by the Issuer's board of directors ("**Board of Directors**") and will be communicated on the website of the Issuer: "www.zazoon.com" ("**Offer Price**").

This Prospectus has been prepared under the laws of Liechtenstein in compliance with the requirements set out in the "Act regarding the implementation of Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market" ("**Prospectus Regulation**") as well as with the requirements set out in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "Prospectus Regulation"), Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 and Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisement of securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EC) No 382/2014 and Commission Delegated Regulation (EU) 2016/301.

This Prospectus has been prepared in accordance with the Prospectus Regulation and in accordance with Annexes 1 and 11 of Commission Delegated Regulation (EU) 2019/980.

A supplement to this Prospectus is generally only required if significant new factors, material mistakes, or material inaccuracies related to the information contained in this Prospectus that could affect the evaluation of the securities arise or are identified between the approval of the Prospectus and the end of the offering period.

This Prospectus has been filed with the FMA Liechtenstein as the competent authority responsible for the approval of this Prospectus pursuant to Article 9 EWR-WPPDG in connection with Article 31 of the Prospectus Regulation.

This Prospectus, as well as the current articles of association of the Issuer dated 27 May 2025 ("**Notarized Articles of Association**", see section "APPENDIX VIII" p. 169), financial statements and further corporate documentation can be found on the Issuer's webpage under "www.zazoon.com".

IMPORTANT NOTICE TO INVESTORS

IMPORTANT INFORMATION

YOU MUST READ THE FOLLOWING BEFORE CONTINUING. CAREFULLY ASSESS THE FOLLOWING BEFORE READING, ACCESSING OR OTHERWISE USING THIS PROSPECTUS. BY ACCESSING THIS PROSPECTUS, YOU AGREE TO THE FOLLOWING TERMS AND CONDITIONS, INCLUDING ANY AMENDMENTS IF YOU RECEIVE INFORMATION FROM THE ISSUER OR ITS REPRESENTATIVES AS A RESULT OF SUCH ACCESS.

CONFIRMATION: IN ORDER TO BE AUTHORIZED TO VIEW THIS PROSPECTUS OR MAKE AN INVESTMENT DECISION WITH RESPECT TO THE SHARES, PROSPECTIVE INVESTORS MUST BE ENTITLED TO RECEIVE THIS PROSPECTUS IN ACCORDANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS. **BY RECEIVING THE PROSPECTUS, YOU ARE DEEMED TO HAVE REPRESENTED TO THE ISSUER THAT YOU ARE A PERSON AUTHORIZED TO RECEIVE THIS PROSPECTUS IN ACCORDANCE WITH THE APPLICABLE LAWS, RULES AND REGULATIONS** AND THAT YOU CONSENT TO THE DELIVERY OF THIS PROSPECTUS AND ANY AMENDMENTS OR SUPPLEMENTS BY ELECTRONIC MEANS.

THE APPROVAL OF THE PROSPECTUS SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER.

GENERAL INFORMATION

Pursuant to this Prospectus, when reference is made to the “**Issuer**”, it means Zazoon AG, with registered office at Beethovenstrasse 11 in CH-8002 Zurich, Switzerland, CHE-101.131.450, legal entity identifier (“**LEI**”) 98450061058A7AFDB674.

The Issuer has issued a total of 30,380,950 registered shares (“**Shares**”) in the total par amount of CHF 3,038,095. This Prospectus (“**Prospectus**”) has been prepared for the public offering of up to 2,000,000 Sale Shares.

The Issuer might intend to file a motion for the Shares to be listed on a Regulated Market (as defined in Article 4 para 1 item 21 MiFID II), a Multilateral Trading Facility or MTF (as defined in Article 4 para 1 item 22 MiFID II), an Organized Trading Facility or OTF (as defined in Article 4 para 1 item 23 MiFID II) or any other trading venue (hereinafter collectively referred to as “**Trading Venue**”). The potential listing of the Shares is subject to the approval of the Trading Venue.

No person has been authorized to make any representation or warranty other than those contained in this Prospectus. If such statements or representations are nevertheless made, investors must not rely on them, and it must be assumed that such statements or representations have not been authorized by the Issuer or its governing bodies.

This Prospectus was approved on 12 February 2026 by the Financial Market Authority Liechtenstein, Landstrasse 109, P.O. Box 279, 9490 Vaduz, Liechtenstein, Telephone +423 236 73 73, Fax +423 236 72 38, E-Mail “info@fma-li.li” (“**FMA**”) as competent authority under Regulation (EU) 2017/1129. This approval relates exclusively to the standard, completeness, comprehensibility, and consistency imposed by Regulation (EU) 2017/1129. The approval is not to be understood as the Financial Market Authority Liechtenstein endorsing or recommending the Offer of Shares (“**Offer**”) contained in this Prospectus. Investors should make their own assessment as to the suitability of investing in the Shares.

The Shares are issued as a global certificate in accordance with Art. 973b of the Swiss Code of Obligations (“**CO**”) and are intermediated securities within the meaning of the Federal Intermediated Securities Act of 3 October 2008 (“**FISA**”). The main register is maintained by SIX SIS AG, Olten (“**SIX**”).

The information in this Prospectus, unless explicitly stated otherwise, generally refers to the situation as of 12 February 2026 (“**Reference Date**”).

Each investor is encouraged to conduct their own independent research and make their own decisions regarding the purchase or sale of shares in the Issuer. It is advisable to consult a legal and/or financial advisor.

The party solely responsible for the information contained in this Prospectus is the Issuer, i.e. Zazoon AG, with registered office at Beethovenstrasse 11 in CH-8002 Zurich, Switzerland. The Prospectus has been prepared to the best of the Issuer's knowledge and belief. They are, to the best of the Issuer's knowledge, correct and contain no omissions that may distort the statements and information contained in this herein.

DISTRIBUTION RESTRICTIONS

This Prospectus may not be distributed in any jurisdiction where such distribution would require additional prospectus, registration, or measures beyond those required under Swiss and European Union law, or where it would conflict with local regulations. Individuals in possession of this Prospectus are responsible for understanding and complying with these restrictions. Failure to do so may constitute a violation of applicable (including but not limited to) securities regulations.

The Shares may not be offered, sold, or delivered within the United States or to, or for the account or benefit of, U.S. persons. The Shares have not been, and will not be, registered under the United States Securities Act of 1933 ("**Securities Act**") or the securities laws of any other jurisdiction of the United States and may not be offered, sold or delivered within the United States to, or for the account or benefit of U.S. persons (as defined in Regulation S ("**Regulation S**") under the Securities Act) ("**U.S. Persons**").

The Shares may not be offered, sold, or delivered outside Switzerland and the European Economic Area ("**EEA**"). Subject to certain exceptions, this Prospectus may not be sent to a non-permissible country in which it would not be permissible to deliver or offer the Shares ("**Non-Permissible Jurisdiction**") (refer to the section "RESTRICTIONS OF THE OFFER", p. 15)

Each prospective investor in the Shares must assess the investment's suitability in light of their own circumstances. Each prospective investor should conduct an independent investigation and analysis of the Issuer, and the data provided in this Prospectus, and they are encouraged to ensure they fully understand the transaction and independently assess its suitability relative to their own objectives and circumstances before investing in the Shares (including considering the potential risks and benefits of such a transaction). Investors should also consider obtaining advice from their own professional advisers in making this assessment.

No person is authorized to provide information or make statements beyond those in this Prospectus. Should such unauthorized information or statements be provided, they should not be relied upon as endorsed or approved by the Issuer, which assumes no responsibility for them. The publication of this Prospectus or the Offer, sale, or delivery of any Shares does not imply that the information herein remains accurate or current as of any date other than the Reference Date, nor does it imply that there have been no changes in the Issuer's business since that date. **Except for the Issuer's (consolidated) financial statements for 2022, 2023, and 2024** (see sections "APPENDIX V" on p. 128, "APPENDIX IV" on p. 104, "APPENDIX III" on p. 76) **and** the Issuer's statutory audited annual financial statements in accordance with the Swiss Code of Obligations for 2024 (see section "APPENDIX VI", p. 148) **no information in this Prospectus has been audited or reviewed**. Financial data within this Prospectus that has not been audited by the Issuer's auditors is derived from internal accounting and reporting systems.

Printed copies of this Prospectus and any supplements thereof, if any, are available free of charge at the Issuer - Zazoon AG, Beethovenstrasse 11, 8002 Zurich, Switzerland. In addition, the Prospectus is published on the website of the Issuer (www.zazoon.com).

FORWARD-LOOKING STATEMENTS AND MARKET DATA

The Prospectus includes certain forward-looking statements that represent the Issuer's current perspectives or expectations regarding future events and financial and operational performance. Terms such as "intend", "estimate", "expect", "might", "may", "would", "could", "plan", "anticipate", and similar expressions that indicate potential future developments or trends are forward-looking statements and are not based on historical facts. Although the Issuer believes these statements are founded on reasonable assumptions and expectations, it cannot guarantee their realization. Due to known and unknown risks and uncertainties, actual outcomes may differ significantly from those anticipated.

Such forward-looking statements involve known and unknown risks, uncertainties, and other factors, which may cause the actual results, performance or achievements of the Issuer, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Factors that may lead to differences between the Issuer's actual operations, results, or performance and the forward-looking statements include, but are not limited to, those outlined in "Risk Factors" (see section "RISK FACTORS" on p. 25). The forward-looking statements in this Prospectus are valid only as of the Reference Date. The Issuer and the Board of Directors assumes no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events, or otherwise, except as required by law. Any subsequent forward-looking information attributable to the Issuer or individuals acting on its behalf is subject to the reservations specified in or referenced in this section.

The Prospectus also provides market data and industry forecasts, including information about the sizes of the markets in which the Issuer operates. This information has been gathered from a variety of sources, in particular the Financial Statements audited by Grant Thornton AG and Ferax Treuhand AG and the Valuation Report from Brandon Valorisation. This information has been accurately reproduced and as for the Issuer is aware and is able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Further information contained in this Prospectus is based on the Issuer's own investigations, which the Issuer considers dependable, but the information has not been independently verified, so its accuracy and completeness cannot be assured. Nonetheless, to the best of the Issuer's knowledge and based on comparison with other publicly available information from these sources. Additionally, some data in the Prospectus is based on estimates made by the Issuer.

INCORPORATED DOCUMENTS

The Issuer is incorporating by reference in this Prospectus certain information contained in documents which means that the Issuer is disclosing important information to you by referring to those documents. The information the Issuer incorporates by reference herein is an important part of this Prospectus.

The following documents, which have previously been published are incorporated in, and form part of, this Prospectus:

1. the **unaudited** consolidated financial statements in accordance with IFRS of the Issuer as of and for the financial period ended 30 June 2025 (without the notes to the financial statements) (see section "APPENDIX II", p.71); and
2. the audited consolidated financial statements in accordance with IFRS of the Issuer as of and for the financial year ended 31 December 2024 (see section "APPENDIX III", p. 76); and
3. the audited consolidated financial statements in accordance with IFRS of the Issuer as of and for the financial year ended 31 December 2023 (see section "APPENDIX IV", p. 104); and
4. the audited financial statements in accordance with IFRS of the Issuer as of and for the financial year ended 31 December 2022 (see section "APPENDIX V", p. 128); and
5. the statutory audited annual financial statements in accordance with the Swiss Code of Obligations for the financial year ended 31 December 2024 (see section "APPENDIX VI", p. 148); and
6. the **unaudited** semi-annual financial statements in accordance with the Swiss Code of Obligations for the financial period ended 30 June 2025 (without the notes to the financial statements) (see section "Appendix VII", p. 166)

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SUMMARY OF THE PROSPECTUS

1. Introduction and Warnings

This summary ("**Summary**") serves as an introduction to the Prospectus and constitutes a summary within the scope of Art. 7 Regulation (EU) 2017/1129 and should be read only as an introduction to this Prospectus dated 12 February 2026. This Prospectus relates to the public offer of 2,000,000 existing registered shares of the Issuer with a par value of CHF 0.10 each with a full dividend entitlement as of 1 January 2026. The Issuer's share capital amounts to CHF 3,038,095 and is divided into 30,380,950 shares, each with a par value of CHF 0.10. The public offer is made by 2020 Management AG, Beethovenstrasse 11, 8002 Zurich, Phone: +41 58 255 27 30, Email: "info@20twenty.ch", UID: CHE-375.21.547, LEI: 9845000FT97CF3ABN779 ("**2020 Management**") to investors who have their respective seats or residences in one of the following states ("**Offer State**"): Liechtenstein, Austria, Germany, Luxembourg and Switzerland. Information given in this Summary has been presented by the Issuer as at the registration of the Prospectus, unless otherwise stipulated.

This Summary should be read as an introduction to the Prospectus and any decision to invest in the Sale Shares should be based on consideration of the Prospectus as a whole by the investor. Civil liability in relation to this Summary attaches only to those persons who have tabled the Summary, including any translation thereof, and only where the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Sale Shares. Investment into the Sale Shares involves risks and the investor may lose all or part of the investment. Where a claim relating to the information contained in a prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated.

The name and international securities identification number (ISIN) of the securities

Zazoon AG Shares, ISIN code CH1163569887

The identity and contact details of the Issuer, including its legal entity identifier (LEI)

The Issuer is Zazoon AG, Beethovenstrasse 11, 8002 Zurich, Switzerland with registration number CHE-101.131.450. LEI: 98450061058A7AFDB674, Phone: +41 43 817 70 00 and Email: "info@zazoon.com".

The identity and contact details of the competent authority approving the Prospectus, date of approval of the prospectus

This Prospectus has been approved by the Financial Market Authority Liechtenstein, Landstrasse 109, P.O. Box 279, 9490 Vaduz, Liechtenstein, Telephone +423 236 73 73, Fax +423 236 72 38, E-Mail "info@fma-li.li." on 12 February 2026. FMA only reviews and approves the Prospectus by meeting the standards of completeness, consistency (freedom from contradictions) and comprehensibility in the sense of a comparison with the content requirements standardized under applicable European law. The accuracy of the information provided in this Prospectus is not the subject of the FMA's review of the Prospectus. The FMA assumes no responsibility for the quality of the business model or the creditworthiness and solvency of the Issuer. Investors should therefore make their own assessment of the suitability of the shares for investment and seek individual advice.

2. Key Information about the Issuer

2.1. Who is the Issuer of the securities?

The Issuer is Zazoon AG with registered office at Beethovenstrasse 11, 8002 Zurich, Switzerland with registration number CHE-101.131.450; LEI: 98450061058A7AFDB674. The Issuer has been established and is operating under the laws of Switzerland in the form of a stock corporation (*Aktiengesellschaft* or AG). The main business operation of the Issuer encompasses the development of a Software as a Service ("**SaaS**") which automates Governance, Risk, and Compliance ("**GRC**") processes, streamlining operations and managing regulatory risks.

The Issuer has one fully owned subsidiaries Zazoon Germany AG, with registered address at: Herbertstr. 1A, 14193 Berlin, Germany.

As of the date of this Prospectus, 2020 Management, Zurich, holds 69.80% of all Shares and Mr. Jerome Bischof holds 8.64% of all Shares, and thus 2020 Management, Zurich and Jerome Bischof are the major shareholders of the Issuer. 2020 Management is owned by Mr. Jerome Bischof, who is therefore the ultimate beneficial owner of the Issuer. As of the date of this Prospectus, the Issuer is not aware of any arrangements or circumstances, which may at a subsequent date result in a change in control over the Issuer.

Key managing directors of the Issuer are Walter Jucker ("**Chairman**"), Danish Nabil Khokhar and Irina Kotorova, who are the members of the Issuer's board of directors (*Verwaltungsrat*). In addition, Bayan Chandler Furutan is acting as an interim chief financial officer.

The current statutory auditor (*Revisionsstelle*) of the Issuer is Ferax Treuhand AG, Letzigraben 89, CH-8003 Zurich, a state-supervised audit firm. The Issuer's financial statements for the financial years which ended on 31 December 2022 and 31 December 2023 were audited by Grant Thornton AG, Claridenstrasse 35, CH-8002 Zurich.

2.2. What is the key financial information regarding the Issuer?

The source of the key financial information about the Issuer are the audited financial statements as of 31 December 2022, 31 December 2023 and 31 December 2024, and the **unaudited** and unreviewed financial statements as of 30 June 2025 which were all prepared in accordance with the International Financial Reporting Standards ("**IFRS**"). Please note that for the audit of the financial year ending on 31.12.2024, certain adjustments took place, which also impacted the period ending 31.12.2023. As such, the post adjusted values were taken (as per the comparative figures for the fiscal year 2023, in the financial statements of the period ending as at 31.12.2024).

Key Financial Ratios				
	30.06.2025	31.12.2024	31.12.2023	31.12.2022
Earnings (Loss) per 100 Shares (Annualized) in CHF	(7.88)	(8.15)	(17.60)	(8.52)
Debt to Equity Ratio	(1.7)	(1.2)	(1.3)	(2.7)
Current Ratio	3.9	2.1	2.9	1.7
Operating Revenue Growth Rate (Annualized)	-0.6%	212.6%	262.4%	-0.8%
Runway (Annualized)	2.21	0.24	0.47	0.33

Consolidated Balance Sheet				
in CHF				
	30.06.2025	31.12.2024	31.12.2023	31.12.2022
<i>Current Assets</i>	886'068	501'014	557'321	207'097
<i>Non-Current Assets</i>	289'436	322'717	470'086	1'934'256
Total Assets	1'175'504	823'731	1'027'407	2'141'353
<i>Current Liabilities</i>	228'618	235'070	189'453	123'511
<i>Non-Current Liabilities</i>	2'589'688	5'034'847	3'898'989	3'242'310
Total Liabilities	2'818'305	5'269'917	4'088'442	3'365'821
Equity	(1'642'801)	(4'446'186)	(3'061'035)	(1'224'468)
Total Liabilities and Equity	1'175'504	823'731	1'027'407	2'141'353

Consolidated Statement of Profit and Loss and Other Comprehensive Income				
in CHF				
	30.06.2025	31.12.2024	31.12.2023	31.12.2022
<i>Total Net Operating Revenue</i>	227'164	456'910	146'173	40'338
<i>Loss Before Interest, Taxes, Depreciation, and Amortization</i>	(1'071'452)	(2'234'141)	(1'742'108)	(815'429)
<i>Loss Before Interest and Taxes</i>	(1'104'733)	(2'300'703)	(1'802'173)	(882'907)
<i>Loss Before Taxes</i>	(1'187'911)	(2'580'190)	(2'055'977)	(914'594)
Loss for the Year	(1'196'590)	(2'597'548)	(1'833'152)	(851'809)

2.3. *What are the key risks that are specific to the Issuer?*

Indebtedness. The Issuer has significant outstanding liabilities and is over-indebted as per 31.12.2024, as well as 30.06.2025. As such, the company is overindebted for all of the financial periods presented above. This is deemed a material risk. The over indebtedness as per the statutory audited standalone financial statements in accordance with the Swiss Code of Obligations as at 31 December 2024 and the **unaudited** standalone financial statements in accordance with the Swiss Code of Obligations as at 30 June 2025 was CHF 4,898,863 and CHF 1'886'942 respectively. The Issuer's board of directors and shareholders passed a resolution at the extraordinary shareholders meeting on 27 May 2025 to increase the equity by CHF 3,999,975 (CHF 38,095 share capital and CHF 3,961,880 additional paid in capital). As such, a large dent has been made in the over-indebtedness as of the date of this prospectus. The board of directors will make further efforts to eliminate the over-indebtedness, including, but not limited to, capital injections, conversion of debt into equity, and slimming down the operations in the foreseeable future.

Key Personnel Risk. The Issuer has no employees, relying entirely on 2020 Management, as well as other external service providers, for interim management and operational services, including management and CFO functions. This creates dependency and risks related to operational continuity, decision-making, and internal capacity.

Conflicts of Interest Risks. 2020 Management is the major shareholder holding 69.80% of the shares in the Issuer, providing interim management services and is at the same time the Issuer's largest lender. There are numerous potential conflicts of interest, including the determination of pricing for interim management services, the terms and conditions of the loan arrangements, and the overarching influence exerted by 2020 Management AG in its dual role as the largest shareholder and primary lender, all of which could adversely impact the interests of the Issuer. The major conflict of interest between

2020 Management and the Issuer is that 2020 Management can influence decisions that serve its own interests but run counter to the objectives or the welfare of the Issuer. 2020 Management as the Selling Shareholder will reinvest part of the proceeds received in connection with this public offer into the Issuer by way of grading additional funding.

Business Risks. The Issuer operates in the highly competitive GRC SaaS sector, requiring constant product updates and facing risks from cyberattacks, data breaches, and service disruptions, which could harm customer trust and retention. Given the SaaS business only launched in 2023, such incidents would have a particularly severe impact.

Early-Stage Risk. Although incorporated in 1999, the Issuer only began its current GRC SaaS activities in 2020 and started sales in 2023. Failure in customer acquisition or solution development could harm its reputation and financial standing.

Deficiencies in the Internal Control System (ICS). The Issuer's statutory auditor has determined that the Issuer does not maintain a sufficiently documented Internal Control System for the preparation of the annual financial statements in accordance with Swiss law and could therefore not confirm its existence. This may adversely affect the reliability of the Issuer's financial reporting and its ability to identify and manage financial and operational risks.

3. Key information on the securities

3.1. What are the main features of the securities?

The 2,000,000 Sale Shares are registered shares with a par value of CHF 0.10 per share which are freely tradable. International Securities Identification Number (ISIN) of the Shares: ISIN CH1163569887. The Sale Shares have no term and are issued in CHF. The Shares are fully entitled to dividends. The Sale Shares participate in any liquidation proceeds in proportion to their arithmetical share of the share capital. The Issuer has not issued any dividends since its establishment in the year 1999. Dividends may only be paid from the balance sheet profit as shown in the Issuer's annual financial statements. In the case of any future dividend payment, the interests of the shareholders and the general situation of the Issuer will be taken into account. In the event of insolvency, the liquidation proceeds of the shareholders are subordinated to all creditors' claims.

The Shares are structured as a global certificate in accordance with Art. 973b Swiss Code of Obligations ("CO"). The global certificate is deposited with SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland, where the main register is kept. When the securities are credited to the securities account, the Federal Law on Intermediated Securities applies to custody and transfer. There is no right to deliver physical shares.

ISP Securities AG, Bellerivestrasse 45, 8008 Zurich, Switzerland, is responsible for income, interest and capital receiving as well as all other usual administrative activities (Paying Agent) and sharecomm ag, Militärstrasse 3, 6467 Schattdorf, Switzerland, is in charge for the share register of the Issuer.

3.2. Where will the securities be traded?

The Issuer intends to file a motion for the shares to be listed on a Trading Venue in the near future. However, as of the date of this prospectus, it is not clear on which Trading Venue, the Issuer will file a motion for the Shares to be listed on an exchange. The listing of the shares will only be possible provided the respective Trading Venue approves the listing application.

The issuer is currently pursuing a direct listing at various European marketplaces. As of the date of this prospectus, the process has been initiated with a certified listing agent, but not completed.

If the intended listing is not completed within the 2026 calendar year, the shares will be traded indefinitely over the counter, directly from the majority shareholder's balance, up to and including the number of shares as per this public offering (2,000,000 shares). The intended platform in such a scenario is the OTC-X.

OTC-X is a Swiss over-the-counter trading platform organized by the Berner Kantonalbank (BEKB), which facilitates the trading of equity securities of non-listed companies. OTC-X is not a regulated market or a stock exchange within the meaning of applicable securities laws.

The exercise of the aforementioned options will be publicized on the issuer's website on www.zazoon.com, as well as any other required publications (legal or otherwise). Any further requirements in order to engage in the direct listing on the OTC-X platform are subject to third parties and not part of the scope of this prospectus.

However, as of the date of this prospectus, potential investors can directly purchase the issuer's shares from 2020 Management. This method is indefinitely available as an option to potential investors. Any and all changes to this option will be communicated on www.zazoon.com, as well as an addendum to the prospectus.

3.3. Is there a guarantee attached to the securities?

There is no guarantee attached to the Shares.

3.4. What are the key risks that are specific to the securities?

Valuation Risk. The Issuer's valuation relies on an external appraisal combined with an internally developed Discounted Cash Flow (DCF) model, which projects future growth potential. This method involves significant uncertainty, as it depends on forecasting future cash flows and selecting an appropriate discount rate. Small changes in assumptions—such as market conditions, discount rates, or growth projections—can disproportionately impact the valuation, making it sensitive and potentially unreliable.

Concentration of Ownership Risk. A significant portion of the Issuer's Shares are held by its two major shareholders, ultimately controlled by a single beneficial owner. This concentrated ownership structure allows these shareholders to exert considerable influence over key corporate decisions. Their interests may not always align with those of minority shareholders, potentially affecting governance outcomes or corporate strategy.

Dividend Risk. Although all shareholders are entitled to dividends based on balance sheet profits, the Issuer has never paid dividends since its establishment in 1999. As of 30 June 2025, the Issuer reports negative equity of CHF 1'886'942. Before dividends can be paid, accumulated losses must be offset and statutory reserves replenished. While a potential option involves converting the main shareholder loan into equity to enable dividend distributions, the Issuer's growth-focused strategy makes near-term dividends highly unlikely.

Liquidity and Free Float Risk. The Issuer's Shares may have limited free float upon listing, meaning only a small portion will be available for public trading. This could result in low liquidity and significant price volatility, making it difficult for investors to buy or sell Shares without materially affecting the market price.

Regulatory Scrutiny Risk. Past inquiries by the German financial regulator (BaFin) regarding potential unauthorized public offerings expose the Issuer to the risk of further regulatory scrutiny, which could affect market perception and tradability of the Shares, particularly in regulated markets.

No Deposit Guarantee / Loss Participation Risk. The Issuer's Shares are not covered by any deposit insurance or similar protection schemes. In the event of insolvency, there is no guarantee that shareholders will receive any dividends or recover their invested capital. Any liquidation proceeds would be distributed pro rata among shareholders after satisfying creditor claims, and given the Issuer's historical performance, this could result in significant losses.

4. Key information on the offer of securities to the public and/or admission to trading on a regulated market

4.1. Under which conditions and timetable can investors invest in this security?

The Sale Shares will be publicly offered to investors in one of the Offer States in the period from 12 February 2026 to 12 February 2027 ("**Offer Period**"). The Offer shall end once the Sale Shares have been fully sold or one year after approval date of this Prospectus. The Offer Price may be adjusted (increased or reduced) in the course of the Offer Period depending on investor demand and response. The settlement of the share and the transfer of the shares will take place between the bank of the seller and the bank of the buyer of the shares with the involvement of SIX SIS AG and without the involvement of an offering placing bank or person.

Investors who intend to buy for the Sale Shares shall submit their subscription offer online and directly with the Issuer via its website "www.zazoon.com". As the public offering is merely a placement of existing Sale Shares by the 2020 Management AG, Beethovenstrasse 11, 8002 Zurich, Switzerland, +41 (58) 255 27 30, "info@20twenty.ch", LEI: 9845000FT97CF3ABN779 ("**Selling Shareholder**"), it will not result in any dilution of the participation and thereby also the voting right of the existing shareholders. Investors will not be charged any expenses and taxes by the Issuer in connection with the offer.

4.1.1. Why is this Prospectus being produced?

The offer of the Shares is being made to enable 2020 Management to support the Issuer financially through debt financing (without subordination, except to cover any potential future over indebtedness). 2020 Management, as the majority shareholder, intends to grant additional funding to the Issuer as described above. No underwriting is involved in this process.

There are inherent conflicts of interest between 2020 Management and the Issuer, particularly concerning strategic decisions. The two largest shareholders of the Issuer, Mr. Jerome Bischof and 2020 Management AG (which also has Mr. Jerome Bischof as the ultimate beneficial owner) are thus controlled by the same natural person, who can dictate the Issuer's operations.

It is expected to obtain through the public offer up to CHF 15,000,000 funding, which shall be substantially paid to the Issuer by way of providing additional funding. There are no costs and/or expenses charged to the investors.

Restrictions

The distribution of this Prospectus and offer and sale of the Shares are restricted by applicable laws, rules and regulations in certain countries. People who come into possession of this Prospectus are requested by the Issuer, the Board of Directors, to inform themselves about such restrictions and to comply with them. Failure to observe these restrictions may constitute a violation of the applicable laws of these countries. The Issuer assumes no responsibility for violations of these restrictions, whether they are potential buyers or not.

Investing in this financial product involves significant risks and may result in the loss of your entire investment. The value of your investment can go up or down. An investor may not recover the amount initially invested.

The tax legislation of an EEA member state ("**EEA Member State**") in which the investor is resident and that state in which the Issuer is resident may have an impact on the profit from the Shares.

Capitalized terms used in this Summary but not defined here are ascribed the meanings provided in the Prospectus and in the section "APPENDIX IX " on p.192.

RESTRICTIONS OF THE OFFER

Save for the approval of this Prospectus by the FMA which allows for a public offer of the Shares in Liechtenstein to other EEA Member States and Switzerland to which a notification and/or for which an approval was obtained in accordance with the Prospectus Regulation and/or further applicable laws, rules and regulations for the purpose of making a public offer in such jurisdiction (“**Approved Jurisdiction**”). No offers, sales, resales, or deliveries of Shares or any distribution of any offering material relating to the Shares may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws, rules and regulations and which will not impose any obligation on the Issuer. Accordingly, persons into whose possession this Prospectus comes and persons who wish to purchase or sell the Shares should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction.

The offer of the Shares is limited to persons located in Approved Jurisdictions and may be affected by the laws of other jurisdictions. Actions have not been and will not be taken in any Non-Permissible Jurisdiction that would allow a public offer of the Shares or the possession, dissemination or distribution of this Prospectus or other materials in connection with the Issuer or the Shares.

The Shares may not be sold, directly or indirectly, and neither this Prospectus nor any other document or advertisement in connection with the Shares may be distributed or published in any form or in any country or jurisdiction unless it is done so in circumstances that result in compliance with the applicable laws, rules, and regulations of any such country or jurisdiction. Residents of other countries and/or jurisdictions other than Approved Jurisdictions should consult their professional legal and/or regulatory advisers as to whether they require any regulatory or other consents or need to observe any formalities in order to purchase or otherwise acquire Shares.

Each recipient and each prospective purchaser of Shares (“**Offeree**”), by accepting delivery of this Prospectus, will be deemed to have acknowledged, represented to, and agreed with the Issuer and the Board of Directors as follows:

- (i) Such Offeree acknowledges that this Prospectus is personal to such Offeree and does not constitute an offer to any other person or to the public generally, to acquire Shares in a Non-Permissible Jurisdiction. Distribution of this Prospectus or disclosure of any of its contents to any person other than such Offeree and those persons, if any, retained to advise such Offeree with respect thereto is unauthorized, and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.
- (ii) Such Offeree agrees not to make any electronic or physical copies of this Prospectus, or any documents referred to herein and not to forward or deliver this Prospectus (in any form) electronically or otherwise, to any other person or reproduce this Prospectus in any manner whatsoever.
- (iii) Such Offeree has not relied on the Board of Directors, or any person affiliated with such persons, in connection with any investigation of the accuracy of any information contained in this Prospectus or its investment decision, and it has relied only on the information contained in this Prospectus and any supplements hereto.
- (iv) No person has been authorized to give any information or to make any representation concerning the Issuer, the Shares (other than as contained in this Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Issuer or its directors.

1. U.S. Sales Restrictions

The Shares have not been and will not be registered under the Securities Act, as amended, or under any securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered, sold, resold, pledged, transferred, or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Each purchaser of the Shares, by accepting delivery of this Prospectus, acknowledges and agrees that:

1. The Shares are being offered and sold in an offshore transaction as defined in Regulation S;
2. The purchaser is not a U.S. Person and is not acquiring the Shares for the account or benefit of any U.S. Person;
3. The Shares may not be reoffered, resold, pledged, or otherwise transferred except in accordance with Regulation S, pursuant to an effective registration statement under the Securities Act, or pursuant to an exemption from the registration requirements of the Securities Act; and
4. Any hedging transactions involving the Shares must be conducted in compliance with the Securities Act.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy securities in the United States or to, or for the account or benefit of, U.S. Persons.

2. Prohibition on Resales to U.S. Persons

The Shares may not be resold, pledged, or otherwise transferred to any U.S. Person, or within the United States, unless such transaction is conducted in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with all applicable state securities laws.

By accepting delivery of this Prospectus and the Shares, each holder agrees to comply with these restrictions and acknowledges that any resale or transfer of the Shares in violation of the foregoing restrictions will be considered null and void.

3. Notice to Distributors and Other Intermediaries

Distributors, dealers, and other intermediaries should be aware that resales or other transfers of the Shares to U.S. Persons or within the United States may violate U.S. law, including the Securities Act, and are prohibited without proper registration or an applicable exemption.

4. Treatment of Investors and Representations

Each investor of Shares outside the United States, in accordance with Regulation S, will be deemed to have represented, acknowledged, and agreed that it has received a copy of this Prospectus and any other information it considers necessary to make an informed investment decision, and that it is authorized to complete the subscription for or purchase of the Shares in compliance with all applicable laws and regulations.

Each investor acknowledges that the Shares have not been and will not be registered under the Securities Act, nor with any securities regulatory authority of any U.S. state, and, subject to certain exceptions, may not be offered or sold within the United States;

The investor and any person, if applicable, for whose account or benefit the subscribing person or investor is acquiring the Shares, was located outside of the United States at the time the subscription or buy order for the Shares was initiated, remains outside of the United States, and has not purchased the Shares for the account or benefit of any person in the United States or arranged any transfer of the Shares or any economic interest therein to any person in the United States.

The investor is neither an affiliate of the Issuer nor acting on behalf of any such affiliate.

The investor acknowledges that the Shares have not been offered to it through any “**directed selling efforts**” as defined by Regulation S;

The investor is aware of the limitations on the offer, sale, and transfer of the Shares under Regulation S and acknowledges that the Issuer will not recognize any offer, sale, pledge, or other transfer of the Shares that does not comply with these stated restrictions;

If the investor is acquiring any of the Shares as a fiduciary or agent for one or more accounts, it represents that it holds sole investment discretion with respect to each account and has full authority to make the above acknowledgements, representations, and agreements on behalf of each such account; and

The investor acknowledges that the Issuer, its directors, and their respective affiliates will rely on the truth and accuracy of the above acknowledgements, representations, and agreements.

**EACH INVESTOR WILL BE DEEMED TO HAVE ACKNOWLEDGED,
REPRESENTED AND WARRANTED THAT IT UNDERSTANDS AND
AGREES TO THE FOREGOING RESTRICTIONS.**

PRESENTATION OF FINANCIAL INFORMATION

The financial statements (**“Financial Statements”**) in this Prospectus comprise of:

- (i) the **unaudited** consolidated IFRS financial statements of the Issuer as of 30 June 2025 (without the notes to the financial statements), with comparative figures for the year 2024 (the **“Unaudited IFRS Consolidated Financial Statements for the Period Ending 30 June 2025”**);
- (ii) the audited IFRS financial statements of the Issuer as of 31 December 2024, with comparative figures for the year 2023 (the **“Audited IFRS Consolidated Financial Statements for the Fiscal Year 2024”**);
- (iii) the audited IFRS financial statements of the Issuer as of 31 December 2023, with comparative figures for the year 2022 (the **“Audited IFRS Consolidated Financial Statements for the Fiscal Year 2023”**); and
- (iv) the audited IFRS financial statements of the Issuer as of 31 December 2022, with comparative figures for the year 2021 (the **“Audited IFRS Financial Statements for the Fiscal Year 2022”**).
- (v) the statutory audited annual financial statements of the Issuer in accordance with the Swiss Code of Obligations, as of 31 December 2024, with comparative figures for the year 2023 (**“Annual Financial Statements in accordance with the Swiss Code of Obligations for the Fiscal Year 2024”**)
- (vi) the **unaudited** annual financial statements of the Issuer in accordance with the Swiss Code of Obligations, as of 30 June 2025 (without the notes to the financial statements), with comparative figures for the year 2024 (**“Financial Statements in accordance with the Swiss Code of Obligations for the Period Ending 30 June 2025”**)

The financial positions are shown below. The full Financial Statements for the periods listed above are included in the appendices on pp. 71, 76, 104, and 128. The Financial Statements have been prepared in accordance with International Financial Reporting Standards (**“IFRS”**). Please note that, as has been described previously, the figures as at 31.12.2023 have been restated in the audited IFRS financial statements as at 31.12.2024. As such, the restated figures are used in the analyses within this prospectus. Only if required, e.g. when calculating over-indebtedness, the audited and unaudited financial statements in accordance with Swiss Code of Obligations were used, which is explicitly mentioned in the respective sections.

The Issuer confirms that this information from the Financial Statements has been accurately reproduced.

Consolidated Balance Sheet

(expressed in Swiss Franc - CHF)

	30. Jun 25	31. Dez 24	31 Dec. 2023	31 Dec. 2022	31 Dec. 2021
Assets					
Current					
Cash and Cash Equivalents	637'594	237'975	319'202	63'483	17'471
Other Current Assets	248'474	263'039	238'119	143'614	98'241
<i>Total Current Assets</i>	<i>886'068</i>	<i>501'014</i>	<i>557'321</i>	<i>207'097</i>	<i>115'712</i>
Non-Current					
Right-of-Use Assets	256'576	288'648	352'792	425'919	491'445
Deferred Tax Assets	0	0	0	334'156	269'826
Property, Plant, and Equipment	5'789	6'998	6'173	8'124	10'076
Internally Developed Intangible Assets	0	0	0	1'146'055	392'659
Other Non-Current Assets	27'071	27'071	111'121	20'002	20'000
<i>Total Non-Current Assets</i>	<i>289'436</i>	<i>322'717</i>	<i>470'086</i>	<i>1'934'256</i>	<i>1'184'006</i>
Total Assets	1'175'504	823'731	1'027'407	2'141'353	1'299'718
Equity and Liabilities					
Liabilities					
Current					
Accounts Payable, Third Parties	81'627	41'360	96'120	58'796	40'854
Lease Liabilities, Current	65'164	63'432	56'269	64'491	63'532
Other Current Liabilities	81'827	130'278	37'064	224	5'365
<i>Total Current Liabilities</i>	<i>228'618</i>	<i>235'070</i>	<i>189'453</i>	<i>123'511</i>	<i>109'751</i>
Non-Current					
Loans Payable (3rd Party)	0	0	206'667	0	0
Loans Payable (Shareholder and Affiliated)	2'371'743	4'783'882	3'377'925	2'869'797	1'095'622
Lease Liabilities, Non-Current	217'944	250'965	314'397	372'513	437'004
<i>Total Non-Current Liabilities</i>	<i>2'589'688</i>	<i>5'034'847</i>	<i>3'898'989</i>	<i>3'242'310</i>	<i>1'532'626</i>
Total Liabilities	2'818'305	5'269'917	4'088'442	3'365'821	1'642'377
Equity					
Share Capital	3'038'095	3'000'000	2'000'000	1'000'000	1'000'000
Additional Paid in Capital	3'961'880	0	0	0	0
Capital Contributions	925'007	925'007	717'082	0	0
Currency Translation Difference	(1'436)	(1'436)	(5'908)	0	0
Accumulated Loss Carried Forward	(8'369'757)	(5'772'209)	(3'704'678)	(1'372'659)	(675'985)
Net Loss for the period	(1'196'590)	(2'597'548)	(2'067'531)	(851'809)	(696'674)
Total Equity	(1'642'801)	(4'446'186)	(3'061'035)	(1'224'468)	(372'659)
Total Equity and Liabilities	1'175'504	823'731	1'027'407	2'141'353	1'269'718

Consolidated Statement of Profit and Loss and Other Comprehensive Income

(expressed in Swiss Franc - CHF)

	30. Jun 25	FY 2024	FY 2023	FY 2022	FY 2021
Revenue from Contracts with Customers	207'807	418'790	104'800	0	0
Other Income	19'357	38'120	41'373	40'338	40'644
Total Net Operating Revenue	227'164	456'910	146'173	40'338	40'644
Development Services	(132'805)	(334'756)	(556'067)	(8'409)	(35'759)
Employee Compensation and Benefits	(170'934)	(393'149)	(92'583)	0	(6'604)
Management Fees	(651'000)	(1'302'000)	(984'698)	(636'000)	(745'664)
Other Operating Expenses	(343'877)	(661'146)	(254'933)	(211'358)	(86'574)
Loss Before Interest, Taxes, Depreciation, and Amortization	(1'071'452)	(2'234'141)	(1'742'108)	(815'429)	(833'957)
Depreciation and Amortization	(33'281)	(66'562)	(60'065)	(67'478)	(67'219)
Loss Before Interest and Taxes	(1'104'733)	(2'300'703)	(1'802'173)	(882'907)	(901'176)
Interest Expense	(87'736)	(266'334)	(249'954)	(28'108)	(9'696)
Finance Expense	4'558	(13'153)	(3'850)	(3'579)	(14'001)
Loss Before Taxes	(1'187'911)	(2'580'190)	(2'055'977)	(914'594)	(924'873)
Tax Benefit	(8'679)	(17'358)	222'825	62'785	228'199
Loss for the Year	(1'196'590)	(2'597'548)	(1'833'152)	(851'809)	(696'674)
Other comprehensive income	0	0	0	0	0
Comprehensive Loss	(1'196'590)	(2'597'548)	(1'833'152)	(851'809)	(696'674)
Loss per Share					
Basic Loss per 100 Shares	(3.94)	(8.15)	(17.60)	(8.52)	(0.88)

Consolidated Statement of Cash Flows

(expressed in Swiss Franc - CHF)

	30.06.2025	FY 2024	FY 2023	FY 2022	FY 2021
Operating Activities					
Loss for the Year	(1'196'590)	(2'597'548)	(1'833'152)	(851'809)	(696'674)
Non-cash Adjustments	649'281	1'431'218	1'296'057	706'540	796'501
Net Changes in Working Capital	(29'381)	188'965	90'665	18'113	32'634
Net Changes in Deferred Tax Assets	0	0	(234'379)	(64'330)	(228'371)
Taxes Paid	0	(2'561)	(1'553)	(1'545)	(172)
<i>Net Cash from Operating Activities</i>	<i>(576'690)</i>	<i>(979'926)</i>	<i>(682'362)</i>	<i>(193'031)</i>	<i>(96'082)</i>
Investing Activities					
Investments in Tangible Assets	0	0	0	0	(6'185)
Investments in Intangible Assets	0	(3'243)	0	(332'973)	(321'555)
<i>Net Cash from Investing Activities</i>	<i>0</i>	<i>(3'243)</i>	<i>0</i>	<i>(332'973)</i>	<i>(327'740)</i>
Financing Activities					
Proceeds from Borrowing	1'012'894	1'073'795	898'476	648'023	227'575
Repayments of Borrowing	0	(234'960)	0	(2'000)	(4'531)
Payments of Loans Issued	0	0	0	0	0
Proceeds from Loans Issued	0	0	0	0	239'750
Proceeds from Capital Contributions	0	128'594	113'700	0	0
Repayments of Leasing Liabilities	(31'289)	(56'269)	(51'324)	(63'532)	(62'586)
Interest Paid	(7'786)	(18'020)	(19'104)	(6'896)	(7'842)
<i>Net Cash from Financing Activities</i>	<i>973'819</i>	<i>893'141</i>	<i>941'748</i>	<i>575'595</i>	<i>392'366</i>
Net Change in Cash and Cash Equivalents	397'129	(90'028)	259'386	49'591	(31'456)
Cash and Cash Equivalents, Beginning Balance	237'974	319'203	63'483	17'471	48'927
Exchange Differences on Cash and Cash Equivalents	2'491	8'799	(3'666)	(3'579)	0
Cash and Cash Equivalents, Ending Balance	637'594	237'974	319'203	63'483	17'471

Consolidated Statement of Changes in Equity

(expressed in Swiss Franc - CHF)

	Share Capital	Additional Paid in Capital	Currency Translation Difference	Capital Contributions	Retained Earnings (Loss)	Total Equity
Balance at 01 January 2025	3'000'000	0	(1'436)	925'007	(8'369'757)	(4'446'186)
Currency Translation Difference	0	0	0	0	0	0
Capital Contributions from Loans Below Market Interest Rates	0	0	0	0	0	0
Issue of Share Capital	38'095	3'961'880	0	0	0	3'999'975
Profit (Loss) for the Year	0	0	0	0	(1'196'590)	(1'196'590)
Balance at 30 June 2025	3'038'095	3'961'880	(1'436)	925'007	(9'566'347)	(1'642'801)
Balance at 01 January 2024 (with prior period adjustments)	2'000'000	0	(5'908)	717'083	(5'772'209)	(3'061'034)
Currency Translation Difference	0	0	4'472	0	0	4'472
Capital Contributions from Loans Below Market Interest Rates	0	0	0	207'924	0	207'924
Issue of Share Capital	1'000'000	0	0	0	0	1'000'000
Profit (Loss) for the Year	0	0	0	0	(2'597'548)	(2'597'548)
Balance at 31 December 2024	3'000'000	0	(1'436)	925'007	(8'369'757)	(4'446'186)
Balance at 01 January 2023 (Pre Adjustments)	1'000'000	0	0	0	(2'224'468)	(1'224'468)
Adjustments on 01.01.2023	0	0	0	0	(1'146'055)	(1'146'055)
Balance at 01 January 2023 (Post Adjustments)	1'000'000	0	0	0	(3'370'523)	(2'370'523)
Currency Translation Difference	0	0	(5'908)	0	0	(5'908)
Capital Contributions from Loans Below Market Interest Rates	0	0	0	717'083	0	717'083
Issue of Share Capital	1'000'000	0	0	0	0	1'000'000
Profit (Loss) for the Year	0	0	0	0	(1'833'152)	(1'833'152)
Balance at 31 December 2023	2'000'000	0	(5'908)	717'083	(5'203'675)	(2'492'500)
Balance at 01 January 2022	1'000'000	0	0	0	(1'372'659)	(372'659)
Profit (Loss) for the Year	0	0	0	0	(851'809)	(851'809)
Balance at 31 December 2022	1'000'000	0	0	0	(2'224'468)	(1'224'468)
Balance at 01 January 2021	500'000	0	0	0	(675'985)	(175'985)
Issue of Share Capital	500'000	0	0	0	0	500'000
Profit (Loss) for the Year	0	0	0	0	(696'674)	(696'674)
Balance at 31 December 2021	1'000'000	0	0	0	(1'372'659)	(372'659)

The financial statements as per 30 June 2025 have neither been audited nor reviewed.

As mentioned in the Audited IFRS Consolidated Financial Statements for the Fiscal Year 2023, the capital contributions are in relationship to the below market rate interest from the debt from the two major shareholders. This is due to a technical accounting requirement according to IFRS.

Management fees represent the expenses related to the management services provided by 2020 Management. These are usually invoiced annually and have a daily rate that has been deemed at arm's length and at market conditions by independent third parties.

As has been mentioned previously, the software was finalized in 2023, as such, the first revenues occurred in the same fiscal year. These revenues are related to one time onboarding revenues, as well as the recurring licensing revenues.

As has been noted previously, the net cash flow from operations is negative, and the Issuer has been relying on cash flows from financing activities in order to maintain its operations.

The employees' compensation and benefits pertain to the consolidated costs from the subsidiaries, since the Issuer, on a standalone basis, does not have employees.

Depreciation and amortization are primarily related to the leased asset (office spaces) and the amortization of the internally developed software.

The primary adjustments related to the restatement of the period ending at 31.12.2023 are related to the de-recognition of the internally developed software, which was previously recognized as an asset under IAS 38. Zazoon fully wrote off the internally developed software. This was done in connection with the audit of the 2024 annual financial statements, during which it was determined that the documentation of the development work was not available to a sufficient extent to meet the applicable audit standards. It is important to note that this write-off was not carried out due to an impairment, and the software continues to be considered as having value. This is solely an accounting related adjustment.

Other income is related to the subletting of the office spaces, accounted for as an operating lease, as well as management services provided to third parties by Zazoon Germany AG.

Since the Issuer has been operating at a net loss, it has recorded the amount expected to be able to utilize as a tax benefit in the future as a deferred tax asset.

Furthermore, as has been noted previously, the Issuer has been operating at a net loss. This is primarily due to the fact that the Issuer started selling the GRC software as of 2023 only and is therefore not profitable yet. However, based on the trend and the projections, management and the Board of Directors estimate that the Issuer will be profitable within the next three years.

Certain figures in this Prospectus have been subject to rounding adjustments. Accordingly, amounts shown as totals in tables or elsewhere may not be an arithmetic aggregation of the figures, which precede them.

All references in this Prospectus to “**CHF**” are to the lawful currency of Switzerland, to “**USD**” to the lawful currency of the United States, to “**GBP**” to the lawful currency of the United Kingdom, and to “**EUR**” to the lawful currency introduced at the start of the third stage of the European economic and monetary union.

Capitalization

Consolidated Financial Statement 2024 (see section “APPENDIX III”, p. 76)

Ferax in the 2024 audited financial statements drew attention that in the consolidated financial statements the Issuer incurred a net loss of CHF 2,597,548 during the year ended 31 December 2024 and, as of that date, the Issuer's liabilities exceeded its total assets by CHF 4,446,186. Ferax further drew attention to the Appendix (Note 24), which stated a material uncertainty exists that may cast significant doubt on the Issuer's ability to continue as a going concern.

Consolidated Financial Statement 2023 (see section “APPENDIX IV”, p. 104)

Grant Thornton in the 2023 audited financial statements drew attention that in the consolidated financial statements the Issuer incurred a net loss of CHF 1,362,137 during the year ended 31 December 2023 and, as of that date, the Issuer's liabilities exceeded its total assets by CHF 979,717. Grant Thornton further drew attention to the Appendix (Note 24), which stated a material uncertainty exists that may cast significant doubt on the Issuer's ability to continue as a going concern.

Consolidated Financial Statement 2022 (see section “APPENDIX V”, p. 128);

Grant Thornton, in the 2022 audited financial statements, emphasized the Group's financial challenges. The auditors highlighted that the Group incurred a net loss of CHF 851,810 during the year ended 31 December 2022, and, as of that date, the Group's liabilities exceeded its total assets by CHF 1,224,468. They drew attention to the Appendix (Note 22), which outlines these financial conditions and indicates a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

Please note that the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by Grant Thornton and Ferax, no facts have been omitted which would render the reproduced information inaccurate or misleading.

1. RISK FACTORS

Investments in Shares entail various risks that include the possibility of a total loss of the entire investment. This Prospectus has been prepared with care and to the best of the Issuer's knowledge. The Prospectus is intended to serve as a basis for an investor's own independent research and clarifications, which should then form the basis of any investment decision. The Issuer encourages every investor to obtain independent information about possible opportunities and risks before making an investment decision and thus to create their own independent basis for such a decision. Before making an investment decision, potential investors should carefully read and consider the risk factors described in this Prospectus and all other information.

Before making any investment decision, it is essential to carefully consider the risk factors which are material for making an informed investment decision. It is assumed that every potential investor is aware of the risks normally associated with buying, selling and holding shares. In the case of listed companies in particular, it should be noted that their share price performance is influenced by developments in the international and national financial markets and may be strongly influenced by corrections on the financial markets which can easily have a double-digit percentage impact on the price of shares. Investors should therefore take a close look at the general state of the capital markets before making an investment decision and include this factor in their investment decision.

A prospective investor should carefully consider the factors set out below before deciding whether to invest in the Shares. Any of these risks, if they materialize, could have a material adverse effect on the Issuer's business, financial condition, results of operations and/or the price of the Shares. The risks described below are only risks which are deemed material by the Issuer. There may be additional risks currently not known to the Issuer, or risks that the Issuer does currently not consider to be material, which may also adversely affect its business, financial condition, and results of operations. The price of the Shares may decline due to the occurrence of any of these risks, individually or in the aggregate, and as a result investors may lose all or part of their investment. Potential investors should consider carefully whether an investment in the Shares is suitable for them in the light of the information in the Prospectus and their own individual circumstances.

ANY RISK FACTOR, ALONE OR IN COMBINATION WITH ONE OR MORE OF THE OTHER RISK FACTORS, MAY HAVE A SIGNIFICANT IMPACT ON THE ISSUER'S BUSINESS, FINANCIAL CONDITION, AND RESULTS OF OPERATIONS AND MAY THEREFORE THREATEN THE ISSUER'S CONTINUED EXISTENCE AND/OR EXISTENCE AS A GOING CONCERN. ALTHOUGH THIS APPLIES TO EACH RISK FACTOR, THE POTENTIAL CONSEQUENCE IS NOT REPEATED IN EACH OF THE FOLLOWING RISK FACTORS.

Forward-looking statements contained in this Prospectus are based on assumptions and estimates that are subject to risks and uncertainties. Such statements may, however, later prove to be erroneous or inaccurate, which could result in the Issuer's business performance or profitability developing less favorably than anticipated based on these statements.

The risks discussed below are those that the Issuer currently view as material and such risk factors have, within each category of risks, been listed in an order of priority that reflects their materiality based on the probability of their occurrence and the expected magnitude of their negative impact on the Issuer. These are, however, not the only risks which the Issuer is or might be facing. Additional risks and uncertainties, including risks that are not known to the Issuer at present or that are currently not deemed to be material, may also arise or become material in the future, which could lead to a decline in the market value or trading prices of the Shares.

1.1. Market Risks

1.1.1. Competition Risk

The Issuer operates in the Governance, Risk, and Compliance (GRC) market, which is highly competitive and characterized by rapid technological innovation. The Issuer faces competition from established players with substantial financial resources, advanced technologies (including AI, machine learning, and blockchain), large customer bases, and recognized brands. These competitors benefit from economies of scale and integrated solution portfolios, making it challenging for the Issuer to acquire and retain enterprise clients, who typically prefer providers with proven track records.

Rapid technological advancements increase the risk that the Issuer's GRC modules become less competitive or obsolete, requiring ongoing investment in product development to maintain relevance. Additionally, aggressive pricing strategies by competitors may compress the Issuer's margins, limiting available funds for R&D, marketing, and customer support-areas critical to sustaining competitiveness.

The Issuer also faces difficulties due to client loyalty and high switching costs, which reduce its ability to attract customers from incumbent providers. Planned international expansion amplifies these challenges, as competitors possess localized expertise, and the Issuer must navigate complex regional regulatory environments. Furthermore, the Issuer's reliance on third-party technology partners creates dependencies that may weaken its market position, particularly if competitors offer superior in-house solutions or if compatibility issues arise.

If the Issuer is unable to successfully compete on pricing, features, market presence, or brand reputation, it may experience lower-than-expected market share growth, missed revenue targets, and reduced profitability. This, in turn, could undermine investor confidence and jeopardize the Issuer's ability to meet its financial and operational objectives. In a worst-case scenario, these competitive pressures could have a material adverse effect on the Issuer's business, financial condition, and prospects.

1.1.2. Insufficient Market Adoption Risk

The Issuer's ability to achieve its financial and operational objectives depends on the successful market adoption of its Governance, Risk, and Compliance (GRC) modules. Failure to meet the regulatory, operational, or functional requirements of target markets could significantly impair the Issuer's ability to grow revenue and achieve profitability. If demand for the Issuer's GRC solutions fails to develop as expected, or if adoption in new markets takes longer than anticipated, the Issuer may face stagnating or declining sales.

This risk is particularly pronounced in expansion markets, where regulatory frameworks and compliance needs differ from the Issuer's core regions. Inadequate adaptation of its GRC modules to local conditions could render its offerings less competitive or irrelevant. Furthermore, the rapid evolution of compliance standards and regulatory technologies requires the Issuer to innovate continuously; failure to keep pace could result in customer dissatisfaction, reduced renewals, and reputational damage.

The Issuer's dependence on external contractors for software development further heightens this risk. Delays, misalignment, or insufficient expertise among contractors may disrupt the timely release of updates or critical product enhancements, limiting the Issuer's ability to address evolving market needs. Additionally, limited internal resources may constrain the Issuer's capacity to conduct comprehensive market research or execute rapid product improvements, increasing the risk of misaligned solutions.

Collectively, these challenges may result in lower-than-expected market penetration, reduced revenue, diminished profitability, and declining investor confidence, potentially having a material adverse effect on the Issuer's business, financial

condition, and prospects.

1.1.3. Low Prospects' Demand Risk

The Issuer's projected growth depends heavily on the willingness and financial capacity of prospective clients in its target markets to subscribe to its Governance, Risk, and Compliance (GRC) modules. Adverse macroeconomic conditions, including economic slowdowns, inflation, or shifts in market sentiment, could reduce demand for the Issuer's solutions and limit new customer acquisitions.

In addition, negative perceptions of the Issuer's brand or the value proposition of its GRC modules, as well as intensified competition—particularly from competitors offering more advanced technologies such as AI- or blockchain-based solutions—may undermine prospective client interest. Failure to address these competitive pressures or to demonstrate the superior value of its offerings could erode the Issuer's market position.

A sustained decline in demand would directly affect the Issuer's revenue, liquidity, and long-term growth prospects. Any combination of these factors could have a material adverse effect on the Issuer's business operations, financial condition, and overall prospects.

1.1.4. No New Regulation Risk

The Issuer's ability to meet its forecasted growth of new clients in the coming years is contingent on the implementation of more stringent regulations in the relevant markets that drive demand from prospect for GRC solutions from the Issuer. A lack of regulatory changes or delays in adopting stricter requirements could negatively impact its growth strategy. This reliance on external regulatory developments presents a significant risk to achieving the projected revenue targets and the overall compensation of the Issuer. Any of the aforesaid could have a material adverse effect on the Issuer's business operations, financial condition or results of operations and prospects and the Issuer may ultimately have to file for bankruptcy.

1.2. Company, Business, and Operational Risks

1.2.1. Issuer Risk

Shareholders of the Issuer are subject to issuer risk associated with the Issuer. In the event of insolvency, bankruptcy proceedings, or restructuring measures involving the Issuer, investors may incur partial or total losses of their invested capital. Specifically, during the liquidation of the Issuer's assets, the claims of creditors will take precedence and be settled first, with any residual assets distributed to shareholders thereafter. It is possible that the remaining assets may be insufficient to fully or partially recover the shareholders' invested capital. Consequently, in the case of insolvency or dissolution of the Issuer, investors may face the loss of part or all of their invested capital.

1.2.2. Conflicts of Interest Risk

The Issuer is exposed to potential conflicts of interest due to the dual role of its major shareholder, 2020 Management, which holds 69.80% of the shares, provides management services, has one board member present (one of its employees), and is also the Issuer's largest lender. This structure creates potential risks, including the pricing of management services, the terms of loan arrangements, and the overall influence exerted by 2020 Management, which may not always align with the best interests of the Issuer and its minority shareholders.

A significant portion of the Shares are held by its two major shareholders and are ultimately owned by one beneficial owner. This concentration of ownership creates the potential for the major two shareholders to exert considerable influence over the Issuer's corporate decisions, potentially prioritizing their interests over minority shareholders' and/or the Issuer's interests.

1.2.3. Liquidity Risk

The Issuer is exposed to material liquidity risk, as it may be unable to meet its short-term financial obligations due to insufficient cash reserves or limited access to external financing. In order to generate sufficient liquidity and achieve positive cash flows through internal financing, the Issuer depends on the growth of its future revenues.

This risk is further reflected in the Audited IFRS Consolidated Financial Statements for the Fiscal Year 2024, which reported a net loss of CHF 2,597,548 and liabilities exceeding total assets by CHF 4,446,186 as of 31 December 2024 (see section "APPENDIX III ", p. 76). This financial position creates material uncertainty regarding the Issuer's ability to continue as a going concern. While the management and Board of Directors estimate that the Issuer will achieve profitability within the next three years, the Issuer will rely on securing additional external financing during this period to ensure its operational and financial stability.

1.2.4. Indebtedness

Due to the fact that the over-indebtedness is relevant in accordance with Swiss law, the Swiss Code of Obligations (see Art. 725b CO), in order to calculate the over-indebtedness the figures are retrieved from the Financial Statements compiled in accordance with the Swiss Code of Obligations for the year 2024 (see section "APPENDIX VI ", p. 148).

The Issuer has for the financial year ending on 2024, total liabilities of CHF 5,520,751 and negative equity of CHF 4'898'863. Thus, the Issuer relies heavily on subordinated loans from its major shareholders in the amount of CHF 5,060,000 to address negative equity and short-term liquidity needs.

There is no assurance that the Issuer will be able to maintain or secure additional subordinated loans in the future. Should the Issuer be unable to raise further funding, reduce its liabilities, or improve its financial condition, it may be required to take measures such as restructuring, capital increases, or even face insolvency proceedings. In the event of insolvency, investors could suffer a partial or total loss of their investment.

However, the board of directors has passed a resolution in 2025, to request a capital increase in order to eliminate the over-indebtedness as at 27 May 2025. The resolution was accepted by the majority of the shareholders in the extraordinary meeting. Please see the notarized articles of association from the 27 May 2025 on p. 169.

For further information on the indebtedness, as well as updated financial (**unaudited**) information for the period ending 30 June 2025, please see "Capitalization and Indebtedness" on p. 57.

1.2.5. Concentration Risk

A significant portion of the Shares is held by its two major shareholders and are finally owned by one beneficial owner. This concentration of ownership creates the potential for these shareholders to exert considerable influence over corporate decisions, potentially prioritizing their interests over minority shareholders' and/or the Issuer's interests.

As a result, there is a risk that the interests of the controlling shareholders may not align with those of minority shareholders or the Issuer itself. Decisions made by the controlling shareholders could prioritize their own financial or strategic interests, potentially to the detriment of minority shareholders. Additionally, the concentration of ownership may limit the ability of

other shareholders to influence corporate governance, reducing the Issuer's responsiveness to broader shareholder concerns. Investors should be aware that this concentration of control may lead to conflicts of interest and governance risks.

1.2.6. Sales and Client Acquisition Risks

The Issuer is still in an early stage and its economic development is critically dependent on achieving its very ambitious targeted sales volumes. Failure to achieve the targeted sales volumes and to secure customers would directly impact on its recurring revenue streams. The competitive nature of the GRC market, combined with the need to continually demonstrate value to potential customers, heightens the sales risk, particularly as the Issuer is still establishing its presence and reputation in the GRC.

The Issuer's financial performance is critically dependent on achieving ambitious sales and client acquisition targets. As of the end of 2023, the Issuer had six clients; this grew to 16 by the end of 2024, 37 by the end of 2025 and is projected to be 89 by the end of 2026, based on an external valuation firm's forecasts. Failure to meet these growth targets could negatively impact revenue, scalability, and financial stability and may affect the Issuer's valuation, as these projections are central to discounted cash flow (DCF) analyses.

Expansion into new geographic markets and the enhancement of the Issuer's GRC modules introduce further risk, as these strategies require substantial upfront investment without guaranteed returns. If these initiatives fall short, the Issuer may incur financial losses and experience setbacks in revenue growth.

Selling GRC solutions involves long and complex sales cycles, often requiring approvals from multiple stakeholders across legal, compliance, IT, and finance departments. Enterprise clients, in particular, demand seamless integration with existing systems (such as ERP and CRM) and may require significant customization or scalability. Inability to deliver these capabilities can result in lost sales opportunities. Additionally, the Issuer's pricing model, which is individualized rather than standardized, may create complexity and affect client acquisition if not effectively communicated.

Collectively, these factors pose a material risk to the Issuer's ability to achieve forecasted sales growth, which could adversely affect its revenue, profitability, and overall financial condition.

1.2.7. Business Model Risk

Although the Issuer was founded in 1999, its current business activities—focused on Governance, Risk, and Compliance (GRC) software—began only in 2020, with commercial sales of its GRC modules launching in 2023. The limited operational track record for its current business line makes it challenging to assess the long-term viability and performance of the Issuer's business model.

The Issuer's growth strategy relies on successfully developing and distributing its GRC modules in both existing and new markets. Failure to execute this strategy could materially impact revenue growth, financial stability, and market position. As the Issuer internally develops its proprietary software, supported by external providers, it bears full responsibility for ensuring its scalability, maintenance, and performance, which exposes it to significant technological and operational risks.

Additionally, the Issuer's subscription-based revenue model depends heavily on customer retention. Inability to maintain high renewal rates or attract new subscribers would negatively affect recurring revenue and profitability.

If the Issuer's business model fails to achieve the anticipated positive development, it could have a material adverse effect on its financial condition, operating results, and overall prospects.

1.2.8. Risk of Non-Compliance with Art. 725b CO

Under Art. 725b CO, if there is justified concern that the Issuer's liabilities exceed its assets, the Board of Directors must immediately prepare interim accounts at going concern values and liquidation values. An interim account at liquidation values is only unnecessary if the Issuer is assumed to continue operating, and the interim account at going concern values does not indicate over-indebtedness. However, the Issuer's interim account at going concern values indicates over-indebtedness, thereby making the preparation of an interim account at going concern values and liquidation values mandatory. The Issuer might not have complied with this requirement.

This non-compliance exposes the Issuer to the risk of potential bankruptcy proceedings. Without an interim account at liquidation values, the Issuer cannot provide adequate proof of solvency, leaving the Board of Directors vulnerable to personal liability and potentially undermining creditor confidence. Additionally, the auditor might report this non-compliance to the court, which may result in bankruptcy proceedings.

However, the board of directors has passed a resolution in 2025, to request a capital increase in order to eliminate the over-indebtedness as at 27. May 2025. The resolution has passed in the extraordinary shareholders meeting to increase the capital by a total of CHF 3,999,975, thereby eliminating the over-indebtedness and rendering this risk to a minimal likelihood to have a negative impact on the Issuer. Please refer to the notarized articles of association on p.169.

1.2.9. Financials' Risk

For the fiscal year 2024, the Issuer reported total net operating revenue of CHF 456,910 and a net loss of CHF 2,597,548. The Issuer may face substantial liquidity constraint, in case the Issuer's GRC modules may not be sold in volumes as expected by the Issuer in the next years.

The Issuer maintains a credit line with its largest shareholder, 2020 Management, of which the vast majority is subordinated. In the absence of continued financial support from 2020 Management, the Issuer could face liquidity challenges or insolvency. The Issuer's financial dependency on its largest shareholder, 2020 Management, combined with the management services provided by 2020 Management, creates a significant conflict of interest risk which could have an impact on the financials of the Issuer.

In the medium-to-long term, the liquidity of the Issuer is dependent upon its ability to implement its strategic goals and be sustainably profitable. If the deviations are unfavorable and lead to operating losses, these may impact on the Issuer's abilities to continue as a going concern as well.

The Issuer's debt is primarily from its two main shareholders at favorable rates (approx. 1.5% p.a.), but reliance on these terms poses risks if third-party financing becomes necessary, potentially leading to higher interest costs due to market and collateral factors. Failure to renew or replace these credit agreements on favorable terms could severely impact the Issuer's liquidity and operations. Reliance on 2020 Management also creates counterparty risk, with potential adverse effects if the creditor modifies terms unfavorably or faces financial issues.

For the Issuer's over-indebtedness, please refer to the section "Capitalization and Indebtedness" on p. 57.

Companies with an opting out of the statutory auditor which have a capital loss in accordance with Art. 725a CO, must let their last financials be reviewed by way of limited audit by a licensed auditor prior to approval by the shareholders. Although, the Swiss financial statements for 2022 and 2023 have been reviewed by a licensed auditor and approved at the extraordinary shareholders meeting dated 14 November 2024, there remains a risk that procedural formalities may be challenged under Swiss law.

The financial statements for the fiscal year 2024 were audited by the registered, statutory auditors. As such, this risk is

limited to the abovementioned periods and is not an ongoing risk for future periods.

1.2.10. Compliance Risk

Non-compliance with applicable laws and regulations could have a material adverse effect on the Issuer's business, reputation, financial condition or results of operations.

The Issuer's business is subject to laws, rules, and regulations in the different jurisdictions in which it operates or sells its GRC modules. The Issuer cannot ensure that it has always complied, and will in the future at all times comply, with all national, international rules and regulations applicable to its operations and/or marketing strategies. Furthermore, the Issuer is exposed to changes in applicable laws, rules and regulations and changes in the application of certain laws, rules and regulations by authorities. Due to uncertainty as to whether such law, rules, and regulations currently in effect or in the future apply to the Issuer or not, or otherwise and potential non-compliance with applicable laws, rules and regulations could have a material adverse effect on the Issuer's reputation, business, financial condition or results of operations and prospects and the Issuer may ultimately have to file for bankruptcy.

The German financial regulator (German Federal Financial Supervisory Authority) ("**BaFin**") has raised suspicion that the Issuer may be offering shares publicly in Germany through intermediaries without the required prospectus, violating EU Prospectus Regulation.

On 22 July 2024, BaFin raised concerns regarding the Issuer's activities in Germany. BaFin suspected that the Issuer was offering Shares to the German public through Meier & Partner Vermögensverwaltung AG, Switzerland, and PBT Consulting GmbH, Switzerland, without the required prospectus. This suspicion extended to the involvement of Meier & Partner Vermögensverwaltung AG and PBT Consulting GmbH, in facilitating these offerings. The Issuer has submitted a response respectively clarification to BaFin with respect to a corresponding inquiry. Furthermore, the Issuer has reviewed its relationships and contracts with any associated parties to ensure alignment with regulatory expectations and transparency.

Further, on 4 November 2024, BaFin has issued a warning about Capital Impact Corp, based in North Vancouver, Canada, operating via capitalimpactcorp.com, offering financial services, including Shares, without the required securities prospectus, as required under German law. While unrelated, the Issuer monitors such warnings to ensure its own compliance and market integrity.

Subsequently, on 8 January 2025, BaFin issued a warning concerning the activities of Robaca Assets. BaFin raised concerns about Robaca Assets' offer to acquire Shares of the Issuer in Germany, which was made without the necessary authorization under the German Banking Act (KWG) or the Securities Institutions Act (WpIG). Robaca Assets, operating through robaca-assets.com, falsely claimed affiliation with the Royal Bank of Canada, which constituted identity misuse. Neither the Royal Bank of Canada nor the BaFin-registered entity RBC Capital Markets (Europe) GmbH has any connection with Robaca Assets or the related offer. The Issuer had no previous knowledge of this offer being made, has and had no connection to this entity, and has thus not authorized Robaca Assets to conduct any such activities and disassociates itself from these offers. The Issuer continuously monitors market participants' activities for signs of misuse of its name or securities.

Finally, on 17 April 2025, BaFin also published a warning concerning 2020 Management AG, that it offered investors in Germany the possibility to acquire Shares of the Issuer without the required authorization or the publication of a prospectus approved under the German Securities Prospectus Act (WpPG). The Issuer has not authorized 2020 Management AG to conduct any such activities and distances itself from these offers.

As of the date of this prospectus, no further information or communication has been received by the Issuer regarding this matter. Furthermore, other than the warnings published, no direct communication has been received by the Issuer since 22 July 2024. Lastly, with the approval of this prospectus, the board and management consider this risk to be mitigated.

Nonetheless, any of the aforesaid could have a material adverse effect on the Issuer's business operations, reputation, financial condition or results of operations and prospects and the Issuer may ultimately have to file for bankruptcy.

1.2.11. Liability and Litigation Risks

The Issuer faces liability risks associated with the performance, functionality, and security of its GRC modules. Any failures, defects, or vulnerabilities in the Issuer's solutions could result in customer dissatisfaction, legal claims, and reputational damage, which may negatively impact operations and financial performance. Additionally, prolonged system downtime or interruptions could disrupt clients' compliance processes, reporting, or audits. Errors in data processing, reporting, or analytics may cause clients to make decisions based on incorrect information. Overpromising features, functionalities, or outcomes during the sales process can lead to claims of misrepresentation if the platform underdelivers. Operating in multiple jurisdictions with different regulatory requirements can expose the platform to conflicting legal obligations or liabilities. The software solutions provided by the Issuer may not meet the contractually agreed performance and service standards due to unforeseen circumstances.

The Issuer is generally exposed to risks in connection with actual or potential legal disputes and court, arbitration, administrative and criminal proceedings. The Issuer is currently not involved in any legal disputes and proceedings (see section "ISSUER'S BUSINESS ACTIVITY" on p. 40). However, where such risks materialize, this could have a material adverse effect on the Issuer's business, financial condition or results of operations and prospects.

The Issuer may, as part of their ordinary business activity, past public communications, their collaboration activities or otherwise, become involved in legal disputes resulting in court, arbitration and/or administrative or criminal proceedings in the future. If the Issuer neither prevail in such proceedings nor settle them on reasonable terms, the Issuer may be required to pay significant amounts of damages, fines and fees and claims may arise against the Issuer which may not be covered in full or in part by insurance, if any. In such an event, revenues, cash flow, and profitability of the Issuer could be materially adversely affected. Even a settlement of lawsuits on reasonable terms may result in materially adverse consequences.

Furthermore, any legal dispute may result in a sustained negative press campaign and have a material adverse impact on the Issuer's reputation, brand name, trademarks, and general perception of the Issuer by the general public and its relationship with its customers, employees, and other stakeholders. As a result, there is a risk that these parties may seek to negotiate terms that are less favorable to the Issuer or refrain from contracting with the Issuer at all.

1.2.12. Management Risk

The Issuer's risk monitoring and management systems may be inadequate or insufficiently updated to address the complexities arising from its anticipated growth, geographical expansion, and potential stock exchange listing. Given the Issuer's lean internal organizational structure and its reliance on external service providers for critical functions (such as IT development and interim management services), there is an elevated risk that internal controls, governance, and reporting frameworks may not evolve swiftly enough to identify emerging risks or respond effectively to adverse developments. This could result in delayed mitigation of operational, compliance, cybersecurity, and financial risks.

Inadequate risk oversight may also impair the Issuer's ability to meet regulatory obligations in different jurisdictions, particularly as it expands into new markets with diverse compliance requirements. If these systems fail to scale appropriately, the Issuer may face operational disruptions, regulatory penalties, reputational harm, and financial losses. Any of the aforesaid could have a material adverse effect on the Issuer's business operations, reputation, financial condition, or results of operations and prospects, and the Issuer may ultimately have to file for bankruptcy.

1.2.13. Group Structure Risk

The Issuer has established a subsidiary in Germany and may establish further subsidiaries or engage in joint ventures with other entities operating in the GRC sector. The German subsidiary markets and sells the Issuer's GRC modules and operates as a dependent branch in the German-speaking EU market (Germany, Austria, Luxembourg), where the Issuer currently serves three clients.

Any of the aforesaid could have a material adverse effect on the Issuer's business operations, financial condition, or results of operations and prospects, and the Issuer may ultimately have to file for bankruptcy.

1.2.14. Risks Related to the Issuer's Strategy

The Issuer faces significant operational, financial, compliance, and other risks in connection with its strategy that could adversely affect its financial condition, operational performance, and shareholder value. Key risks include:

1. *Strategy Implementation Risks:* The execution of the Issuer's strategy may exceed anticipated costs and timelines, potentially resulting in delays, budget overruns, financial losses, or, in the worst case, insolvency.
2. *Market Expansion Risks:* The Issuer operates in Switzerland and Germany and plans to expand further into other "DACH region" countries, BeNeLux countries, the Nordics, the UK, and potentially the United States. Challenges include failing to adapt its GRC modules to local regulatory requirements and compliance landscapes, underestimating market demand, and encountering barriers to market entry, which may limit revenue growth and market penetration.
3. *Dependence on Key Resources:* The Issuer relies heavily on the management services of its major shareholder, 2020 Management, as well as external contractors for software development. This dependence creates vulnerabilities in terms of project continuity, operational efficiency, knowledge retention, and responsiveness to market and technological changes.
4. *Operational Growth Risks:* Rapid business expansion requires significant strengthening of infrastructure and processes. Insufficient planning or overextension could result in inefficiencies, increased operational costs, compromised service quality, and diminished client satisfaction, which in turn could negatively impact recurring revenues and client retention.
5. *Compliance and Partner Risks:* The Issuer's collaboration with external partners, particularly for distribution and marketing, exposes it to reputational and regulatory risks. Campaigns or actions initiated independently by partners may not align with the Issuer's internal compliance policies, values, or regulatory requirements, leading to reputational damage, regulatory investigations, financial penalties, and potential legal liabilities.

Any of the aforesaid could have a material adverse effect on the Issuer's business operations, reputation, financial condition, or results of operations and prospects, and the Issuer may ultimately have to file for bankruptcy.

1.2.15. Marketing Risk

The Issuer's ability to successfully execute its marketing, branding, and distribution strategies is critical to its growth and market penetration, particularly in the DACH region and other target markets. Given the Issuer's relatively recent market entry and limited brand recognition compared to established GRC solution providers, the Issuer faces challenges in differentiating its offerings in a competitive landscape where brand reputation and perceived reliability are key decision factors for prospective clients.

The Issuer's limited financial resources and operational experience may constrain its ability to invest sufficiently in sustained marketing campaigns, regional market studies, and brand-building activities that are necessary to establish trust, credibility, and visibility within its target markets. Furthermore, the highly regulated nature of the GRC sector often requires targeted and compliant marketing strategies, increasing complexity and cost. Failure to tailor its marketing efforts effectively for specific local markets, including addressing region-specific compliance needs and customer expectations, may hinder the Issuer's ability to generate leads and convert them into paying customers.

Should the Issuer fail to build a strong market presence, develop a reputable brand, or establish trusted distribution networks, it may struggle to achieve its ambitious sales targets, expand its customer base, and retain clients. This could materially and adversely impact the Issuer's revenue growth, operational scalability, and overall financial condition. In the worst-case scenario, persistent marketing underperformance could contribute to insolvency.

1.2.16. Personnel Risk

The Issuer fully relies on outsourced personnel and its subsidiaries' lean staffing structures. On a stand-alone basis, the Issuer has no employees; all management services are provided by its major shareholder, 2020 Management. The loss or unavailability of these services would have an immediate and detrimental impact on the Issuer's operations, strategic execution, and continuity.

The Issuer's subsidiary, Zazoon Germany AG, also operates with small teams where each employee is critical due to their specialized knowledge and wide-ranging responsibilities. This high dependency on individual employees makes the Issuer vulnerable to knowledge loss, delays, or operational disruptions in the event of staff turnover, illness, or other unavailability. Replacing such key individuals may be challenging and time-consuming, given the specific expertise required for the GRC sector and regional market nuances.

The departure or unavailability of these outsourced individuals or key employees at subsidiaries could disrupt operations, delay strategic projects, impede client service, and negatively impact customer satisfaction and overall business performance. Any of the aforesaid could have a material adverse effect on the Issuer's business operations, financial condition, results of operations, and prospects, and may ultimately lead to insolvency.

1.2.17. Software Development Risk

The Issuer's business model is critically dependent on the continuous development and enhancement of its proprietary GRC software modules. Unforeseeable technical issues—such as bugs, security vulnerabilities, or performance failures—may arise, adversely affecting the software's functionality or reliability. Such incidents could expose the Issuer to significant liability claims, customer dissatisfaction, and reputational harm, resulting in financial losses and operational setbacks.

The Issuer's ability to maintain competitiveness in the fast-evolving GRC sector relies heavily on continuous technological innovation, timely updates, and the development of new, industry-relevant solutions. Failure to enhance its GRC modules or introduce innovative offerings could render its solutions less attractive or obsolete, adversely impacting profit margins, market share, and long-term financial sustainability.

The Issuer must invest in research and development to meet evolving customer expectations, improve user experience, and stay ahead of emerging trends such as AI-driven compliance tools and enhanced cybersecurity features. Delays or shortcomings in these areas could lead to increased customer attrition, reputational harm, and weakened market positioning.

Furthermore, the Issuer faces risks associated with delays in developing sector-specific features and adapting its IT infrastructure to accommodate growing data processing and storage demands. Failure to ensure timely advancements in performance, scalability, and system reliability could degrade service quality and damage the Issuer's reputation.

The Issuer's reliance on external development partners—including 2020 Management and third-party providers—exacerbates these risks, as external dependencies may introduce additional vulnerabilities or delays in critical development processes.

Ultimately, insufficient innovation, delayed product enhancements, or failures in software performance could have a material adverse effect on the Issuer's business operations, reputation, financial condition, or results of operations and prospects, and may ultimately lead to insolvency.

1.2.18. Technology Risk

The Issuer faces significant technological risks that could impact its operations, market position, and overall business strategy. Failure to innovate and keep pace with advancements such as artificial intelligence (AI), machine learning, and automation may render its GRC modules outdated, reducing their relevance in a highly competitive marketplace.

Given that the Issuer's GRC modules process sensitive client data, cyberattacks, data breaches, or unauthorized access could result in operational disruptions, legal liabilities, regulatory sanctions, and significant reputational damage, potentially undermining client trust and the Issuer's ability to sustain its business.

Integration challenges may arise when introducing new features or services, especially as Zazoon AG expands and adapts its modules to meet region-specific regulatory requirements. Such challenges could cause service disruptions, delays in delivery, and increased operational costs.

The Issuer relies on third-party technologies, such as Azure cloud services, and external development partners, which exposes it to risks related to service outages, security vulnerabilities, or unexpected changes in third-party service levels or technologies. Over-reliance on specific vendors may limit the Issuer's flexibility and its ability to swiftly adopt innovative solutions, increasing vulnerability to technological stagnation.

Meeting customer expectations for seamless functionality, compliance accuracy, and a robust user experience is critical in the GRC market. Failure to deliver tailored, high-performing solutions could lead to customer dissatisfaction, increased churn, and competitive disadvantages.

These technological risks could materially and adversely affect the Issuer's business operations, financial condition, results of operations, or prospects, and may ultimately lead to insolvency.

1.2.19. Protection Risk

The Issuer relies heavily on its proprietary software as its core asset. Despite the implementation of cybersecurity measures, including cloud hosting on Azure and collaboration with external cybersecurity specialists such as DarkGuard AG, leakage or failure to sufficiently protect its software—whether through cyber breaches, insider misconduct, or other means—could have severe consequences for the Issuer's business, financial condition, and prospects, potentially leading to insolvency.

Leakage or unauthorized replication could erode the Issuer's competitive edge by enabling competitors to replicate or enhance its offerings without incurring equivalent development costs, leading to reduced market share, increased customer churn, and diminished profitability. These financial losses may be compounded by costly legal actions and additional R&D expenditure required to restore a competitive position.

Reputational harm from such incidents may result in decreased trust from customers, partners, and investors, hindering customer acquisition and retention efforts, and deterring potential collaborators. Operational disruptions, including the need to redesign systems and workflows, could divert critical resources away from growth initiatives, exacerbating financial and operational strain.

Furthermore, if breaches involve sensitive customer or partner data, the Issuer could face legal liabilities, regulatory sanctions, and compliance penalties. These events would likely necessitate additional investments in enhanced security infrastructure, audits, and compliance oversight, deepening the financial and operational impact and potentially affecting employee morale and talent retention.

Each of these risks—individually or collectively—could have a material adverse effect on the Issuer’s business operations, reputation, financial condition, results of operations, and prospects.

1.2.20. Infringement of Intellectual Property Risk

The Issuer’s business is dependent on the development and distribution of its proprietary GRC software modules, which involve both internally developed code and contributions from external service providers. The Issuer is exposed to the risk of infringing intellectual property (IP) rights of third parties, which could have a material adverse effect on the Issuer’s business, financial condition, results of operations, and prospects.

While the Issuer endeavors to ensure that its software does not infringe on third-party IP rights through internal reviews and reliance on external legal counsel, the risk of inadvertent infringement cannot be entirely eliminated. There is a possibility that third parties may claim, with or without merit, that the Issuer’s software infringes their IP rights. Such claims could result in injunctions preventing the continued sale or use of the Issuer’s GRC modules, or in damages being awarded to claimants.

The complexity of modern software and the increasing volume of overlapping IP rights in the GRC technology sector heighten this risk. Even unfounded or opportunistic claims could lead to time-consuming, costly legal proceedings, absorbing management’s focus and resources. Potential outcomes include disruption to the delivery of the Issuer’s products, licensing obligations, financial penalties, or reputational damage, all of which could have a material adverse effect on the Issuer’s business operations, financial condition, and prospects.

1.2.21. Credit Risk

The Issuer relies on external financing to support its growth strategy, operational expenses, and ongoing technological investments. Limited access to additional capital or a deterioration in its creditworthiness could expose the Issuer to significant challenges. In such circumstances, the Issuer may face higher borrowing costs, restrictive debt covenants, or an inability to secure additional financing, which would limit its financial flexibility and potentially hinder its ability to pursue strategic initiatives.

Moreover, suppliers and partners may tighten payment terms or demand upfront payments, further straining cash flow and potentially disrupting business operations.

A key mitigating factor is that the Issuer’s main creditor is also its largest shareholder, 2020 Management, which has subordinated the majority of its debt claims. This subordination reduces the Issuer’s acute credit risk and provides a buffer against immediate liquidity constraints. However, over-reliance on a single creditor-shareholder creates concentration risk. If the relationship with 2020 Management changes or if it becomes unwilling or unable to provide continued financial support, the Issuer could face renewed credit pressures.

Any of the aforesaid could have a material adverse effect on the Issuer's business operations, financial condition, or results of operations and prospects, and the Issuer may ultimately have to file for bankruptcy.

1.2.22. Insolvency of Contractual Partner Risk

The Issuer is critically dependent on two main types of contractual partners: (i) its management services provider, 2020 Management, and (ii) external contractors for the development and maintenance of its proprietary software (GRC modules).

Should 2020 Management become insolvent, the Issuer would face immediate and substantial operational challenges, as all management functions are currently outsourced to this entity. The Issuer's lack of internal personnel and infrastructure would exacerbate the disruption, likely leading to delays or interruptions in strategic execution, compliance obligations, and day-to-day business operations.

Similarly, insolvency of external software development contractors would pose significant risks to the Issuer's ability to maintain, enhance, and secure its GRC modules. This could result in delayed product updates, postponed security patches, and hindered integration of new features, negatively impacting the platform's competitiveness and customer satisfaction. Replacing insolvent contractors typically requires additional financial outlay, onboarding time, and technical ramp-up, further straining the Issuer's limited internal resources.

The Issuer currently has no immediate backup arrangements or alternative providers fully prepared to step in, which increases the risk of prolonged operational disruption in such scenarios.

Any of the aforesaid could have a material adverse effect on the Issuer's business operations, financial condition, results of operations, or prospects, and the Issuer may ultimately have to file for bankruptcy.

1.2.23. Third-Party Products Risk

The Issuer's operations rely heavily on software, infrastructure, and other essential products and services provided by third parties, including but not limited to web hosting, servers (such as Microsoft Azure), cybersecurity, and development tools. The Issuer has no in-house IT infrastructure and is therefore fully dependent on these external providers for the availability, performance, and security of its platform.

Should these services fail to meet contractual obligations or performance expectations—due to technical failures, service interruptions, security breaches, or other issues—the Issuer may face operational disruptions, delays in service delivery, reduced productivity, customer dissatisfaction, and potential breaches of contractual obligations to its own clients.

Additionally, replacing underperforming or non-compliant third-party providers may incur significant time delays and financial costs, including transition expenses, onboarding of new providers, and possible legal claims. Many third-party contracts may also include limitations of liability and restrictive service-level agreements (SLAs), which could leave the Issuer exposed to damages without sufficient recourse.

Any of the aforesaid could have a material adverse effect on the Issuer's business operations, reputation, financial condition, results of operations, or prospects, and the Issuer may ultimately have to file for bankruptcy.

1.2.24. Legal and Tax Risk

The Issuer operates in multiple jurisdictions, including Switzerland and Germany, and plans to expand further into additional markets. This international structure exposes the Issuer to complex and evolving tax and legal frameworks, including corporate income tax, VAT/GST, social security contributions, and digital services tax regimes.

Tax authorities in these jurisdictions may initiate audits or reviews of the Issuer's tax filings and compliance processes. Such audits may result in assessments of additional tax liabilities, social security contributions, interest, and penalties. Given the Issuer's SaaS business model and reliance on cross-border intra-group transactions—such as management services, software licensing, and development support—transfer pricing is a key area of exposure. Tax authorities may challenge the Issuer's transfer pricing policies or the arm's-length nature of its intra-group transactions, potentially resulting in adjustments, double taxation, and penalties.

The Issuer's transfer pricing documentation is prepared in accordance with applicable laws and OECD Guidelines; however, the inherent judgment involved in determining arm's-length prices may be disputed by tax authorities, particularly in areas where market comparables are limited or intangible assets (such as proprietary software) are concerned.

Unexpected tax liabilities, adjustments, or legal disputes—whether arising from transfer pricing challenges, VAT/GST compliance issues, or other tax matters—could constrain the Issuer's ability to allocate resources toward strategic initiatives, including product development, marketing, and expansion. Such outcomes could negatively impact competitiveness, growth prospects, and financial stability. Additionally, legal risks may arise from changes in laws and regulations, evolving judicial interpretations, or compliance failures, whether intentional or unintentional.

To date, the Issuer has not been subject to any material tax disputes.

Any of the aforesaid could have a material adverse effect on the Issuer's business operations, reputation, financial condition, results of operations, or prospects, and the Issuer may ultimately have to file for bankruptcy.

1.2.25. Risk related to deficiencies in the Issuer's Internal Control System (ICS)

The Issuer's statutory auditor has identified deficiencies in the Issuer's Internal Control System (ICS) relating to the preparation of the annual financial statements. In particular, the auditor determined that the Internal Control System is not sufficiently documented in accordance with the requirements of Swiss law and, as a result, could not confirm the existence of a compliant Internal Control System for financial reporting purposes.

An insufficiently documented or ineffective Internal Control System may increase the risk of errors in financial reporting, delays in the preparation of financial statements, and limitations in the Issuer's ability to identify, assess and mitigate financial and operational risks in a timely manner. This could adversely affect the reliability of the Issuer's financial information, its compliance with statutory obligations and the confidence of investors.

Although the Issuer has initiated measures to improve and formalize its Internal Control System, there can be no assurance that these measures will be fully implemented in a timely manner or that they will be sufficient to ensure full compliance with applicable legal requirements. Any failure to establish and maintain an adequate Internal Control System could have a material adverse effect on the Issuer's business, financial condition and results of operations.

1.3. Risks Related to the Offer

1.3.1. Issuer Risk

Shareholders of the Issuer are subject to issuer risk associated with the Issuer. In the event of insolvency, bankruptcy proceedings, or restructuring measures involving the Issuer, investors may incur partial or total losses of their invested capital. Specifically, during the liquidation of the Issuer's assets, the claims of creditors will take precedence and be settled first, with any residual assets distributed to shareholders thereafter. It is possible that the remaining assets may be insufficient to fully or partially recover the shareholders' invested capital.

Additionally, given that the Issuer operates through subsidiaries in multiple jurisdictions, insolvency or restructuring proceedings may involve cross-border complexities, potentially prolonging processes and affecting recovery prospects.

Consequently, in the case of insolvency or dissolution of the Issuer, investors may face the loss of part or all of their invested capital.

1.3.2. Valuation Risk

According to the Audited IFRS Consolidated Financial Statements for the Fiscal Year 2024 (see section “APPENDIX III” on p. 76), the Issuer had CHF 456,910 in operating revenues and CHF 2,5970,548 loss, but the Issuer estimates its value at CHF 315,000,000.

The Issuer’s valuation combines an external appraisal, which includes a DCF model, with an internal DCF model, balancing prudence with projected growth potential. There is a risk that the optimistic growth projections may not materialize, potentially impacting the reliability of the valuation.

The Issuer’s valuation is substantially predicated on the successful achievement of projected revenue growth targets. Any inability to realize these growth projections, whether attributable to adverse market conditions, intensified competitive pressures, or internal operational challenges, may materially and adversely affect the Issuer’s financial performance and thus, the overall valuation of the Issuer and the Shares. Furthermore, during periods of economic uncertainty or reduced demand for GRC solutions, the Issuer may face stagnation or contraction in revenue growth, thereby hindering its ability to meet valuation expectations and achieve its long-term strategic objectives.

Any of the aforesaid could have a material adverse effect on the Issuer’s business operations, reputation, financial condition or results of operations and prospects.

1.3.3. Negative Cash Flow Risk

The Issuer is currently operating at a loss, incurring significant operating expenses and reporting negative free cash flow. Delays in achieving profitability or difficulties in securing additional funding—especially during economic downturns or periods of financial market volatility—could severely impact the Issuer’s financial stability. In such circumstances, the Issuer may be unable to sustain its operations, posing a material risk of total investment loss for shareholders.

1.3.4. Currency Risk

The Shares are and will be quoted exclusively in CHF, and any future dividend payments will be denominated in CHF. If CHF depreciates against a foreign currency that is a shareholder’s principal currency, the value of the Shares and any dividends, when expressed in that foreign currency, will decrease accordingly. Prospective investors should note that exchange rates are highly volatile. Currency fluctuations may adversely affect shareholders who convert the proceeds from the sale of Shares or dividends into their principal currency, potentially leading to a partial or total loss of their initial investment.

2. ISSUER'S BUSINESS ACTIVITY

2.1. Responsibility Statement

Zazoon AG with its registered office at Beethovenstrasse 11, 8002 Zurich, Switzerland, is responsible for the content of this Prospectus. They declare that, to the best of their knowledge, the information contained in this Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import. Where a claim relating to the information contained in this prospectus is brought before a court, the plaintiff investor might, under the national law of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

2.2. Overview and Strategy

The Issuer operates a SaaS business model, specializing in modular GRC solutions designed for industries with stringent regulatory requirements, including but not limited to healthcare, manufacturing, and telecommunications. The Issuer's GRC platform provides clients with subscription-based access to its tools, offering flexibility, scalability, and cost efficiency.

The Issuer's platform comprises several key modules, including Risk Management, ICS, Audit Management, Policy Governance, and Information Security Management System ("ISMS"). Clients can either subscribe to individual modules or combine them into tailored solutions to address specific operational needs. This modular approach enables the Issuer to serve a broad spectrum of customers, ranging from small businesses to large enterprises, by providing adaptable solutions that align with diverse compliance requirements.

The subscription-based model generates recurring revenue, while also delivering ongoing software updates and improvements to meet evolving regulatory demands.

The Issuer maintains a lean operational structure, with no employees, outsourcing key functions to its major shareholder, 2020 Management, and software development to external contractors. The Issuer's growth strategy is focused on developing new modules and solutions and geographic expansion. The Issuer aims to enter these markets through a combination of product innovation, targeted marketing efforts, and strategic partnerships.

2.2.1. Current Global Market

The Issuer operates in the GRC software market, a rapidly growing sector driven by increasing regulatory requirements, digital transformation, and the need for robust risk management tools. The global GRC market has evolved into a critical component for businesses across industries, with solutions designed to address compliance obligations, manage operational risks, and streamline governance processes.

Regulatory Environment

In general, the regulatory frameworks become more complex which leads to a higher control density for companies. The regulatory frameworks, such as General Data Protection Regulation (GDPR), Sarbanes-Oxley Act (SOX), and industry-specific compliance requirements, become more complex which leads to a higher control density for companies.

The evolving regulatory landscape, including Enterprise Risk Management (ERM), Internal Control Systems (ICS), Information Security Management (ISM), Supply Chain Management, Digital Operational Resilience Act (DORA), Cyber Resilience Act (CRA), and the Corporate Sustainability Reporting Directive (CSRD), significantly impacts the requirements for GR tools.

General Landscape

Demand for GRC tools has grown significantly not only in the DACH region, the Issuer's primary market, due to stringent regulations and heightened enforcement of compliance standards. These trends have created opportunities for the Issuer's modular SaaS platform, which provides scalable and customizable solutions.

The current market for GRC solutions is dynamic and highly competitive, offering substantial opportunities for the Issuer. The GRC software market is influenced by several key drivers that are shaping demand for GRC solutions globally.

- **Increasing Regulatory Complexity:** The increasing complexity of regulatory frameworks, including GDPR, SOX, ERM, ICS, ISM, DORA, CRA, and CSRD, is driving a higher control density for companies and significantly impacting the requirements for GRC tools.
- **Digital Transformation:** The acceleration of digital transformation has amplified the importance of digital risk management and compliance tools, mostly needed on a modular basis which enable real-time monitoring and analytics capabilities.
- **Globalization:** Companies are often active in various jurisdictions and are facing diverse regulatory environments and challenges.
- **Cloud-Based Solutions:** The global adoption of cloud-based software has significantly impacted on the GRC sector. Cloud platforms provide scalability, cost efficiency, and ease of deployment, enabling organizations of all sizes to access GRC tools.
- **Focus on Data Security and Privacy:** With the proliferation of remote work and the rise in data breaches, organizations are prioritizing data security and privacy as critical components of their GRC strategies.
- **Remote Work Environment:** The ongoing shift towards remote and hybrid work environments has accelerated the demand for GRC solutions that enable seamless oversight and risk management across distributed teams.
- **Increased Risk Awareness:** Growing regulatory scrutiny, high-profile data breaches, and evolving geopolitical tensions have heightened awareness of risk across industries. Organizations are placing greater emphasis on identifying, assessing, and mitigating risks to protect their reputation, financial health, and operational continuity.
- **AI:** The rapid integration of Artificial Intelligence (AI) into business operations is reshaping the GRC landscape by enhancing automation, predictive analytics, and decision-making processes. Companies are adopting AI-driven solutions to identify emerging risks, detect anomalies, and ensure regulatory adherence with greater efficiency.
- **Machine Learning:** Machine Learning (ML) is transforming risk management and compliance by enabling systems to learn from data patterns and improve over time. In the GRC space, ML algorithms help organizations proactively manage risks by identifying trends and predicting potential compliance breaches before they occur.
- **Real-time monitoring:** Real-time monitoring has become a cornerstone of effective GRC solutions, driven by the increasing complexity of regulatory environments and the need for immediate risk mitigation. Organizations require continuous oversight to track compliance, detect irregularities, and respond swiftly to potential threats.

Key competitors possess significant market share, brand recognition, and financial resources, enabling them to compete on pricing, functionality, and customer acquisition. The competitive pressure from these incumbents poses challenges for the Issuer, particularly in acquiring large enterprise clients and retaining market share in the highly competitive DACH region.

The Issuer also aims to expand into additional markets, including Austria, Nordics, and the United States, where GRC demand is driven by local regulatory frameworks and evolving risk management practices. However, these markets present additional challenges, including localized compliance needs and well-entrenched competitors.

The GRC market continues to evolve, with trends such as AI-driven analytics, real-time monitoring, and integration with broader enterprise platforms shaping the competitive landscape. To maintain relevance, the Issuer must navigate these developments while addressing competitive pressures and meeting client demands for innovation and cost efficiency. This dynamic market environment offers both significant growth potential and substantial competitive risks for the Issuer.

There are only very few regulatory requirements applying to the Issuer, but the AI Act might have an impact on the Issuer.

2.2.2. Products of the Issuer

2.2.2.1. MyGRC

The Issuer's **MyGRC** solution ("**MyGRC**") provides a centralized platform for managing GRC with tools for risk assessment, internal controls, data protection, policy management, and third-party risk oversight. MyGRC enables companies to comply with regulatory standards efficiently. It supports environmental, social, and governance ("**ESG**") practices, business continuity, and auditing, all accessible via secure, cloud-based servers in Switzerland. The platform is compliant with ISO 27001 and includes robust security measures like two-factor authentication. The Issuer's MyGRC Solution contains the following modules:

- The internal control system ("**ICS**") module strengthens compliance and risk management with automated tools and a centralized dashboard. The ICS includes an Entity Level Control Statement for evaluating and improving internal controls and an interactive control web for enhanced oversight. The platform automates processes and integrates critical compliance tasks, enabling comprehensive risk assessment and streamlined management to boost operational security and efficiency.
- The Risk Management module offers systematic tools for identifying, assessing, and monitoring organizational risks. It includes customizable risk matrices, continuous tracking of potential threats, and options to create and monitor tailored mitigation measures. These features support proactive risk management to align with business goals and enable early response to evolving risks, adaptable to any Issuer structure.
- The Third-Party Risk Management module helps organizations oversee vendor risks by offering tools for assessment creation, ongoing risk monitoring, and timely remediation for vulnerabilities such as expiring certifications. This solution includes a third-party registry for storing partner data, contracts, and deadlines, supporting compliance and operational efficiency in managing external partnerships.
- The's Data Protection module ensures compliance with GDPR and Swiss revised Data Protection Act, featuring tools for efficient data management, security, and automated compliance documentation. It includes pre-built policies, easy workflows for creating required documents, and automated breach reporting and data subject response features, all designed to streamline regulatory adherence and enhance data protection transparency.
- The's ISMS & Business Continuity Management module aids organizations in maintaining operational stability amid threats by providing tools for risk identification, emergency planning, and compliance with international standards. It enables systematic risk management and disaster preparedness, safeguarding critical assets and ensuring uninterrupted business processes, which can enhance customer and partner trust.
- The Process Management module streamlines business workflows using Business Process Management 2.0 notation, allowing for intuitive process modeling and landscape design with drag-and-drop tools. It enhances operational transparency through process versioning, monitoring, and exportable visual reports, helping organizations track process improvements and manage risks effectively. This tool is essential for ensuring clear communication across teams and refining processes to optimize efficiency.

- The Policy Management module supports organizations in maintaining compliant and up-to-date policies with tools for document creation, version control, and distribution. It includes automated workflows for approvals, employee acknowledgment tracking, and audit trails to ensure policies are effectively managed and accessible across teams. This module simplifies the process of policy adherence and alignment with regulatory standards.
- The ESG module facilitates the integration of ESG considerations into business practices. It offers tools for ESG assessments, targeted risk management measures, and performance tracking aligned with global standards. A comprehensive questionnaire helps map policies to ensure compliance with ESG standards, supporting a sustainable corporate strategy.
- The Audits & Reports module streamlines auditing with tools for scheduling, checklist creation, and automated report generation. It enables tracking of compliance tasks, audit trails, and corrective actions, helping organizations stay accountable and meet regulatory standards. This module enhances transparency and simplifies the auditing process, supporting data-driven compliance management.

2.3. Markets

The Issuer started distributing its GRC modules only in 2023. As per Reference Date, the Issuer has clients in Switzerland, Austria, Belgium, and Germany. It is intended that the Issuer extends to business to the Netherlands, Luxembourg, the Nordic States, the UK, and potentially to the United States of America.

2.4. Structure and Management Organization

The Issuer's Board of Directors currently consists of three members. The Chairman is Walter Jucker. The Issuer has no managing director.

The Issuer also has a two-member Remuneration Committee chaired by Irina Kotorova.

Additional information on the members of the Board of Directors and the Remuneration Committee can be found in the section "Information on the General Meeting, Board of Directors, Auditors and Other Governing Bodies", p. 49).

Zazoon Germany AG, with registered address at: Herbertstr. 1A, 14193 Berlin, Germany, fully owned by the Issuer.

The primary purpose of Zazoon Germany AG is to distribute and support Issuer's products within the German-speaking EU market.

Employees: 2 Employees

Key Figures: Please note that these figures reflect the unconsolidated balances prepared in accordance with IFRS. While the consolidated financial statements are audited under the same standards as the Issuer, certain balances, such as intercompany transactions between the Issuer and Zazoon Germany AG, are eliminated during consolidation and are therefore not included in the audited consolidated figures.

Zazoon Germany AG - Standalone IFRS Statement of Profit and Loss and Other Comprehensive Income				
in EUR				
	30.06.2025	31.12.2024	31.12.2023	31.12.2022
<i>Total Net Operating Revenue</i>	220'000	441'626	0	0
<i>Loss Before Interest, Taxes, Depreciation, and Amortization</i>	1'200	2'452	(102'017)	(4'742)
<i>Loss Before Interest and Taxes</i>	700	1'447	(102'017)	0
<i>Loss Before Taxes</i>	(1'600)	(3'190)	(102'017)	0
Loss for the Year	(1'600)	(3'190)	(102'017)	0

Zazoon Germany AG - Standalone IFRS Balance Sheet				
in EUR				
	30. Jun 25	31. Dez 24	31 Dec. 2023	31 Dec. 2022
Assets				
<i>Total Current Assets</i>	52'000	64'922	22'949	47'508
<i>Total Non-Current Assets</i>	2'300	2'426	690	0
Total Assets	54'300	67'348	23'639	47'508
Equity and Liabilities				
Liabilities				
<i>Total Current Liabilities</i>	17'500	18'537	25'588	2'250
<i>Total Non-Current Liabilities</i>	98'344	108'760	54'810	0
Total Liabilities	115'844	127'297	80'398	2'250
Equity				
Share Capital	50'000	50'000	50'000	50'000
Accumulated Loss Carried Forward	(109'949)	(106'759)	(4'742)	0
Net Loss for the period	(1'595)	(3'190)	(102'017)	(4'742)
Total Equity	(61'544)	(59'949)	(56'759)	45'258
Total Equity and Liabilities	54'300	67'348	23'639	47'508

Zazoon Germany AG - Standalone Key Financial Ratios				
	30.06.2025	31.12.2024	31.12.2023	31.12.2022
<i>Debt to Equity Ratio</i>	(1.9)	(2.1)	(1.4)	.0
<i>Current Ratio</i>	3.0	3.5	.9	1.0
<i>Operating Revenue Growth Rate (Annualized)</i>	-50.2%	100.0%	0.0%	N/A

2.5. History of the Issuer

1999 - 2020

In its early years, from 1999 to the end of 2003, the Issuer operated in the fields of hosting and software development. At the end of 2003, Kurt Moser and Walter Jucker were non-executive members of the board. During this time, they acquired about a 20% of the Shares of the Issuer. During this period, the Issuer operated exclusively as a consulting firm, generating annual revenues between CHF 30,000 and CHF 50,000.

2020 - present

As of the year 2020, the Issuer has a new major shareholder, 2020 Management, and thus also a major shift in its operations, goals, vision, and strategy. It was the inception of the Issuer's journey to develop GRC software. Early 2023, the software was ready to be launched, on a subscription basis to customers. In the beginning, the Issuer's customers were primarily SMEs and over time it was able to acquire large and more reputable clients e.g. in payment services, pharmacies, and accounting/audit/tax services. The Issuer had a net loss since the shift of the Issuer's strategy and ownership in the year 2020. Since 2023, the Issuer has been generating revenues and is projected to have a net profit within the next three years.

On 12 December 2023, the Issuer conducted an ordinary capital increase through the offsetting of a claim amounting to CHF 1,000,000. The Issuer adopted a capital range (Kapitalband) on 8 February 2024 in the amount of CHF 1,000,000 which was executed on 16 July 2024. On 27 May 2025, the Issuer conducted another ordinary capital increase through the offsetting of a claim amounting to CHF 3,999,975. 2020 Management was the sole subscriber in all three capital increases.

The Board of Directors of the Issuer hereby confirms that, in its opinion, the working capital available to the Issuer is sufficient for the Issuer's current requirements for at least the next 12 months from the date of this Prospectus.

2.6. Concept of the Issuer

GRC platforms often require extensive customization, manual data entry, and intricate setups, which can slow down processes, overwhelm teams, and lead to errors. Managing compliance, assessing risks, and handling third-party evaluations manually or in siloed systems only adds to this challenge, leaving organizations struggling to stay agile and compliant.

The Issuer tackles these issues by providing a fully automated, streamlined GRC solution. Designed to replace the need for endless spreadsheets and fragmented tools, the Issuer automates key compliance tasks, risk assessments, and data protection processes in one centralized platform. Its automation reduces manual work, integrates seamlessly with existing workflows, and scales effortlessly to meet an organization's evolving needs. The platform not only simplifies GRC but also offers real-time insights, allowing organizations to maintain compliance and mitigate risks without the typical complications. By transforming governance into an efficient, user-friendly experience, the Issuer makes GRC management accessible and efficient, empowering teams to focus on strategic initiatives rather than getting bogged down by tedious processes.

2.7. Revenue / Financials

In the year 2023, the Issuer generated revenues of CHF 146,173 (post restatement). Based on the financial statements as at 31 December 2024, the Issuer's revenues are about CHF 456,910. The increase is due to the significantly larger customer basis.

In the half-year 2025, the operating revenues were CHF 227,164, and annualized (based on recurring and expected revenues) about CHF 454,328. The revenues may change significantly due to seasonal reasons, as the majority of onboardings occur in Q4 of the fiscal year. As such, this amount may be understated.

The Issuer anticipates exponential revenue growth in the next years. In the opinion of the Board of Directors and the interim chief financial officer, the working capital is sufficient.

In the year 2024, the Issuer incurred management fees of CHF 1,302,000, which exceeded the total management fees of CHF 984,698 for the fiscal year 2023. This is due to a structural change in the management, additional external staff costs, and leadership functions.

In the half-year 2025, the management fees were CHF 651,000, and annualized (in this case, double the half-year amount) about CHF 1,302,000. The management fees are expected to be identical to the fiscal year 2024.

The Issuer reports a negative equity position of CHF 4,446,186 and CHF 1'642'801 as at 31.12.2024 and 30.06.2025, respectively.

Employee compensation and benefits expenses have risen from CHF 92,583 in 2023 to CHF 393,149 in 2024, due to staff increase in Zazoon Germany AG.

In the half-year 2025, the employee compensation and benefits were CHF 170,934, and annualized (in this case, double the half-year amount) about CHF 342,000. The change is due to one employee leaving Zazoon Germany AG in August 2025.

The Issuer's liquidity position is relatively similar in 2024 as it was in 2023.

2.8. Corporate Goals / Business Prospects

The Issuer's primary corporate goal is to establish itself as a solid provider of GRC solutions in the global market, with a particular focus on industries with high regulatory demands.

A key strategic objective is to expand its geographic presence beyond the DACH region into other mostly European markets. The Issuer intends to achieve this through targeted marketing initiatives, strategic partnerships, and localized product adaptations, enabling it to address diverse compliance requirements across different regions effectively.

The Issuer seeks to enhance its platform's functionality by continuously investing in innovation, including real-time analytics, AI-driven risk management, and seamless integrations with broader enterprise systems. These enhancements are designed to meet evolving customer demands and to position the Issuer as a preferred partner for businesses navigating complex regulatory landscapes.

2.9. Key Contractual Partners

2020 Management AG

The Issuer relies significantly on the services of its major shareholder, 2020 Management, particularly for management services. This partnership enables the Issuer to maintain a lean operational structure while accessing the strategic and operational leadership required to execute its business objectives. 2020 Management is also the biggest lender of the Issuer:

Outstanding Loan per 31 December 2022 – about CHF 2,387,000

Outstanding Loan per 31 December 2023 – about CHF 2'779'972

Outstanding Loan per 31 December 2024 – about CHF 4,179,444

Outstanding Loan per 30 June 2025 – about CHF 1,786,876

Dark Guard AG

A strategic partnership with DarkGuard AG, a Swiss-based cybersecurity firm specializing in advanced information security services, supports the Issuer's operations, particularly in enhancing the security of its products.

DarkGuard AG provides the Issuer with specialized cybersecurity services, including security strategy development, detection and response mechanisms, and GRC advisory.

Various External Software Developers

Agreements with various external software developers to support the development and continuous improvement of its modular GRC SaaS platform. These contractual partners play a critical role in implementing updates, integrating new features, and ensuring the platform remains competitive in addressing the evolving compliance and risk management needs of the Issuer's clients.

The use of external software developers enables the Issuer to maintain flexibility and scalability in its development processes while managing costs efficiently. This arrangement allows the Issuer to access a diverse pool of expertise without the need for a large in-house development team. The developers contribute to creating and refining key modules of the platform, such as Risk Management, ICS and ISMS, ensuring that the software meets both regulatory requirements and client expectations.

2.10. Investments

The Issuer developed its modular GRC SaaS platform MyGRC. In addition to its software, the Issuer has strategically invested in its subsidiary, Zazoon Germany AG, to support its geographic expansion goals.

The following amounts were invested into MyGRC: FY 2021 about CHF 393,000, FY 2022 about CHF 753,000, FY 2023 about CHF 545,000, and FY 2024 about CHF 508,000. However, due to technical accounting principles, this amount was disallowed to be capitalized in the financial statements.

Zazoon Germany AG was founded for EUR 50,000 in fiscal year 2022.

3. INFORMATION ABOUT THE ISSUER

3.1. Legal Basis

Zazoon AG is a public limited Issuer in accordance with Art. 620 et seq. CO with registered office at Beethovenstrasse 11 in 8002 Zurich, Switzerland. The Issuer entered the commercial register of the Canton of Zurich on 23 December 1999 (commercial register no. CHE-101.131.450). The duration of the Issuer is unlimited. The Issuer's website is "www.zazoon.com". Information on the website does not form part of the Prospectus.

3.2. Purpose

According to Art. 2 of the Articles of Association of the Issuer, the purpose of the Issuer is the following:

"The Company's purpose is to trade in all kinds of goods and to provide consulting services; it deals with project and process management, software development in the areas of the Internet, IT, telecommunications, and multimedia. It can carry out all commercial, financial, and other activities that are related to the Company's purpose, as well as acquire, develop, manage, and exploit patents, licenses, and manufacturing processes.

The Company may establish branches and subsidiaries in Switzerland and abroad and participate in other companies in Switzerland and abroad, as well as carry out all transactions that are directly or indirectly related to its purpose. The Company may acquire, encumber, sell, and manage real estate in Switzerland and abroad. It may also undertake financing for its own or third-party account and provide guarantees and sureties for subsidiaries and third parties."

3.3. Financial Year

The Issuer's financial year lasts from 1 January to 31 December.

3.4. Articles of Association

The Issuer's current Articles of Association comply with the standard of articles of association for a listed company and have implemented the new features of the new company law. In particular, they contain the implementation of the then Ordinance against Excessive Compensation at Listed Companies ("**VegüV/ORAb**") on remuneration and the new company law, insofar as this is legally permissible. The following articles are in this respect important:

- Art. 4: Form of the registered shares as uncertificated securities (within the meaning of Art. 973c or 973d of the CO), as intermediated securities (within the meaning of the FISA) or as individual or global certificates;
- Art. 7: Opting-out (see section "Public Tender - Opting-Out", p. 56);
- Art. 8: Annual individual election of the members of the board of directors, the chairman of the board of directors and the independent proxy;
- Art. 9: A general meeting can be requested by shareholder or shareholders may put an item on the agenda;
- Art. 10: A general meeting may be held by electronic means;
- Art. 14: Independent proxy;

- Art. 19: Duties of the board of directors;
- Art. 21: Remuneration Committee;
- Art. 23: Regulation regarding mandates outside the Company;
- Art. 24: Principles of remuneration for the board of directors and executive board;

The Articles of Association can be downloaded free of charge by interested persons at www.zazoon.com or obtained from the Issuer, Zazoon AG, Beethovenstrasse 11, 8002 Zurich (telephone: +41 43 817 70 00; e-mail: "info@zazoon.com") (see also "APPENDIX VIII " on p. 169).

3.5. Information on the General Meeting, Board of Directors, Auditors and Other Governing Bodies

General Meeting of Shareholders

The general meeting of the Issuer ("**General Meeting**") is the supreme body of the Issuer and adopts its resolutions and conducts its elections by an absolute majority of the votes represented, unless the law or the Articles of Association contain deviating provisions.

According to the Articles of Association, the annual General Meeting must be held annually within six months of the financial year (Art. 9). The meeting is convened in accordance with the Swiss Official Gazette of Commerce ("**SOGC**") publication and email or letter to the address last notified to the Issuer at least twenty days before the meeting. (Art. 9). The notice convening the General Meeting announces the time and place of the General Meeting, the items on the agenda proposed by the Board of Directors and the related motions, any items and motions proposed by shareholders as well as the type of disclosure of shareholdings and a reference to the availability of the annual and audit reports for inspection by shareholders at the Issuer's registered office.

Shareholders representing at least 0.5% of the share capital or votes may request that an item be included on the agenda. Requests to add such items must be made in writing to the Issuer, stating the item to be discussed and the shareholder's proposal (Art. 9 of the Articles of Association).

Extraordinary General Meetings are convened as required. They are held at the request of the General Meeting of Shareholders or the Board of Directors, at the request of the auditors or if one or more shareholders, whose shares together represent at least 5% of the share capital or votes, submit a written request to the Board of Directors stating the items on the agenda and the motions. The Board of Directors must convene the General Meeting within 6 weeks (Art. 9 of the Articles of Association).

Board of Directors

In accordance with the Articles of Association, the Board of Directors consists of at least three to five members (Art. 16 of the Articles of Association). The Board of Directors currently consists of three members. It is elected at the annual General Meeting and in each case for a term of one year. There are no service contracts between members of the Board of Directors with the Issuer or any of its subsidiaries providing benefits upon termination of employment. In view of the Issuer, all members of the administrative, management, and supervisory bodies possess relevant expertise and experience. No member has been convicted of fraudulent offences, involved in bankruptcies, receiverships, or liquidations, nor have they faced public sanctions, incriminations, or disqualifications by regulatory authorities within the last five years.

The Board of Directors is composed as follows as at the date of issue of this Prospectus:

Walter Jucker - President

Walter Jucker is an entrepreneurial and action-oriented leader with extensive experience in national and international companies. Over the course of his career, he has demonstrated exceptional results as a CEO, CFO, and COO in rapidly growing, innovation-driven markets, including telecommunications, global digital media, and IT services. With a strong background in banking and finance, Mr. Jucker's core strengths lie in strategic planning, implementing organizational change, fostering direct client relationships, and leading teams to achieve ambitious goals.

Mr. Jucker has served as Chairman and is in the Board of Directors since 2004. Additionally, he holds board positions in multiple innovative startups, including Quantos Group AG, MeineWelt AG and IQC-Group AG. His leadership across these companies reflects his commitment to fostering growth, driving innovation, and achieving sustainable success.

Highlights of his career include the successful sale of Acetrax AG to BSKyB in 2013 during his tenure as CFO and COO, and the development of Acetrax AG into the first global streaming platform before the emergence of Netflix. Mr. Jucker also co-founded and chaired qoloon AG and Unimontis Group, where he led groundbreaking efforts in European fax and email broadcasting services, securing major clients such as UBS, Credit Suisse, and Roche, among others.

Earlier in his career, Mr. Jucker served as European Managing Director for Xpedit International, overseeing operations across six subsidiaries in five countries. He achieved a 166% revenue increase over two years while integrating regional subsidiaries and setting new profit benchmarks.

With a proven track record in innovation, operational excellence, and value creation, Walter Jucker continues to provide strategic leadership and vision as President of the Board of Directors the Issuer. His extensive expertise and entrepreneurial drive are instrumental in guiding the Issuer toward its growth and operational objectives.

Please note the following within the last five years: 1) there are four companies and partnerships where Walter Jucker has been a member of the administrative, management or supervisory bodies or partner, which are: IQC-Group AG, Member of the Board since 2018, Diligram AG, Vice Chairman since 2018, Quantos Group AG, Chairman since 2013, MeineWelt AG, Chairman since 2014; 2) no convictions in relation to fraudulent offences; 3) one bankruptcy, receivership, liquidation or company put into administration: Health Solutions Group AG, which was liquidated due to a lack of assets in February 2024, and; 4) no official public incrimination and/or sanctions involving Walter Jucker by statutory or regulatory authorities (including designated professional bodies) and he has never been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

In addition, please note that no conflicts of interests, other than the ones separately mentioned within this prospectus, have been identified and that there are no family relationships to other persons referred to within this section.

Nabil Khokhar - Member

Nabil Khokhar is an accomplished executive with over 25 years of experience in technology, telecommunications, and cybersecurity. He brings a wealth of expertise in IT governance, risk management, and operational excellence to the Issuer's Board of Directors. Currently, Mr. Khokhar serves as the Founder and CEO of DarkGuard AG, a Swiss-based cybersecurity firm specializing in advanced information security services. Since founding the company in 2019, he has successfully driven its growth and established it as a trusted provider in the cybersecurity sector.

Prior to DarkGuard AG, Mr. Khokhar held leadership roles at major multinational corporations. As Head of End User Experience & IT Governance at Glencore (2015–2019), he reported to the CIO Office and was responsible for critical programs in IT governance, risk compliance, cybersecurity, and operational technology. His work included managing end-

user experience for trading platforms such as Bloomberg and Reuters/Eikon, ensuring robust cybersecurity programs, and enhancing IT operational efficiency.

From 2012 to 2015, Mr. Khokhar served as Vice President of Network & Security at Swiss Re, where he oversaw global service and product delivery for networks, telephony, and video systems. His duties included leading the Change Advisory Board, managing the cybersecurity strategy, and optimizing service delivery through vendor management and continuous improvement programs.

As a member of the Issuer's Board of Directors, Mr. Khokhar leverages his extensive experience in cybersecurity, IT governance, and operational management to support the Issuer's strategic initiatives. His leadership and insights into risk management and technology innovation are instrumental in helping the Issuer address evolving market challenges and achieve its growth objectives.

Within the last five years, 1) there are two other companies and partnerships where Nabil Khokhar has been a member of the administrative, management or supervisory bodies or partner: DarkGuard AG since 2020, and ReVolt AG since 2019; 2) no convictions in relation to fraudulent offences; 3) no bankruptcies, receiverships, liquidations or companies put into administration, and; 4) no official public incrimination and/or sanctions involving Nabil Khokhar by statutory or regulatory authorities (including designated professional bodies) and he has never been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

In addition, please note that no conflicts of interests, other than the ones separately mentioned within this prospectus, have been identified and that there are no family relationships to other persons referred to within this section.

Irina Kotorova - Member

Irina Kotorova is a highly skilled professional with over a decade of experience in project management, operations, and business development across industries such as technology, renewable energy, and legal services. She brings extensive expertise in GRC management to the Issuer's Board of Directors.

Ms. Kotorova serves as Head of Operations at the Issuer, but is employed by its major shareholder, 2020 Management, a role she has held since March 2021. In this capacity, she has been instrumental in developing the Issuer's GRC software platform. Working alongside the development team, she has directed the creation of critical systems, including internal controls, operational risk management, third-party risk management, and data protection tools. Her leadership has contributed significantly to the platform's robust functionality, addressing key compliance challenges for the Issuer's clients.

Before joining the Issuer, Ms. Kotorova served as Senior Project Manager at SGEM Group (2015–2023), where she managed renewable energy modernization and reconstruction projects. With oversight of multi-million-euro budgets, she implemented effective reporting systems, managed contractor negotiations, and ensured adherence to risk and compliance regulations. Her ability to manage complex projects and drive stakeholder collaboration was recognized as a key driver of success.

Earlier in her career, Ms. Kotorova held project management roles at Lekvi Group and AV Legal. At Lekvi Group (2012–2015), she managed investment projects, performed market analysis, and built relationships with suppliers, partners, and government authorities. At AV Legal (2011–2013), she focused on corporate tax restructuring, compliance, and regulatory engagement, developing and monitoring tax strategies for clients.

As a member of the Issuer's Board of Directors, Ms. Kotorova leverages her extensive experience in project management, compliance, and operational excellence to contribute to the Issuer's strategic direction. Her deep understanding of GRC

processes and her leadership in building innovative solutions make her a valuable asset in advancing the Issuer's objectives and navigating the competitive GRC market.

In the past five years, Irina Kotorova has not served as a member of administrative, management, or supervisory bodies in other companies or partnerships and there have been no convictions related to fraudulent offenses, no instances of bankruptcy, receivership, liquidation, or administration involving her. Additionally, she has not faced any official public incrimination or sanctions from statutory or regulatory authorities, nor has she been disqualified by a court from acting in such capacities.

In addition, please note that no conflicts of interests, other than the ones separately mentioned within this prospectus, have been identified and that there are no family relationships to other persons referred to within this section.

Bayan Furutan – Interim Chief Financial Officer and Authorized Signatory

Bayan Furutan serves as the interim Chief Financial Officer of the Issuer, focusing on overseeing financial operations and ensuring fiscal responsibility. In this role, he drives strategic financial planning while leveraging his expertise to align financial oversight with the Issuer's broader objectives. Renowned for his innovative approach to corporate finance, Mr. Furutan has written on the intersection of finance and creativity, bringing fresh perspectives to traditional financial strategies. His insights support the Issuer's leadership team. Mr. Furutan is employed by 2020 Management.

In the past five years, Bayan Furutan has not served as a member of administrative, management, or supervisory bodies in other companies or partnerships and there have been no convictions related to fraudulent offenses, no instances of bankruptcy, receivership, liquidation, or administration involving him. Additionally, he has not faced any official public incrimination or sanctions from statutory or regulatory authorities, nor has he been disqualified by a court from acting in such capacities.

In addition, please note that no conflicts of interests, other than the ones separately mentioned within this prospectus, have been identified and that there are no family relationships to other persons referred to within this section.

Remuneration of the Board of Directors

Only Walter Jucker as the Chairman received a remuneration in the fiscal year 2023 in the amount of CHF 5,000. No other remuneration was distributed or agreed upon in the period of 2020 to 2022, and as of 2024, in order to help the Issuer financially during the pre-sale development, as has been discussed previously.

Remuneration Committee

With the entry into force of the revision of the Swiss company law on 1 January 2023, the provisions of the VegüV/ORAb were essentially transferred to the CO. At the extraordinary General Meeting of the Issuer held on 14 November 2024, two members of the Board of Directors were elected as members of the Remuneration Committee for a term of office until the end of the 2025 annual General Meeting, namely Nabil Khokhar and Irina Kotorova (chairwoman). It is otherwise self-constituting. The Remuneration Committee has a preparatory function and supports the Board of Directors in particular with the strategic direction of the Issuer, the preparation of the remuneration report and the preparation of the vote at the annual General Meeting on the remuneration of the Board of Directors.

There have been no convictions for crimes or misdemeanors in the last five years against the members of the Board of Directors, nor have there been any proceedings by the statutory authorities or regulatory authorities (including designated professional associations) that are ongoing or have been concluded with a sanction.

Executive Board

The Issuer has currently no Executive Board, only on an interim basis with management function (2020 Management interim management services).

Equity-based Compensation for Board of Directors and Employees

As per Reference Date, there is no equity based compensation.

Loans and Credits to Members of Governing Bodies and Related Parties of the Issuer

The Issuer has no outstanding loans to members of its governing bodies or related parties.

Audit Company

The extraordinary General Meeting dated 14 November 2024 elected Ferax Treuhand AG (CHE-106.507.226), Letzigraben 89, 8003 Zurich, Switzerland, as the auditor of the Issuer for a term of one year. Ferax Treuhand AG is supervised by the Audit Oversight Authority in Bern, Switzerland.

2020 Management AG

The management company providing services to the Issuer is 2020 Management AG, Beethovenstrasse 11, 8002 Zurich, Switzerland, +41 (58) 255 27 30, "info@20twenty.ch".

3.6. Publications / Communications

The Issuer publishes an annual report and a semi-annual report each year and provides regular information on important events in the Issuer. Information on the Issuer and its business activities can be found on the Issuer's website: www.zazoon.com. The Issuer's official publication medium for public announcements to shareholders is the SOGC. Pursuant to Art. 31 of the Articles of Association, notices to shareholders are legally valid in writing or by e-mail to the addresses listed in the share register.

3.7. Dividends

Subject to the statutory provisions on the distribution of profits, in particular Art. 671 et seq. CO, the balance sheet profit is at the disposal of the annual General Meeting. All Shares are equally entitled to dividends. No dividends have been distributed since the Issuer was founded. The Board of Directors intends to continue this dividend policy and therefore not

to propose a dividend distribution to the General Meeting in the next three to five years, but to use the available funds for further investments or to cover the Issuer's costs. There is no particular dividend policy in place with the Issuer.

3.8. Capital and Voting Rights

Share Capital

The Issuer's share capital amounts to CHF 3,038,950 and is divided into 30,380,950 fully paid-up Shares with a par value of CHF 0.10 each.

On 11 May 2021, an ordinary capital increase in the amount of CHF 500,000 was carried out through offsetting, for which Walter Jucker received 28,231,390 shares of the Issuer with par value of CHF 0.01 and Kurt Moser received 21,768,610 shares of the Issuer with a par value of CHF 0.01. On 12 December 2023, an ordinary capital increase of CHF 1,000,000 was carried out through offsetting, for which 2020 Management received 10,000,000 Shares each. By the resolution dated 8 February 2024, the Issuer approved a capital band of CHF 1,000,000, and on 5 August 2024, another ordinary capital increase of CHF 1,000,000 within the capital band was carried out, again through the offsetting of a claim by 2020 Management, for which 2020 Management received 10,000,000 Shares. These shares were issued at the par value, which in comparison to the current offering price, is significantly lower.

On 27 May 2025, an ordinary capital increase of CHF 3,999,975 was carried out through offsetting, for which 2020 Management received 380,950 Shares at CHF 10.50 each.

Treasury Shares

The Issuer does not hold any treasury shares.

Outstanding Conversion and Option Rights, Bonds, Debts and Contingent Liabilities

The Issuer has no outstanding conversion and option rights, share and profit participation certificates, bonds, or debts. For contingent liabilities, please refer to the financial figures in this Prospectus (See section "PRESENTATION OF FINANCIAL INFORMATION", p.18)

Description of the Shares

The Shares are structured as a global certificate in accordance with Art. 973b CO (see section "Structure as Global Certificate and Intermediated Securities", p. 62). The global certificate is deposited with SIX SIS AG. The main register is kept at SIX SIS AG. The global certificate is entered in the main register at SIX SIS AG. Intermediated securities are created when the securities are credited to the securities account in accordance with the FISA. The Shares of the Issuer are credited as intermediated securities via the SIS system to the securities account notified to the Issuer by the respective shareholders. Shares that qualify as intermediated securities may only be disposed of in accordance with the rules set out in the FISA.

It is intended that the 30,380,950 Shares are admitted to trading on a Trading Venue.

The Issuer is free to convert the Shares into another form at any time and without the consent of the shareholders, and to withdraw shares held as intermediated securities from the custody system. It bears the costs for this. Pursuant to Art. 4 of the Articles of Association, shareholders have no right to conversion of Shares issued in a certain form into another form or

to the printing and delivery of certificates, but may at any time request the Issuer to issue a certificate of the shares held by them in accordance with the share register or other registers.

Shareholders' Rights

Each Share has one vote at the General Meetings. Voting rights can only be exercised if the shareholder concerned is entered into the Issuer's share register as a shareholder with voting rights.

All Shares are entitled to dividends in the same way. In the event of the dissolution of the Issuer, all Shares participate equally in any liquidation proceeds. The shareholders are entitled to all rights in accordance with the provisions of the CO, unless the Articles of Association provide otherwise.

Shareholders do not have to pay a transaction fee for the dividend payment.

3.9. Public Tender - Opting-Out

According to Swiss law, anyone who acquires equity securities directly, indirectly or in concert with third parties and thus, together with the securities they already own, exceeds the threshold of 33 1/3 % of the voting rights of a target company, whether exercisable or not, is generally obliged to make a public tender offer in accordance with Art. 135 and 163 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading ("**FMIA**"). In its Articles of Association, the target company can raise the limit to 49% of the voting rights (so-called "opting-up"). However, before listing their equity securities, companies can stipulate in their Articles of Association that an acquirer is not obliged to make a public offer in accordance with Art. 135 FMIA (so-called "opting-out") (see Art. 125 FMIA). The Issuer has made use of this opting-out option (see Art. 7 of the Articles of Association) to the effect that an acquirer of the Issuer's equity securities is not obliged to submit a public tender offer in accordance with Art. 135 FMIA (Art. 125 para. 3 FMIA). The regulations apply to public takeover bids for equity securities of companies domiciled in Switzerland or abroad, provided that at least some or most of their shares are listed on a Swiss stock exchange. It is not yet sure, whether the Issuer will file a motion of the listing of its Shares in Switzerland or not. In case the Issuer will not file a motion for the listing of the Shares in Switzerland, but on a Trading Venue in another jurisdiction, the respective national laws apply of the place of the Trading Venue with respect to the public tender respectively the opting out.

3.10. Disclosure

Anyone who directly, indirectly or in concert with third parties acquires or sells shares or rights listed on at a Swiss Trading Venue to acquire or dispose of Shares and thereby reaches the threshold of 3, 5, 10, 15, 20, 25, 33 1/3, 50 or 66 2/3 % of the voting rights, whether exercisable or not, must notify the Issuer and the respective Trading Venue in accordance with Art. 120 FMIA. The notification must be received in writing by the Issuer and the stock exchange within four trading days of the notification obligation arising. The Issuer shall publish the notification within two trading days of receipt of the notification. This obligation only applies if the Shares are listed in whole or in part in Switzerland. It is not yet sure, whether the Issuer will file a motion of the listing of its Shares in Switzerland or not. In case the Issuer will not file a motion for the listing of the Shares in Switzerland, but on a Trading Venue in another jurisdiction, the respective national laws apply of the place of the Trading Venue with respect to the public disclosure of major shareholdings.

3.11. Management-Transactions

The Issuer intends to list the Shares on a Trading Venue. Companies, whose equity securities are listed on a Trading Venue are in Switzerland required, pursuant to respectively applicable Trading Venue's Listing Rules ("**Listing Rules**"), to ensure that members of the Board of Directors and management report transactions involving the Issuer's equity securities or

related financial instruments to the Issuer which then are forwarded to the respective Trading Venue. Within Europe, this is regulated in the Market Abuse Regulation (MAR) - Regulation (EU) No. 596/2014.

The Issuer therefore requires members of the Board of Directors to disclose all transactions they have conducted involving the Issuer's equity securities or related financial instruments.

3.12. Significant Shareholders

The Issuer is aware of the following shareholders who hold 3% or more of the voting rights in the Issuer.

- 1) 2020 Management AG – 69.80%
- 2) Jerome Bischof – 8.64%
- 3) Ulrich Schneider – 3.30%

Please note that 2020 Management AG's UBO is Jerome Bischof. As such, as UBO, as of the date of this prospectus, Mr. Bischof owns a total of 78.44% of the Issuer.

3.13. Capitalization and Indebtedness

The following table shows the Issuer's capitalization and debt according to the statutory audited standalone financial statements in accordance with the Swiss Code of Obligations as of 31 December 2024 (see section "APPENDIX VI", p. 148):

Zazoon AG 2024		
Determination of Over-Indebtedness		
Assets		623'150
Total Assets		623'150
Total Liabilities		5'522'013
of which is Covid-19 loan...	-	
... to be considered (max. CHF 500'000)	-	
of which debt with subordination	5'060'000	
Share Capital		3'000'000
Accumulated Profit (+) or loss (-)		-3'948'635
Net Income		-3'950'228
Total Equity and Liabilities		623'150
Calculations to determine over-indebtedness		
Calculation of over-indebtedness	Net assets, taking into account Covid-19 loan:	
	Assets	623'150
	./. Relevant debt capital	5'522'013
	= Net assets (incl. Covid-19 loan)	-4'898'863
Calculation of over-indebtedness	Net asset, taking into account Covid-19 loan and subordination:	
	Assets	623'150
	./. Relevant debt capital	462'013
	= Net assets (incl. Covid-19 loan and subordination)	161'137

The following table shows the Issuer's capitalization and debt according to the **unaudited** standalone financial statements in accordance with the Swiss Code of Obligations as of 30 June 2025 (see section "Appendix VII ", p. 166):

Zazoon AG 30.06.2025		
Determination of Over-Indebtedness		
Assets		1'266'065
Total Assets		1'266'065
Total Liabilities		3'153'007
of which is Covid-19 loan...	-	
... to be considered (max. CHF 500'000)	-	
of which debt with subordination	2'300'000	
Share Capital		3'038'095
Accumulated Profit (+) or loss (-)		-3'936'984
Net Income		-988'053
Total Equity and Liabilities		1'266'065
Calculations to determine over-indebtedness		
Calculation of over-indebtedness	Net assets, taking into account Covid-19 loan:	
	Assets	1'266'065
	./. Relevant debt capital	3'153'007
	= Net assets (incl. Covid-19 loan)	-1'886'942
	Net asset, taking into account Covid-19 loan and subordination:	
	Assets	1'266'065
	./. Relevant debt capital	853'007
	= Net assets (incl. Covid-19 loan and subordination)	413'058

These tables should be read in conjunction with Art. 725b CO and in particular with the Statutory Audited Annual Financial Statements in accordance with the Swiss Code of Obligations for the Fiscal Year 2024 (see section "APPENDIX VI ", p. 148) and the **Unaudited** Financial Statements in accordance with the Swiss Code of Obligations for the period ending 30 June 2025 (see section "Appendix VII ", p. 166). Please note that the following mitigating factors exist:

- The Issuer has the majority of its debt subordinated, but at least in the amount of the over indebtedness. This remains to be the case as of the Reference Date.
- On 5 August 2024, 2020 Management AG converted CHF 1,000,000 of outstanding debt into equity.
- On 27 May 2025, 2020 Management AG converted CHF 3,999,975 of outstanding debt into equity

According to Art. 725b CO, if there is justified concern that the Issuer's liabilities are no longer covered by its assets, the Board of Directors shall immediately prepare an *interim account at going concern values and liquidation values*. An interim account at sale values is not required if it is assumed that the Issuer will continue to operate. In order for the Issuer to be considered going concern, the necessary liquidity must be available to ensure solvency. However, since the Issuer has been over-indebted since prior to the legal changes effective as of 01 January 2023, and thus no changes have been noted, management and the board of directors have determined that no such statements are necessary.

3.14. Accounting

Since 2021, the Issuer's Financial Statements have been prepared in accordance with IFRS. The financial statements for the years 2021, 2022 and 2023 were audited by Grant Thornton AG in accordance with IFRS, and the Issuer's statutory Financial Statements, which were subject to a statutory audit by the same party under Swiss audit standards, for the years 2022 and 2023, as well as the IFRS and Swiss Statutory Financial Statements audited by Ferax Treuhand AG for the fiscal year 2024 can be found in the section "PRESENTATION OF FINANCIAL INFORMATION" on p. 18, as well as "APPENDIX III ", P. 76, "APPENDIX IV ", P. 104, "APPENDIX V ", P. 128 AND "APPENDIX VI ", P. 148 OF THIS PROSPECTUS.

3.15. Significant Changes since the Balance Sheet Date

Since the reporting date of the annual financial statements 31 December 2024, the following significant events have occurred.

Extraordinary Shareholders Meeting for a Capital Increase

The Board of Directors has passed a resolution for a capital increase. This was approved by the majority of the shareholders at the extraordinary shareholders meeting on 27 May 2025. The total increase was CHF 3,999,975 (of which CHF 38,095 was in share capital and CHF 3,961,880 was additional paid in capital). The capital increase has been notarized and is in the process of being published in the commercial register as of the date of this prospectus. Please refer to the notarized articles of association ("APPENDIX VIII " on p. 169).

3.16. Litigation and Compliance

The German financial regulator BaFin has raised suspicion that the Issuer may be offering shares publicly in Germany through intermediaries without the required prospectus, violating EU Prospectus Regulation.

On 22 July 2024, BaFin raised concerns regarding the Issuer's activities in Germany. BaFin suspected that the Issuer was offering Shares to the German public through Meier & Partner Vermögensverwaltung AG, Switzerland, and PBT Consulting GmbH, Switzerland, without the required prospectus. This suspicion extended to the involvement of Meier & Partner Vermögensverwaltung AG and PBT Consulting GmbH, in facilitating these offerings. The Issuer has contacted the respective entities to obtain a negative confirmation from both firms, ensuring that all activities involving the Issuer's shares are to be discontinued.

Furthermore, on 4 November 2024, BaFin issued a warning regarding Capital Impact Corp, based in North Vancouver, Canada. The company operates through the website capitalimpactcorp.com and offers financial services, including shares, without providing the securities prospectus required under German law. The Issuer was not contacted by BaFin with respect to this warning.

In its report dated 5 December 2025, the Issuer's statutory auditor, Ferax Treuhand AG, noted that the Issuer does not currently maintain an Internal Control System (IKS) for the preparation of the annual financial statements that is fully documented in accordance with the requirements set by the Issuer's board of directors and applicable Swiss law.

Based on this finding, the auditor concluded that the Internal Control System does not comply with the requirements of Swiss law and that the existence of such an Internal Control System for the preparation of the annual financial statements could therefore not be confirmed.

The Issuer is aware of this deficiency and has initiated measures to further formalize, document and enhance its internal control framework. However, as of the date of this Prospectus, these measures have not yet been fully implemented.

Further to the above, there are no governmental, legal or arbitration proceedings either pending or threatened of which the issuer is aware) during the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or its profitability.

The Issuer complies with the corporate governance regimes applicable to the Issuer.

4. INFORMATION ABOUT THE OFFER AND THE SHARES

4.1. General Information about the Offer

This Offer relates to 2,000,000 Shares, being registered shares of the Issuer from the holdings of 2020 Management each representing par value of CHF 0.10 per share and with full dividend rights as from 1 January 2026. There are no restrictions on the free transferability of the Shares. The total share capital amount of the Issuer is CHF 3,038,095 and is divided into 30,380,950 registered shares at CHF 0.10 each. The Shares will be offered to the public in the European area, especially Liechtenstein, Austria, Germany and Luxemburg, plus Switzerland. The Offer may be revoked anytime by the Board of Directors. The public offer, if any, is announced by advertisements in these mentioned countries.

Prior to this offer, 2020 Management AG held about 69.80% of the Issuer's shares (in number of shares: 21,206,997) and post offer they will have a residual balance of about 64.02% of the Issuer's shares (in number of shares: 19,206,997).

4.2. Offer Period, Price and Settlement

The Offer Period within which the Selling Shareholder will carry out advertisement activities in the European economic area plus the region of Switzerland and Liechtenstein begins on 12 February 2026 and ends one year thereafter on 11 February 2027. The Offer Price shall be determined by the Board of Directors and will be communicated on the website of the Issuer: www.zazoon.com. The Offer Price may be adjusted (increased or reduced) in the course of the Offer Period depending on investor demand and response. The settlement of the Shares and the transfer of the shares will take place between the bank of the seller and the bank of the buyer of the shares with the involvement of SIX SIS AG and without the involvement of an offering placing bank or person. The Issuer will not receive any payments in connection with the acquisition of the Shares. New shares will not be issued. Settlement of the purchase price for the Shares plus any bank charges and commissions is settled between the seller's bank and the buyer's bank. No costs or taxes will be incurred on the part of the Issuer in connection with the acquisition. Investors who intend to buy for the Sale Shares shall submit their subscription offer online and directly with the Issuer via its website "www.zazoon.com". The Selling Shareholder (2020 Management AG, Beethovenstrasse 11, 8002 Zurich, Phone: +41 58 255 27 30, Email: "info@20twenty.ch", UID: CHE-375.21.547, LEI: 9845000FT97CF3ABN779) reserves the right to (i) reduce the number of Shares offered and/or (ii) extend or reduce the Offer Period and/or revoke the Offer at any time at its sole discretion. If use is made of the option to amend the terms and conditions of the Offer, the amendment will be published via electronic media at the Issuer's website www.zazoon.com and as a supplement to this Prospectus.

4.3. Listing

Shares might be traded on a Trading Venue, provided that the Issuer files a motion for listing the Shares at a Trading Venue and the approval of such listing application in accordance with the Listing Rules of the corresponding Trading Venue. The Board of Directors has not yet taken a final decision on where to file a motion for the listing of the Shares, but intends to list the Shares in the near future.

4.4. Paying Agent

The income, interest, and capital service as well as all other usual administrative activities are carried out in Switzerland by ISP Securities AG, Bellerivestrasse 45, 8008 Zurich, Switzerland as the official paying agent.

4.5. Structure as Global Certificate and Intermediated Securities

The Shares are structured as a global certificate in accordance with Art. 973b CO. The global certificate is deposited with SIX SIS AG. To be structured as intermediated securities, the global certificate is entered in the main register of SIX SIS AG. When the securities are credited to the securities account, intermediated securities are created in accordance with the FISA (see section “Description of the Shares” on p. 54)

4.6. Restrictions on Transferability and Tradability

There are no restrictions in the Articles of Association on the transferability or tradability of the Shares that go beyond the general legal provisions in Switzerland for the transfer of registered shares. The Shares are freely tradable and have been entered into the SIX SIS AG system, enabling electronic transfer (see section “Description of the Shares” on p. 54). However, there are certain restrictions on sale under foreign law (see section “RESTRICTIONS OF THE OFFER” on p. 15)

4.7. Security Number / ISIN / Ticker

Provided the listing application will be approved by the corresponding Trading Venue, the Shares exclusively consist of registered shares with the following identification details:

- Security number: CH1163569887
- ISIN: CH1163569887
- Ticker symbol: ZAZN (if available)
- Trading currency: CHF

4.8. No Sales Block (No Lock-up)

Neither the Issuer nor the members of the Board of Directors or certain anchor shareholders have undertaken not to issue or sell, directly or indirectly, Shares or to take economically comparable actions or to announce their intention to take such actions after the first trading day of the Shares on the Trading Venue, provided the listing application will be approved.

4.9. Sales Restrictions under Foreign Law

The distribution of this Prospectus and the Offer and sale of Shares are subject to restrictions under certain jurisdictions. Persons in possession of this Prospectus are requested by the Issuer to inform themselves in advance about such selling restrictions and to comply with them accordingly (see sections “IMPORTANT NOTICE TO INVESTORS”, p. 2; “RESTRICTIONS OF THE OFFER”, p. 15)

4.10. No Market Maker

The Issuer may appoint one or more market makers for the potential listing of its Shares at a Trading Venue, provided the listing application will be approved. However, the Issuer is under no obligation to appoint such market makers or to continue cooperation with an existing market maker. The Issuer has not yet appointed a market maker for the listing of the Shares.

In general, currently no stabilization activities are planned for the listing of offering; consequently, there is no designated stabilization period, and no stabilization manager has been appointed.

4.11. Valuation of the Shares

The valuation of the Issuer was conducted using a combination of methodologies to ensure a balanced and well-supported estimate of its value. The Issuer engaged an external valuation company, Brandon Valorisation, 64, rue Tiquetonne F-75002 Paris, which valued the Issuer ("**Valuation Report**"). Based on the Valuation Report, the financial value of the Issuer is CHF 225 Mio., which is CHF 7.50 per Share. The following is based on the Valuation Report.

The Valuation Report was based on several assumptions, in particular regarding the Issuer's roadmap to 2030:

2024-2025: Laying the Foundation

- Geographical Expansion (Phase 1): Strengthen the DACH region, expand MyGRC in the UK, and pilot MyStaff App in the UK and US, focusing on healthcare.
- Product Development: Enhance MyGRC modules (Risk Management, GDPR, ISMS), optimize MyStaff App for document lifestyle management and compliance tracking, and introduce AI-driven features in both products, like predictive compliance and automated workflows.
- Partnerships and Sales: Onboarding 5 strategic IT partners every six months, launch target key sectors (healthcare, finance, BFSI), and emphasize direct B2B sales for SMEs and large enterprises.

2026-2028: Scaling

- Geographical Expansion (Phase 2): Launch in the United States and expand to Nordic countries, Asia, Latin America, and Africa with localized solutions.
- Innovation: Integrate cybersecurity and comprehensive ESG solutions into MyGRC, and develop sector-specific enhancements for MyStaff App with advanced AI features.
- Growth: Acquire 80 customers annually, split between SMEs and large enterprises, and establish local sales teams in key markets.

2029-2030: Achieving Global Market

- Market: Establish MyGRC and MyStaff App as global leaders in GRC and document management, respectively.
- Innovation: Roll out advanced AI tools for real-time compliance and predictive analytics while promoting sustainability.
- Revenue Milestones: Achieve £20 million in annual order volume, driven by product scalability and geographic diversification.

As of end of 2024, the Issuer had 16 clients. Based on the Valuation Report, it was assumed that the Issuer will have end of 2025, 88, end of 2026, 237 and of 2027 480 and end of 2028, 850 clients and thus an annual total client number growth of between 77 and 386% which should lead to a total revenue of CHF 59,409,500 end of 2028.

The Valuation Report used the Discounted Cash Flow (DCF) method to estimate the Issuer's value by projecting future cash flows and discounting them to present value using a rate that reflects the investment risk.

The goal of acquiring a large number of new customers annually could fall short, particularly in highly competitive markets or in cases of delayed market entry.

The valuation relies on significant discount rates (19% for MyGRC), reflecting the inherent risks. The terminal value is based on a stable and relatively high long-term growth factor. If the market grows more slowly or the demand for GRC solutions stagnates, this could negatively impact the estimated company value. Entering new markets (e.g., the United States, Asia) further carries the risk that the products may not achieve expected revenues due to local preferences or existing competition. Finally, the business strategy relies heavily on partner networks to minimize distribution costs and revenues in multiple currencies could be affected by exchange rate fluctuations, particularly in emerging markets with high inflation or unstable currencies.

The scope of what lies within the Issuer's influence is related to its business operations, strategic decision making, as well as its general conduct. All external factors, which may have a material influence on the performance of the Issuer, are outside of the Issuer's control and thus not within its power to change or influence.

The Valuation Report can be reviewed at the Issuer's premises. Kindly contact the Issuer directly in order to obtain insight into the Valuation Report. Please note that the Issuer's internal valuation also utilizes the same method (DCF) but differs significantly in its assumptions. The Valuation Report takes a more conservative approach, while the Issuer employed an optimistic outlook. As such, in order to balance the two perspectives, the Issuer decided to value the Shares in this prospectus to **CHF 10.50**, which should serve as maximum price for the Offer Price.

The Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by Brandon Valorisation, 64, rue Tiquetonne F-75002 Paris, France, no facts have been omitted which would render the reproduced information inaccurate or misleading. Brandon Valorisation does not have any material interest in the Issuer.

The interim chief financial officer confirms that the profit forecast or estimate has been compiled and prepared on a basis which is both:

- a. comparable with the Issuer's historical financial information; and
- b. consistent with the Issuer's accounting policies.

6. TAXES AND CHARGES

6.1. General

The following information contains an overview of the Swiss tax consequences arising in connection with the acquisition, holding and sale of Shares. Important: This summary contains only general information and does not claim to be exhaustive. In particular, it does not take into account any special tax situations of individual shareholders. The summary is based on current Swiss tax legislation and the practice of the Swiss tax authorities as in force or applied at the time of publication of this Prospectus. The tax laws and their interpretation as well as the practice of the tax and the practice of the tax authorities may be subject to changes and, in particular, changes with retroactive consequences. Potential investors are therefore requested to consult their tax, legal or financial advisor with regard to their personal tax situation and the tax consequences of acquiring, holding, selling, or otherwise transferring Shares.

6.2. Taxation of the Issuer

The Issuer is subject to ordinary taxation in the Canton of Zurich, Switzerland. It is subject to direct federal tax and cantonal and municipal taxes on its profits and capital. The creation and increase of the par value of participation rights is also subject to issuance tax (Emissionsabgabe).

6.3. Income and Profit Taxes during the Holding Period of Shares

Swiss resident individuals who hold the Shares as part of their private assets and receive dividends or other monetary benefits from the Issuer are liable to pay income tax at federal, cantonal, and municipal level on the corresponding income.

Companies based in Switzerland and individuals who hold the Shares as part of their business assets are required to include dividends or other monetary benefits from the Shares in their income statement. The balance of this statement, in turn, forms the basis for corporate profit tax or for income tax at federal, cantonal, and municipal level.

6.4. Withholding Tax on Dividends during the Holding of Shares

Dividends or other monetary benefits paid by the Issuer to a shareholder (including liquidation dividends, insofar as they exceed the par value of the Shares, and bonus shares) are subject to Swiss withholding tax, which currently stands at 35 %.

Domestic shareholders can claim the withholding tax in their tax return and receive a full refund, provided they correctly declare the income. For foreign shareholders, the refund depends on a double taxation agreement between Switzerland and the shareholder's country of residence or registered office.

6.5. Wealth and Capital Tax while Holding Shares

Shareholders (natural persons or legal entities) who are resident or with registered office in Switzerland or are otherwise subject to Swiss taxation are usually subject to wealth tax for these shareholdings (natural persons) or these shareholdings form part of the capital subject to capital tax at cantonal and municipal level.

6.6. Income and Profit Taxes on the Sale of Shares

Individuals resident in Switzerland who hold the Shares as part of their private assets are in principle not subject to any income tax at federal, cantonal or municipal level on capital gains from the sale of the Shares, subject to certain exceptions. Conversely, losses on the sale of Shares cannot be deducted from taxable income. For Swiss based legal entities and individuals who hold the Shares as part of their business assets, the realized capital gains from the sale of Shares are subject to corporate income tax or income tax at the federal, cantonal, or municipal level.

6.7. Donation and Inheritance Taxes

The transfer of Shares free of charge by way of a gift or inheritance may be subject to cantonal and/or municipal gift or inheritance tax.

EXPLANATIONS REGARDING THE CONTENT OF THE PROSPECTUS

This Prospectus has been prepared in accordance with the applicable legal requirements. Zazoon AG, Beethovenstrasse 11, based in 8002-Zurich, Switzerland, assumes full responsibility for the content and completeness of this Prospectus and confirms, after thorough review, that the information contained in this Prospectus is correct to the best of its knowledge and that no material facts have been omitted.

Zurich, 12. February 2026

Walter Jucker, President of the Board of Directors

Irina Kotorova, Member of the Board of Directors

APPENDIX I – CERTIFIED COMMERCIAL REGISTER EXTRACT OF ZAZOON AG DATED 07.01.2025



Commercial register of canton Zurich

Company No. CHE-101.131.450	Legal form Limited or Corporation	Registered 23.12.1999	Struck off	Transfer CH-020.3.022.652-9 from: to:	1
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All entries

Ent	Ca	Registered name	Ref	Registered office
1		Zazoon AG		1 Dietikon
17		(Zazoon Ltd.) (Zazoon SA)		5 Zürich

Ent	Ca	Share capital	Paid-in	Denomination of shares	Ent	Ca	Registered address
1		CHF 100'000.00	CHF 100'000.00	1'000 inhaberaktien zu CHF 100.00	1	5	Riedstrasse 3
2	10			10'000 Namenaktien zu CHF 10.00			8953 Dietikon
10	11			10'000'000 Namenaktien zu CHF 0.01	5	7	Beethovenstrasse 9
11	13	CHF 500'000.00	CHF 500'000.00	50'000'000 Namenaktien zu CHF 0.01			8002 Zürich
13	15	CHF 1'000'000.00	CHF 1'000'000.00	100'000'000 Namenaktien zu CHF 0.01	7		Beethovenstrasse 11
15	17	CHF 2'000'000.00	CHF 2'000'000.00	20'000'000 Namenaktien zu CHF 0.10			8002 Zürich
17	20	CHF 3'000'000.00	CHF 3'000'000.00	30'000'000 Namenaktien zu CHF 0.10			
20		CHF 3'038'095.00	CHF 3'038'095.00	30'380'950 Namenaktien zu CHF 0.10			

Ent	Ca	Purpose	Ent	Ca	Additional addresses
1	8	Entwicklung, Verkauf und Lizenzierung von Informatik- und Internetlösungen; Beteiligung an andern Unternehmen mit gleichen oder ähnlichen Zwecken; Handel mit Waren aller Art, insbesondere mit Hard- und Softwarelösungen; kann Liegenschaften erwerben, verwalten, veräussern und überbauen.			
8		Die Gesellschaft bezweckt den Handel mit Waren aller Art sowie das Erbringen von Dienstleistungen im Bereich Consulting; sie befasst sich mit Projekt- und Prozessmanagement, Softwareentwicklung in den Bereichen Internet, IT, Telekommunikation und Multi Media. Sie kann alle kommerziellen, finanziellen und anderen Tätigkeiten ausüben, welche mit dem Zweck der Gesellschaft in einem Zusammenhang stehen, sowie Patente, Lizenzen und Herstellungsverfahren erwerben, entwickeln, verwalten und verwerten. Die Gesellschaft kann Zweigniederlassungen und Tochtergesellschaften im In- und Ausland errichten und sich an andern Unternehmen im In- und Ausland beteiligen sowie alle Geschäfte tätigen, die direkt oder indirekt mit ihrem Zweck in Zusammenhang stehen. Die Gesellschaft kann im In- und Ausland Grundeigentum erwerben, belasten, veräussern und verwalten. Sie kann auch Finanzierungen für eigene oder fremde Rechnung vornehmen sowie Garantien und Bürgschaften für Tochtergesellschaften und Dritte eingehen.			

Ent	Ca	Remarks	Ref	Date of the articles of association
1	8	Die Mitteilungen an die Aktionäre erfolgen durch Publikation im SHAB:	1	30.11.1999
2	17	Die Übertragbarkeit der Namenaktien ist nach Massgabe der Statuten beschränkt:	2	17.02.2000
8	10	Mitteilungen an die Aktionäre erfolgen per Brief oder Telefax an die im Aktienbuch verzeichneten Adressen:	5	12.12.2003
8	18	Gemäss Erklärung vom 21.10.2013 wurde auf die eingeschränkte Revision verzichtet:	8	07.11.2013
10	17	Mitteilungen an die Aktionäre erfolgen per Brief, Telefax oder E-Mail an die im Aktienregister verzeichneten Adressen:	10	27.10.2020
11		Ordentliche Erhöhung des Aktienkapitals.	11	17.11.2020
13		Bei der ordentlichen Kapitalerhöhung vom 11.05.2021 werden Forderungen in der Höhe von CHF 500'000.00 verrechnet, wofür 50'000'000 Namenaktien zu CHF 0.01 ausgegeben werden.	13	11.05.2021
15		Ordentliche Erhöhung des Aktienkapitals.	15	12.12.2023
16	19	Die Gesellschaft hat mit Beschluss vom 08.02.2024 ein Kapitalband gemäss näherer Umschreibung in den Statuten beschlossen:	16	08.02.2024
17		Mitteilungen an die Aktionäre erfolgen per Brief oder E-Mail an die im Aktienregister verzeichneten Adressen.	17	16.07.2024
17		Ordentliche Kapitalerhöhung innerhalb des Kapitalbandes.	17	05.08.2024
20		Ordentliche Erhöhung des Aktienkapitals.	20	27.05.2025

Zürich, 30.12.2025

Continued on the following page



Commercial register of canton Zurich

CHE-101.131.450	Zazoon AG	Zürich	2
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All entries

Ent	Ca	Particular events	Ref	Official publication medium
15		Verrechnung einer Forderung von CHF 1'000'000, wofür 10'000'000 Namenaktien zu CHF 0.10 ausgegeben werden.	1	SHAB
17		Verrechnung einer Forderung von CHF 1'000'000.00, wofür 10'000'000 Namenaktien zu CHF 0.10 ausgegeben werden.		
20		Bei der Kapitalerhöhung vom 27.05.2025 wird eine Forderung von CHF 3'999'975.00 verrechnet, wofür 380'950 Namenaktien zu CHF 0.10 ausgegeben werden.		

Ref	Journal No.	Journal date	SOGC	SOGC date	Ref	Journal No.	Journal date	SOGC	SOGC date
1	28627	23.12.1999		29.12.1999	11	44548	19.11.2020	1005029901	24.11.2020
2	5469	02.03.2000		08.03.2000	12	6908	12.02.2021	1005102937	17.02.2021
3	28038	24.11.2000		30.11.2000	13	22332	21.05.2021	1005193757	27.05.2021
4	29952	15.11.2001		21.11.2001	14	13246	28.03.2023	1005713873	31.03.2023
5	35854	17.12.2003	2045330	23.12.2003	15	51832	15.12.2023	1005915090	20.12.2023
6	21074	23.07.2004	2382720	29.07.2004	16	7613	15.02.2024	1005965426	20.02.2024
7	17219	24.05.2012	6696624	30.05.2012	17	35486	13.08.2024	1006107911	16.08.2024
8	35782	08.11.2013	1177057	13.11.2013	18	53346	05.12.2024	1006199687	10.12.2024
9	31360	07.09.2017	3746617	12.09.2017	19 A	26315	13.06.2025	1006358917	18.06.2025
10	42492	05.11.2020	1005018914	10.11.2020	20	27773	23.06.2025	1006366757	26.06.2025

Ent	Mo	Ca	Personal details	Role	Signing authority
1		2	Adamantidis, Georgios, von Kötiken, in Baden	member of the board	individual signing authority
1		4	Controlling & Organisation Lanter, in Lengnau AG	auditor	
2		6	Unternährer, Patrick, von Schüpfheim und Dietiken, in Zürich	chairperson of the board	joint signing authority (any two to sign)
2		5m	Müller, David, von Kradolf-Schönenberg, in Wohlen AG	member of the board	joint signing authority (any two to sign)
2		3	Steiner, Renato, von Schänis, in Zürich	member of the board	joint signing authority (any two to sign)
4		6	A & O Treuhand- und Wirtschaftsprüfung GmbH, in Baden	auditor	
4		6m	Moser, Kurt, von Röthenbach im Emmental, in Erlenbach ZH	member of the board	without signing authority
4		6m	Jucker, Walter, von Rüti ZH, in Meilen	member of the board	without signing authority
5		6	Müller, David, von Kradolf-Schönenberg, in Siglistorf	member of the board	joint signing authority (any two to sign)
6		9m	Jucker, Walter, von Rüti ZH, in Meilen	chairperson of the board	individual signing authority
6		7m	Moser, Kurt, von Röthenbach im Emmental, in Erlenbach ZH	vice-chairperson of the board	individual signing authority
6		7m	DMS Treuhand und Finanz AG, in Gham	auditor	
7		9	Moser, Kurt, von Röthenbach im Emmental, in Herrliberg	vice-chairperson of the board	individual signing authority
7		8	DMS Treuhand und Finanz AG (CH-176.0.010-762-9), in Gham	auditor	
9			Jucker, Walter, von Rüti (ZH), in Erlenbach (ZH)	chairperson of the board	joint signing authority (any two to sign)
9		10	Begall, Marco, von Zürich, in Stäfa	member of the board	joint signing authority (any two to sign)
10			Khokhar, Danish Nabil, britischer Staatsangehöriger, in Horgen	member of the board	joint signing authority (any two to sign)
12		18	Beck, Richard Maximilian, deutscher Staatsangehöriger, in Berlin (DE)	member of the board	joint signing authority (any two to sign)
14			Furutan, Bayan Chandler, von Zürich, in Erlenbach (ZH)		limited joint signing authority (any two to sign)
14		18m	Kotorova, Inna, tschechische Staatsangehörige, in Zürich		limited joint signing authority (any two to sign)

Zürich, 30.12.2025

Continued on the following page



Commercial register of canton Zurich

CHE-101.131.450	Zazoon AG	Zürich	3
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All entries

Ent	Mo	Ca	Personal details	Role	Signing authority
	18		Kotorova, Irina, tschechische Staatsangehörige, in Zürich	member of the board	limited joint signing authority (any two to sign)
18			Ferax Treuhand AG (CHE-106.507.226), in Zürich	auditor	

Zürich, 30.12.2025



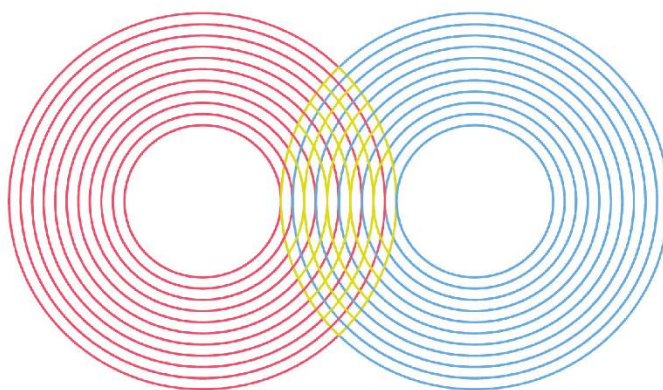
This extract from the cantonal Registry Office is not valid without the original authentication on the left. The extract contains all valid entries as well as any deleted entries for the company in question. On special request it is also possible to provide an extract containing only the valid entries. The Commercial Registry Office of the Canton of Zurich does not accept any liability for this extract from the Commercial Register not being accepted as sufficient proof of the facts stated therein at its place of destination.

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**APPENDIX II – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE
WITH IFRS OF THE ISSUER AS OF AND FOR THE FINANCIAL PERIOD ENDED 30
JUNE 2025**



**IFRS Consolidated Financial Statements for the
Fiscal Period 30.06.2025**



Zazoon AG
Beethovestrasse 11
8002 Zurich
Switzerland



Consolidated Balance Sheet

as at 30 June 2025
(expressed in Swiss Franc - CHF)

	30 June 2025	31 Dec. 2024
Assets		
Current		
Cash and Cash Equivalents	637'594	237'975
Accounts Receivable, Third Parties	58'755	71'694
Current Accounts Receivable, Affiliated, net	177'268	154'268
Other Current Assets	12'451	37'077
<i>Total Current Assets</i>	<i>886'068</i>	<i>501'014</i>
Non-Current		
Non-Current Accounts Receivable, Affiliated, net	0	0
Loans Receivable (Shareholder and Affiliated)	7'000	7'000
Right-of-Use Assets	256'576	288'648
Property, Plant, and Equipment	5'789	6'998
Other Non-Current Assets	20'071	20'071
<i>Total Non-Current Assets</i>	<i>289'436</i>	<i>322'717</i>
Total Assets	1'175'504	823'731
Equity and Liabilities		
Liabilities		
Current		
Accounts Payable, Third Parties	81'627	41'360
Lease Liabilities, Current	65'164	63'432
Other Current Liabilities	81'827	130'278
<i>Total Current Liabilities</i>	<i>228'618</i>	<i>235'070</i>
Non-Current		
Loans Payable (3rd Party)	0	0
Loans Payable (Shareholder and Affiliated)	2'371'743	4'783'882
Lease Liabilities, Non-Current	217'944	250'965
<i>Total Non-Current Liabilities</i>	<i>2'589'688</i>	<i>5'034'847</i>
Total Liabilities	2'818'305	5'269'917
Equity		
Share Capital, Paid In	3'038'095	3'000'000
Additional Paid in Capital	3'961'880	0
Capital Contributions, Reserves	925'007	925'007
Currency Translation Difference	(1'436)	(1'436)
Accumulated Loss Carried Forward	(8'369'757)	(5'772'209)
Net Loss for the period	(1'196'590)	(2'597'548)
Total Equity	(1'642'801)	(4'446'186)
Total Equity and Liabilities	1'175'504	823'731



Consolidated Statement of Profit and Loss and Other Comprehensive Income

for the period ended 30 June 2025
(expressed in Swiss Franc - CHF)

	30.06.2025	2024
Revenue from Contracts with Customers	207'807	418'790
Other Income	19'357	38'120
<i>Total Net Operating Revenue</i>	<i>227'164</i>	<i>456'910</i>
Development Services	(132'805)	(334'756)
Employee Compensation and Benefits	(170'934)	(393'149)
Management Fees	(651'000)	(1'302'000)
Other Operating Expenses	(343'877)	(661'146)
<i>Loss Before Interest, Taxes, Depreciation, and Amortization</i>	<i>(1'071'452)</i>	<i>(2'234'141)</i>
Depreciation and Amortization	(33'281)	(66'562)
<i>Loss Before Interest and Taxes</i>	<i>(1'104'733)</i>	<i>(2'300'703)</i>
Interest Expense	(87'736)	(266'334)
Finance Expense	4'558	(13'153)
<i>Loss Before Taxes</i>	<i>(1'187'911)</i>	<i>(2'580'190)</i>
Tax Expense	(8'679)	(17'358)
Loss for the Year	(1'196'590)	(2'597'548)
Other comprehensive income	0	0
Comprehensive Loss for the Year	(1'196'590)	(2'597'548)
Loss per Share		
Basic Loss per 100 Shares	(3.99)	(10.94)



Consolidated Statement of Cash Flows

for the period ended 30 June 2025
(expressed in Swiss Franc - CHF)

	30.06.2025	2024
Operating Activities		
Loss for the Year	(1'196'590)	(2'597'548)
Non-cash Adjustments	649'281	1'431'218
Net Changes in Working Capital	(29'381)	188'965
Taxes Paid	0	(2'561)
<i>Net Cash from Operating Activities</i>	<i>(576'690)</i>	<i>(979'926)</i>
Investing Activities		
Investments in Tangible Assets	0	(3'243)
<i>Net Cash from Investing Activities</i>	<i>0</i>	<i>(3'243)</i>
Financing Activities		
Proceeds from Borrowing	1'012'894	1'073'795
Payments of Loans Issued	0	(234'960)
Proceeds from Capital Contributions	0	128'594
Repayments of Leasing Liabilities	(31'289)	(56'269)
Interest Paid	(7'786)	(18'020)
<i>Net Cash from Financing Activities</i>	<i>973'819</i>	<i>893'141</i>
Net Change in Cash and Cash Equivalents	397'129	(90'028)
Cash and Cash Equivalents, Beginning Balance	237'973	319'200
Exchange Differences on Cash and Cash Equivalents	2'492	8'801
Cash and Cash Equivalents, Ending Balance	637'594	237'973



Consolidated Statement of Changes in Equity

for the period ended 30 June 2025
(expressed in Swiss Franc - CHF)

	Share Capital	Additional Paid in Capital	Currency Translation Difference	Capital Contributions	Retained Earnings (Loss)	Total Equity
Balance at 01 January 2025	3'000'000	0	(1'436)	925'007	(8'369'757)	(4'446'186)
Currency Translation Difference	0	0	0	0	0	0
Capital Contributions from Loans Below Market Interest Rates	0	0	0	0	0	0
Issue of Share Capital	38'095	3'961'880	0	0	0	3'999'975
Profit (Loss) for the Year	0	0	0	0	(1'196'590)	(1'196'590)
Balance at 30 June 2025	3'038'095	3'961'880	(1'436)	925'007	(9'566'347)	(1'642'801)
Balance at 01 January 2024	2'000'000	0	(5'908)	717'083	(5'772'209)	(3'061'034)
Currency Translation Difference	0	0	4'472	0	0	4'472
Capital Contributions from Loans Below Market Interest Rates	0	0	0	207'924	0	207'924
Issue of Share Capital	1'000'000	0	0	0	0	1'000'000
Profit (Loss) for the Year	0	0	0	0	(2'597'548)	(2'597'548)
Balance at 31 December 2024	3'000'000	0	(1'436)	925'007	(8'369'757)	(4'446'186)

**APPENDIX III – AUDITED CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE
WITH IFRS OF THE ISSUER AS OF AND FOR THE FINANCIAL YEAR ENDED 31
DECEMBER 2024 (with 2023 – as the comparative figure – restated)**

FERAX

Report of the statutory auditor to the General
Meeting on the consolidated financial state-
ments 2024

Zazoon AG



Report of the statutory auditor
to the general meeting of
Zazoon AG, Zurich

Zurich, December 5, 2025

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Zazoon AG (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2024, the consolidated statement of profit and loss and comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code). We have 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.

Material Uncertainty Related to Going Concern

We draw attention to note 24 "Procedures and Going Concern" in the consolidated financial statements. The Group incurred a net loss of CHF 2'597'548 during the year ended December 31, 2024 and, as of that date, the Group's liabilities exceeded its total assets by CHF 4'446'186. As stated in note 24, these events or conditions, along with other matters as set forth in note 24, indicate that a material uncertainty exists that may cast significant doubt of the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Other Matter

The consolidated financial statements of the Group for the year ended December 31, 2023 were not audited.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the Consolidated Financial Statements

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTSuisse's website at <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

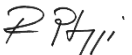

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we have determined that an internal control system designed in accordance with the requirements of the Board of Directors for the preparation of the consolidated financial statements is not documented in writing in all material areas.

In our opinion, the internal control system does not comply with Swiss law, which is why we cannot confirm the existence of an internal control system for the preparation of the consolidated financial statements.

We would also like to point out that, contrary to the provisions of Art. 699 para. 2 CO, the Annual General Meeting did not take place within six months of the end of the financial year.

We recommend that the consolidated financial statements submitted to you be approved.

Ferax Treuhand AG

 
Renzo Peduzzi

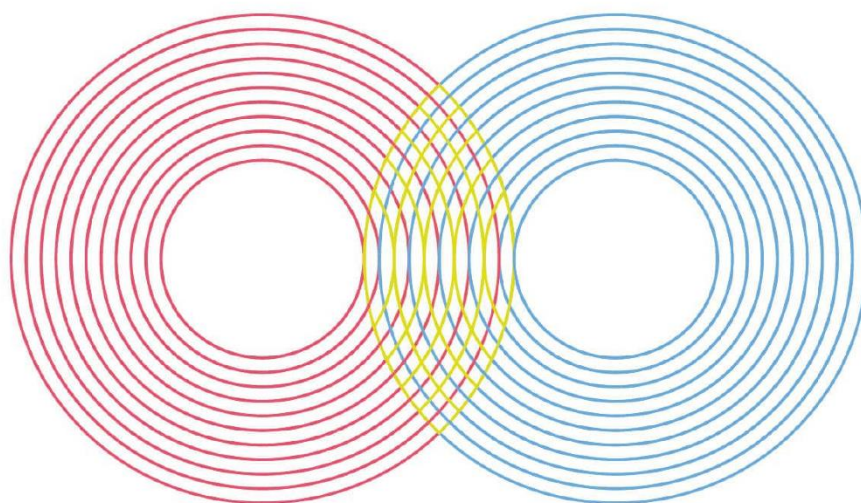
Licensed Audit Expert
Auditor in charge

 
Mujo Selimovic

Licensed Audit Expert



**IFRS Consolidated Financial Statements for the
Fiscal Year 2024**



Zazoon AG
Beethovestrasse 11
8002 Zurich
Switzerland

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Consolidated Balance Sheet

as at 31 December 2024
(expressed in Swiss Franc - CHF)

	Notes	31 Dec. 2024	31 Dec. 2023
Assets			
Current			
Cash and Cash Equivalents	5	237'975	319'202
Accounts Receivable, Third Parties	7	71'694	0
Current Accounts Receivable, Affiliated, net	8	154'268	0
Other Current Assets	6	37'077	238'120
<i>Total Current Assets</i>		<i>501'014</i>	<i>557'322</i>
Non-Current			
Non-Current Accounts Receivable, Affiliated, net	8	0	90'469
Loans Receivable (Shareholder and Affiliated)	6	7'000	0
Right-of-Use Assets	9	288'648	352'792
Property, Plant, and Equipment	11	6'998	6'173
Other Non-Current Assets	6	20'071	20'652
<i>Total Non-Current Assets</i>		<i>322'717</i>	<i>470'086</i>
Total Assets		823'731	1'027'408
Equity and Liabilities			
Liabilities			
Current			
Accounts Payable, Third Parties	12	41'360	96'120
Lease Liabilities, Current	9	63'432	56'269
Other Current Liabilities	12	130'278	37'064
<i>Total Current Liabilities</i>		<i>235'070</i>	<i>189'453</i>
Non-Current			
Loans Payable (3rd Party)		0	206'667
Loans Payable (Shareholder and Affiliated)	6	4'783'882	3'377'925
Lease Liabilities, Non-Current	9	250'965	314'397
<i>Total Non-Current Liabilities</i>		<i>5'034'847</i>	<i>3'898'989</i>
Total Liabilities		5'269'917	4'088'442
Equity			
Share Capital, Paid In	13	3'000'000	2'000'000
Capital Contributions, Reserves	13	925'007	717'083
Currency Translation Difference	13	(1'436)	(5'908)
Accumulated Loss Carried Forward		(5'772'209)	(3'704'678)
Net Loss for the period		(2'597'548)	(2'067'531)
Total Equity		(4'446'186)	(3'061'034)
Total Equity and Liabilities		823'731	1'027'408

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Consolidated Statement of Profit and Loss and Other Comprehensive Income

for the year ended 31 December 2024
(expressed in Swiss Franc - CHF)

	Notes	2024	2023
Revenue from Contracts with Customers	15	418'790	104'800
Other Income	15	38'120	41'373
Total Net Operating Revenue		456'910	146'173
Development Services		(334'756)	(556'067)
Employee Compensation and Benefits		(393'149)	(92'583)
Management Fees	16	(1'302'000)	(984'698)
Other Operating Expenses	16	(661'146)	(254'933)
Loss Before Interest, Taxes, Depreciation, and Amortization		(2'234'141)	(1'742'108)
Depreciation and Amortization	9, 11	(66'562)	(60'065)
Loss Before Interest and Taxes		(2'300'703)	(1'802'173)
Interest Expense	17	(266'334)	(249'954)
Finance Expense	17	(13'153)	(3'850)
Loss Before Taxes		(2'580'190)	(2'055'977)
Tax Expense	18	(17'358)	(11'554)
Loss for the Year		(2'597'548)	(2'067'531)
Other comprehensive income		0	0
Comprehensive Loss for the Year		(2'597'548)	(2'067'531)
Loss per Share			
Basic Loss per 100 Shares	14	(10.94)	(19.85)

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Consolidated Statement of Cash Flows

for the year ended 31 December 2024
(expressed in Swiss Franc - CHF)

	Notes	2024	2023
Operating Activities			
Loss for the Year		(2'597'548)	(2'067'531)
Non-cash Adjustments	19	1'431'218	1'380'387
Net Changes in Working Capital	19	188'965	6'333
Net Changes in Deferred Tax Assets		0	0
Taxes Paid		(2'561)	(1'553)
<i>Net Cash from Operating Activities</i>		<i>(979'926)</i>	<i>(682'364)</i>
Investing Activities			
Investments in Tangible Assets		(3'243)	0
<i>Net Cash from Investing Activities</i>		<i>(3'243)</i>	<i>0</i>
Financing Activities			
Proceeds from Borrowing	20	1'073'795	898'476
Payments of Loans Issued		(234'960)	0
Proceeds from Capital Contributions		128'594	113'700
Repayments of Leasing Liabilities	20	(56'269)	(51'324)
Interest Paid	20	(18'020)	(19'104)
<i>Net Cash from Financing Activities</i>		<i>893'141</i>	<i>941'748</i>
Net Change in Cash and Cash Equivalents		(90'028)	259'384
Cash and Cash Equivalents, Beginning Balance		319'200	63'483
Exchange Differences on Cash and Cash Equivalents		8'801	(3'667)
Cash and Cash Equivalents, Ending Balance	5	237'973	319'200

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Consolidated Statement of Changes in Equity

for the period ended 31 December 2024

(expressed in Swiss Franc - CHF)

	Notes	Share Capital	Additional Paid in Capital	Currency Translation Difference	Capital Contributions	Retained Earnings (Loss)	Total Equity
Balance at 01 January 2024 (with prior period adjustments)		2'000'000	0	(5'908)	717'083	(5'772'209)	(3'061'034)
Currency Translation Difference		0	0	4'472	0	0	4'472
Capital Contributions from Loans Below Market Interest Rates	13	0	0	0	207'924	0	207'924
Issue of Share Capital	13	1'000'000	0	0	0	0	1'000'000
Profit (Loss) for the Year		0	0	0	0	(2'597'548)	(2'597'548)
Balance at 31 December 2024		3'000'000	0	(1'436)	925'007	(8'369'757)	(4'446'186)
Balance at 01 January 2023		1'000'000	0	0	0	(3'704'678)	(2'704'678)
Currency Translation Difference		0	0	(5'908)	0	0	(5'908)
Capital Contributions from Loans Below Market Interest Rates	13	0	0	0	717'083	0	717'083
Issue of Share Capital	13	1'000'000	0	0	0	0	1'000'000
Profit (Loss) for the Year		0	0	0	0	(2'067'531)	(2'067'531)
Balance at 31 December 2023		2'000'000	0	(5'908)	717'083	(5'772'209)	(3'061'034)

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Notes to the Consolidated Financial Statements ending 31.12.2024

1. Nature of Operations

The principal activities of Zazoon AG is the internal development of the Zazoon software and the services rendered in connection thereto. The Zazoon software is an online GRC (Governance, Risk, and Compliance) and Data Protection tool developed by Zazoon AG. Founded in 1999 in Zurich (Switzerland), the company developed a RegTech SaaS platform that automates and streamlines Data Protection, Governance, Risk Management and Compliance processes. The platform's five main modules are: Policy Management, Internal Control System, Risk Management, Vendor Management and Data Protection. The Services rendered by Zazoon AG will generally fall into one of two categories:

- Offering the Zazoon software as a service (SaaS) for external use. This will be done by offering a subscription service.
- Zazoon AG will conduct a one time implementation for each new client during the onboarding process.
- Zazoon AG also conducts management and or consulting services, though this is not part of its main revenue model.

2. General Information and Statement of Compliance with IFRS

Zazoon AG is a corporation, incorporated and domiciled in Switzerland. Its registered office and principal place of business is Beethovenstrasse 11, 8002 Zurich, Switzerland. Zazoon AG's shares are not listed on any stock exchange.

The consolidated financial statements of Zazoon AG have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared on a historical cost basis, except for financial assets that have been measured initially at fair value.

The consolidated financial statements for the year ended 31.12.2024 (including comparatives) were approved and authorized for issue by the board of directors on 01.12.2025 (see [Note 24](#)). Under applicable Swiss law, amendments to the financial statements are not permitted after approval.

3. Summary of Accounting Policies

3.1 - Overall Considerations

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases that are in effect at 31.12.2024, as summarized below. These were used throughout all periods presented in the consolidated financial statements, unless noted otherwise.

An overview of standards, amendments and interpretations to IFRSs issued but not yet effective, and which have not been adopted early by Zazoon AG, are presented in [Note 4](#).

3.2 - Foreign Currency Translation

Functional and presentation currency

The consolidated financial statements are presented in currency CHF (Swiss Francs), which is also the functional currency of Zazoon AG. All amounts have been rounded to the nearest franc, unless otherwise stated. Accordingly, small differences may arise between the rounded amounts and the underlying accounting records or totals.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognized in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.3 - Operating Expenses

Operating expenses are recognized in profit or loss upon utilization of the service or at the date of their origin.

3.4 - Property, Plant, and Equipment

Furniture, IT equipment, and other equipment

Furniture, IT equipment, and other equipment are initially recognized at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by Zazoon AG's management. Furniture, IT equipment, and other equipment are subsequently measured using the cost model: cost less accumulated depreciation and impairment losses.

Depreciation is recognized on a straight-line basis to write down the cost less estimated residual value of furniture, IT equipment, and other equipment. The following useful lives are applied:

- IT equipment: 2-5 years
- Furniture and other equipment: 3-12 years

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Notes to the Consolidated Financial Statements ending 31.12.2024

3. Summary of Accounting Policies (cont.)

3.5 - Leased Assets (Including Subleases)

Leases as a Lessee

Zazoon AG assesses whether a contract is or contains a lease at inception of the contract. At lease commencement date, Zazoon AG recognizes a right-of-use asset and a lease liability in its consolidated balance sheet.

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards of ownership of the leased asset. Where Zazoon AG is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. The lease liability is recognized as the present value of the lease payments plus incidental payments.

The depreciation of the right-of-use (ROU) asset generated through the lease is depreciated over the lease term, on a straight line basis, including any extension options that management is reasonably certain will be exercised. The corresponding lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as interest expense over the period of the lease.

The ROU asset is measured for impairment indicators at the end of every fiscal period. None were noted to date. Please refer to **Note 3.6** for more information.

Zazoon AG utilizes the incremental borrowing rate, because as the lease contracts are negotiated with third parties, it is not possible to determine the interest rate that is implicit in the lease. The incremental borrowing rate is the estimated rate that Zazoon AG would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. The estimation is based on the market rates for a loan of a similar size and similar length, plus a risk premium for Zazoon AG's specific factors that are taken into consideration (such as the age of the company, the capital structure, and the financial outlook of its operations).

Leases as a Lessor, including Subleases

Zazoon AG partially subleases its office spaces that are leased by Zazoon AG. The sublease was classified by reference to the ROU asset arising from the head lease, rather than by reference to the underlying asset. Thus, since the sublease does not constitute the transfer of the economic ownership of the leased asset (through the head lease), the net present value (NPV) of all the lease payments made by the sublessor does not exceed at least half of the ROU asset generated under the head lease, and the lease can be terminated at any point by Zazoon AG or the sublettor with a 6 month notice. Zazoon AG has determined that the sublease is recognized as an operating lease. Lastly, as at 31.12.2024, the sublease has been terminated with an ending date of 31.08.2025. Therefore, Zazoon AG continues to account for the lease liability and ROU asset on the head lease like any other lease. The received lease payments on the operating sublease agreements are recognized as other income on an effective basis over the lease term. Associated costs, such as maintenance and insurance, are recognized identically as incurred.

3.6 - Impairment Testing of Property, Plant, and Equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to Zazoon AG's latest budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors. Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

3.7 - Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity. Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income, based on Zazoon AG's forecast of future operating results, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full. Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

3.8 - Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

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Notes to the Consolidated Financial Statements ending 31.12.2024

3. Summary of Accounting Policies (cont.)

3.9 - Equity and Reserves

- Share capital represents the nominal value of shares that have been issued.
- Additional Paid in Capital includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from additional paid in capital, net of any related income tax benefits. If no additional paid in capital is accounted for, the transaction costs are expensed in the period in which they occurred.
- Capital Contributions represent the equity component of the below market rate interest on loans from shareholders. These increases in economic benefits during the accounting period in the form of decreases of liabilities that result in increases in equity, other than those relating to contributions from equity participants, are contained herein.
- Currency Translation Difference is due to the fully consolidated subsidiary, Zazoon Germany AG, having a functional currency (EUR) different from the one of the parent (CHF).
- Retained earnings (or loss) includes all current and prior period retained profits and/or losses.

See [Note 13](#) for more information.

3.10 - Provisions, Contingent Assets, and Contingent Liabilities

Provisions for legal disputes, onerous contracts, or other claims are recognized when Zazoon AG has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from Zazoon AG, and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that Zazoon AG can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision. In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized.

3.11 - Significant Management Judgement in Applying Accounting Policies and Estimation Uncertainty

When preparing the consolidated financial statements, management undertakes a number of judgements, estimates, and assumptions about the recognition and measurement of assets, liabilities, income, and expenses.

Significant Management Judgement

The following are significant management judgements in applying the accounting policies of Zazoon AG that have the most significant effect on the consolidated financial statements.

Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of Zazoon AG's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions (see [Note 3.7](#)).

Market Rate of Loans Issued by Shareholders

Zazoon AG has significant loans from shareholders. Due to the tax laws in Switzerland, these loans have an interest rate p.a. of 1.5%. In order to determine an appropriate market rate, Zazoon AG acquired the average lending interest rate, based on information from the International Monetary Fund, for a debt instrument similar to the ones accounted for by Zazoon AG and added an adequate risk premium, to account for the risks specifically applicable to its operations, structure, and legal and regulatory framework. This rate was determined to be 5.40% (2.90% from IMF + 2.50% risk premium). (see [Note 6](#))

Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income, and expenses is provided below. It is reasonably possible, on the basis of existing knowledge, that outcomes within the next fiscal year that are different from the assumption, could require a material adjustment to the carrying amount of the asset or liability affected.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see [Note 3.6](#)).

Useful Lives of Depreciable Tangible Assets

Management reviews its estimate of the useful lives of depreciable tangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

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Notes to the Consolidated Financial Statements ending 31.12.2024

3. Summary of Accounting Policies (cont.)

3.12 - Revenues

Revenue Recognition:

- 1) Identify the Contract: Zazoon AG entered into written contracts with its customers. These contracts are ratified and identify the terms and conditions of the services provided by Zazoon AG, as well as the responsibilities and obligations of the customers.
- 2) Separate Performance Obligations: Zazoon AG has three distinct performance obligations:
 - a) SaaS (Licensing of Cloud Software): These revenues are recognized linearly over the term of the agreement.
 - b) Management/Consulting Services: These are recognized at the point in time in which the services are provided. Due to immaterial differences in timing, these are recognized linearly over the term of the agreement.
 - c) Onboarding Fees: Recognized at completion of the implementation of the customer account and any and all necessary training.
- 3) Determine the Transaction Price: Zazoon AG did provide some discounts, but did not have any refunds, credits, or other variable components. Furthermore, the price was determined based on going market rates. However, the pricing model is individualized based on the customer's complexity, number of employees, degree of personalization, as well as other strategic and operational factors. As such, there is no strict and uniform pricing for the services provided.
- 4) Allocate the Transaction Price: Although the pricing is based on the factors mentioned in Step 3 above, there is a guiding price sheet used for internal purposes. This is only a guide and not a price list shared with customers. As such, in the instances where there was a bundling option of discount, Zazoon AG proportionately allocated the transaction price based on the aforementioned guide. This is primarily in order to distinguish between the onboarding revenue (recognized at a point in time) and the license revenue (recognized over a period of time).
- 5) Recognize Revenue: Since the Consulting Services and SaaS Licensing span over a specified period of time, and the services are provided evenly across the term of the agreement, the revenue is recognized linearly over said term. The Onboarding fees are recognized at a point in time, since the onboarding process occurs over a span of 2 to 3 days, and does not constitute a period of time that is material.

Significant Payment Terms

Service Agreements: The service agreements have a payment term of 30 days. If there is an amount owed to the counter party (such as in the form of a debt or revolving credit agreement), then the amount charged through the service agreement is served as a reduction of the amount owed to the counter party. These payments are due at the beginning of the license term.

Intercompany and Affiliated Company Service Agreements: The payments for the intercompany service agreement are due at the end of the calendar year (so on the 31. of December of each calendar year). The payments may be extended by maximum one year, at an interest rate of 5.40%. If there is an amount owed to the counter party (such as in the form of a debt or revolving credit agreement), then the amount charged through the service agreement is served as a reduction of the amount owed to the counter party. These payments are due at the beginning of the license term.

3.13 - Borrowing Costs

Borrowing costs are expensed in the period in which they are incurred and reported in financial and/or interest expense (see [Note 17](#)). Furthermore, the borrowing costs incurred are accounted for using the effective interest rate method. The determination of the rate is discussed in [Note 3.11](#).

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Notes to the Consolidated Financial Statements ending 31.12.2024

3. Summary of Accounting Policies (cont.)

3.14 - Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when Zazoon AG becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled, or expires.

Classification and initial measurement of financial assets

Except for those accounts receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into one of the following categories:

- amortized cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the periods presented, Zazoon AG does not have any financial assets categorized as FVTPL or FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset

All revenue and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of accounts receivables, which is presented within other income.

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognize expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortized cost and accounts receivables.

Zazoon AG considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2')

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognized for the first category (i.e. Stage 1) while 'lifetime expected credit losses' are recognized for the second category (i.e. Stage 2).

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Accounts and other receivables

Zazoon AG makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, Zazoon AG uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Zazoon AG assesses impairment of accounts receivables on a collective basis. As they possess shared credit risk characteristics, they have been grouped based on the days past due. Refer to Note 6 for more information.

Classification and measurement of financial liabilities

Zazoon AG's financial liabilities include borrowings and trade and other payables.

Financial liabilities are measured at amortized cost using the effective interest method. Except for those payables and liabilities that do not contain a significant financing component, these are measured at the transaction price.

All interest-related charges and, if applicable, debt forgiveness or extinguishment of debts, are included within finance costs or finance income.

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Notes to the Consolidated Financial Statements ending 31.12.2024

3. Summary of Accounting Policies (cont.)

3.16 - Basis of Consolidation

Zazoon AG's consolidated financial statements consolidate those of the parent company and its subsidiary at 31.12.2024. The subsidiary has a reporting date of 31 December.

All transactions and balances between Group companies are eliminated on consolidation. Amounts reported in the consolidated financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by Zazoon AG.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

4. Standards, Amendments and Interpretations to Existing Standards that are not yet effective and have not been Adopted early by the Entity.

At the date of authorization of these consolidated financial statements, certain new standards, amendments, and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by Zazoon AG.

Since these are not relevant to Zazoon AG and will not, or do not need to be, adopted by Zazoon AG, no further action was deemed necessary in relationship thereto.

5. Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

	2024	2023
Cash at bank and in hand (in CHF):		
- CHF	50'975	273'900
- EUR	187'000	45'302
Total Balance	237'975	319'202

6. Financial Assets and Liabilities

6.1. Categories of financial assets and financial liabilities

Note 3.14 provides a description of each category of financial assets and financial liabilities and the related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:

31 December 2024	Amortized Cost
Financial Assets	
Cash and Cash Equivalents	237'975
Accounts Receivable, Third Parties	71'694
Current Accounts Receivable, Affiliated, net	154'268
Other Current Assets	37'077
Loans Receivable (Shareholder and Affiliated)	7'000
Other Non-Current Assets	20'071
Total Financial Assets	528'085

31 December 2024	Amortized Cost
Financial Liabilities	
Accounts Payable, Third Parties	41'360
Other Current Liabilities	130'278
Loans Payable (Shareholder and Affiliated)	4'783'882
Total Financial Liabilities	4'955'520

31 December 2023	Amortized Cost
Financial Assets	
Cash and Cash Equivalents	319'202
Other Current Assets	238'120
Non-Current Accounts Receivable, Affiliated, net	90'469
Other Non-Current Assets	20'652
Total Financial Assets	668'443

31 December 2023	Amortized Cost
Financial Liabilities	
Accounts Payable, Third Parties	96'120
Other Current Liabilities	37'064
Loans Payable (3rd Party)	206'667
Loans Payable (Shareholder and Affiliated)	3'377'925
Total Financial Liabilities	3'717'776

A description of Zazoon AG's financial instrument risks, including risk management objectives and policies is given in Note 22.

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Notes to the Consolidated Financial Statements ending 31.12.2024

6. Financial Assets and Liabilities (cont.)

6.2. Financial assets at amortized cost

Financial assets at amortized cost include cash and cash equivalents and other current assets.

Cash and cash equivalents

Please refer to [Note 5](#) for the detailed information.

Accounts Receivable, Third Parties

Please refer to [Note 7](#) for the detailed information.

Current Accounts Receivable, Affiliated, net

Please refer to [Note 8](#) for the detailed information.

Other current assets

Other current assets are composed as follows:

Description	2024	2023
VAT Receivable (Management Fees)	0	223'901
Tax Overpayments (Receivable)	28'432	14'219
VAT Receivable (Germany)	908	0
Prepaid Assets	1'967	0
Accrued Assets	4'463	0
Other Current Assets	1'307	0
Total Balance at Amortized Costs	37'077	238'120

VAT Receivable (Management Fees):

Zazoon AG (the Swiss entity on a stand-alone basis) recorded its VAT statements based on the effective payments made. As such, the VAT receivable accounted for due to the interim management services (which were not paid, but accounted for as a long term liability) were accrued as an asset. However, as of 01.01.2025, Zazoon AG has opted to account for VAT based on the contract/invoice date, not the payment date. As such, the same accounting rule was utilized at the company that accounted for the revenues of this transaction. The tax authorities instructed Zazoon AG to eliminate the balance on both companies, rather than accounting for a receivable in one entity and a payable in the other. As such, this balance was eliminated as at 31.12.2024.

Non-Current Accounts Receivable, Affiliated, net

Please refer to [Note 8](#) for the detailed information.

Loans Receivable (Shareholder and Affiliated)

The loans receivable are from an affiliated party (meaning that Zazoon AG and the affiliated party have the same majority shareholder). This loan is provided for without interest. Due to the immaterial amount of the loan, no further action or consideration is taken regarding this item. Please refer to [Note 21](#) for more information regarding related party transactions.

Other Non-Current Assets

Zazoon AG's balance of other non-current assets consists of a rent deposit for the leased office spaces.

6.3. Financial liabilities at amortized cost

Accounts payables and other current liabilities

As was noted in [Note 3.14](#), these liabilities do not contain a significant financing component and are recognized at the transaction price. Please refer to [Note 12](#) for more details.

Loans payable (shareholder and affiliated)

The loans payable to shareholders and affiliated parties are composed as follows:

Description	Interest p.a.	Market Rate p.a.	Term Beg.	Term End	2024	2023
Loan - Shareholders	1.50%	5.40%	01.01.2021	31.12.2027	4'774'493	3'368'674
Other Loan - Affiliated Parties	N/A	N/A	N/A	N/A	9'389	9'251
Total Balance at Amortized Costs					4'783'882	3'377'925

Loan - Shareholders

The balance consists of two loans, both of which were granted on 01.01.2021 and are still active. As was noted in [Note 3.11](#), as of 01.01.2023, Zazoon AG has estimated a market rate for the shareholder loans that were acquired below market rate. This market rate consists of a risk free loan for a comparable period of time and an approximately similar amount of money and a risk premium for the company as it is currently constituted.

The loan has been separated into three separate components: Loan Payable, Discount on Loan Payable, and an Equity Component for the below market component.

Description	2024	2023
Loan Payable	5'358'536	3'924'020
Discount on Loan Payable	(584'043)	(555'346)
Total Balance at Amortized Costs	4'774'493	3'368'674

The Equity Component in the form of Capital Contributions is further discussed in [Note 13](#).

Please note that the shareholder loans are subordinated to the amount of CHF 2'860'786.- and CHF 5'060'000.- as at 31.12.2023 and 31.12.2024, respectively.

Other Loan - Affiliated Parties

The loan was granted during the fiscal year of 2022. Due to the immaterial amount, no formal agreement was entered into and no interest is charged.

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Notes to the Consolidated Financial Statements ending 31.12.2024

7. Accounts Receivables, Third Parties

	2024	2023
Accounts Receivables	71'694	0
Loss Allowance	0	0
Total Balance	71'694	0

The average credit period on sales of goods is less than 30 days (within the payment terms). No interest is charged on outstanding accounts receivables.

Zazoon AG always measures the loss allowance for accounts receivables at an amount equal to lifetime ECL (Expected Credit Loss). The expected credit losses on accounts receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Zazoon AG does not have any accounts receivables that are past due, nor does it have any experience in credit losses as at 31.12.2024.

Zazoon AG's invoices are generated prior to the rendering of services provided. As such, the net balance accounted for as at the balance sheet date are only for the services rendered, that have been invoiced, but not yet paid. As such, this balance does not include balances that have been invoiced, but not yet provided as a service. In the first year of a contract period, Zazoon AG provides onboarding services for new clients. In subsequent years, the amount invoiced corresponds to the licensing only. The onboarding process is time consuming for the clients as well as Zazoon AG. As such, in addition to the factors above, management deems it extremely unlikely that a company engages in the onboarding process, if it is not able to pay the outstanding amount (which includes the licensing fee), since Zazoon AG will not provide access to the software unless the invoice is paid in a timely manner, rendering their own (as in, the client's) efforts useless.

Lastly, as was mentioned above, the invoices are due prior to the rendering of licensing services. As such, if one of Zazoon AG's clients does not pay the invoice in a timely manner, then the access to the software will be halted, until an agreement has been reached or a payment has been made. Therefore, the amount "lost" in such a scenario, does not constitute the entire balance invoiced, but rather an immaterial portion of the total amount. This is also factored into the analysis of the CCL.

As such, taking into consideration the lack of experienced credit losses, all of which are expected to be collected, no expected credit loss was recorded for the period ending at 31.12.2024.

This assessment will be re-evaluated in future periods, depending on the development of the company and the circumstances, as well as detailed analyses and evaluations.

8. Accounts Receivable, Affiliated, net (Current and Non-Current)

Current Accounts Receivable, Affiliated, net	2024	2023
Beginning Balance	0	0
Additions		
Reclassification from Non-Current to Current	154'268	0
Onboarding Revenues	0	0
Licensing Revenues	0	0
Interest	0	0
VAT	0	0
Reductions		
Repayments	0	0
Total Balance	154'268	0
Non-Current Accounts Receivable, Affiliated, net	2024	2023
Beginning Balance	90'469	0
Additions		
Onboarding Revenues	0	29'500
Licensing Revenues	54'500	54'500
Interest	4'885	0
VAT	4'414	6'469
Reductions		
Repayments	0	0
Reclassification from Current to Non-Current	(154'268)	0
Total Balance	0	90'469

As was noted in [Note 3.12](#), Zazoon AG provides licensing and onboarding services to affiliated entities. These entities are invoiced at the end of the period with the effective services rendered during the entire fiscal year (from 01.01. to 31.12. of the respective year). The affiliated parties can repay the amount due within one fiscal year, with a maximum extension of one fiscal year. Due to the fact that there is a significant financing component to this arrangement, the contract explicitly mentions that the non-compounding interest rate p.a. is 5.40%. This interest is charged on an effective basis for every day beyond the invoice date, since it is already invoiced at the end of the period, rather than the beginning of the period. Zazoon AG's management assessed that all of the receivables due will be paid within the 2025 fiscal year, which is why the balance was considered long term as at 31.12.2023 and short term as at 31.12.2024. For more details pertaining to related party transactions, please refer to [Note 21](#).

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Notes to the Consolidated Financial Statements ending 31.12.2024

9. Leases

9.1. Right-of-use asset

	Office
Gross carrying amount	
Balance at 01 January 2024	640'246
Additions	0
Disposals	0
<i>Balance at 31 December 2024</i>	<i>640'246</i>
Depreciation and impairment	
Balance at 01 January 2024	(287'454)
Disposals	0
Depreciation	(64'144)
<i>Balance at 31 December 2024</i>	<i>(351'598)</i>
Carrying amount at 31 December 2024	288'648
	Office
Gross carrying amount	
Balance at 01 January 2023	655'260
Additions	33'169
Disposals	(48'183)
<i>Balance at 31 December 2023</i>	<i>640'246</i>
Depreciation and impairment	
Balance at 01 January 2023	(229'341)
Disposals	0
Depreciation	(58'113)
<i>Balance at 31 December 2023</i>	<i>(287'454)</i>
Carrying amount at 31 December 2023	352'792

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Notes to the Consolidated Financial Statements ending 31.12.2024

9.2. Lease liability

Breakdown of Lease Liability	2024	2023
Current	63'432	56'269
Non-current	250'965	314'397
Total Balance	314'397	370'666
Interest Expense on Lease Liability	2024	2023
Interest Expense	18'020	19'104
Total Balance	18'020	19'104
Total Cash Outflow for Leases	2024	2023
Fixed Lease Payments	74'289	70'428
Variable Lease Payments	4'800	3'600
Total Balance	79'089	74'028

Zazoon AG makes the use of leasing arrangements principally for the provision and use of the headquarter office space. This lease is reflected in the Balance Sheet as a right-of-use (ROU) asset and a lease liability. Variable lease payments that do not depend on an index or a rate (such as service charges) are excluded from the initial measurement of the lease liability and ROU asset.

Zazoon AG has a contractual right to sublet the leased office space to another party. Zazoon AG has partially sublet the leased office space to a third party and recognizes the sublease as an operating lease: this is described further below. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Zazoon AG is prohibited from selling or pledging the underlying leased assets as security. Zazoon AG must keep the leased office property in a good state of repair and return it in their original condition at the end of the lease. Further, Zazoon AG must insure ROU assets and incur service charges on such items in accordance with the lease contracts.

The lease has an option to extend until 30.06.2034. Zazoon AG's management is not certain that the extension will be exercised. Thus the lease is considered to be in place until 30.06.2029.

The table below describes the nature of Zazoon AG's leasing activities for the ROU asset recognized in the Balance Sheet at 31.12.2024:

Right-of-use Asset	Remaining Lease Term
Office Space	4.5 Years

The lease liabilities are secured by the related underlying assets. Future lease payments at 31.12.2024 were as follows:

	<1 Year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years	Total
31 December 2024							
Lease Payments	78'150	78'150	78'150	78'150	39'075	0	351'675
Finance Charges	(14'718)	(11'207)	(7'501)	(3'590)	(261)	0	(37'277)
NPV	63'432	66'943	70'649	74'560	38'814	0	314'398
31 December 2023							
Lease Payments	74'289	78'150	78'150	78'150	78'150	39'075	425'964
Finance Charges	(18'020)	(14'718)	(11'207)	(7'501)	(3'590)	(261)	(55'297)
NPV	56'269	63'432	66'943	70'649	74'560	38'814	370'667

9.3. Incremental borrowing rate

The incremental borrowing rate was determined to be 5.40% p.a., as this is the estimated market rate used for all of the active borrowings that Zazoon AG has as of 31.12.2023.

9.4. Lease payments not recognized as a liability

Certain variable lease payments are not recognized as lease liabilities and are expensed as incurred. These payments are for service charges and consist of quarterly payments (made at the beginning of each quarter) for the total amount of CHF 900.00 per quarter until 30.06.2024 and CHF 1'500.00 as of 01.07.2024. Each calendar year, the landlord provides a statement that indicates the total amount of service charges due, where the balance is either due to the lessee or the lessor. These payments are not deemed material and thus not considered further.

9.5. Operating leases as lessor (for a sublease)

Zazoon AG partially sublets the office space to a third party. Due to the fact that the sublease does not meet the conditions to be recognized as a financing lease, since the lease is considered a short term lease (effective until 31.08.2025), Zazoon AG accounted for the sublease as an operating lease. Please refer to **Note 3.5** for more information and documentation related thereto. The income from the sublease is for the fiscal years 2023 and 2024 CHF 41'373 and CHF 38'120, respectively.

10. Deferred Tax Asset

Zazoon AG had accumulated an unused net operating loss (NOL) of CHF 3'280'286 and CHF 7'233'882, in 2023 and 2024 respectively. These amounts were multiplied by the sum of the direct federal rate (8.50%), the cantonal rate (8.33%), and the communal rate (10.97%), which represents a total of 27.80%. The NOL can be carried forward for a maximum of 7 years, after which it expires. The deferred tax asset was not capitalized in 2023 and 2024, due to the fact that standalone income of Zazoon AG within the proceeding 7 fiscal periods cannot be estimated with a high degree of certainty. As such, it cannot accurately assess the net amount expected to be received as a tax benefit in future periods.

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Notes to the Consolidated Financial Statements ending 31.12.2024

11. Property, Plant and Equipment

Details of Zazoon AG's property, plant and equipment and their carrying amounts are as follows:

	Furniture and Equipment	Office Machines, IT Equipment, and Communication	Total
Gross carrying amount			
Balance at 01 January 2024	489	12'064	12'553
Additions	0	3'243	3'243
Disposals	0	0	0
Balance at 31 December 2024	489	15'307	15'796
Depreciation and impairment			
Balance at 01 January 2024	(489)	(5'891)	(6'380)
Disposals	0	0	0
Depreciation	0	(2'418)	(2'418)
Balance at 31 December 2024	(489)	(8'309)	(8'798)
Carrying amount at 31 December 2024	0	6'998	6'998
Gross carrying amount			
Balance at 01 January 2023	489	12'064	12'553
Additions	0	0	0
Disposals	0	0	0
Balance at 31 December 2023	489	12'064	12'553
Depreciation and impairment			
Balance at 01 January 2023	(489)	(3'940)	(4'429)
Disposals	0	0	0
Depreciation	0	(1'951)	(1'951)
Balance at 31 December 2023	(489)	(5'891)	(6'380)
Carrying amount at 31 December 2023	0	6'173	6'173

12. Accounts Payable and Other Current Liabilities

Accounts payable and other current liabilities consist of the following:

	2024	2023
Accounts Payable	41'360	96'120
VAT Payable (Switzerland)	14'975	
Other Payables	21'172	35'886
Accrued Expenses	84'131	1'178
Precollected Revenues	10'000	0
Total Balance	171'638	133'184

All amounts are short-term. The carrying values all the balances listed above are considered to be a reasonable approximate of fair value.

13. Equity

13.1. Share capital

The share capital of Zazoon AG consists only of fully paid ordinary shares with a nominal (par) value of CHF 0.01 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of Zazoon AG.

	2024	2023
Shares issued and fully paid:		
- Beginning of the year	20'000'000	10'000'000
- Share issue, private placement	10'000'000	10'000'000
Total shares authorized at 31 December	30'000'000	20'000'000

The nominal (par) value of the share capital was CHF 100.00 per share from 23.12.1999 to 08.03.2000, CHF 10.00 per share from 08.03.2000 to 10.11.2020, and CHF 0.01 per share from 10.11.2020 to 15.12.2023. As of 15.12.2023, the nominal (par) value is at CHF 0.10 per share.

On 15.12.2023 additional shares were issued from the conversion of the loans from affiliated parties for a total amount of CHF 1'000'000.00.

On 13.08.2024 additional shares were issued from the conversion of the loans from shareholders for a total amount of CHF 1'000'000.00.

13.2. Additional Paid in Capital

There is no additional paid in capital at any period of the presented consolidated financial statements, since the shares were all issued and paid at the nominal (par) value.

13.3. Capital Contributions

As was noted above, Zazoon AG receives loans at below market rates from its shareholders. The difference between the fair value and the below market rate component was recognized as a Capital Contribution. Due to the fact that the loans were made by a shareholder on favorable terms, the substance of the transaction is that Zazoon AG has received a contribution from the shareholder to the extent that the cash advanced exceeds the fair value of Zazoon AG's financial liability.

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Notes to the Consolidated Financial Statements ending 31.12.2024

13. Equity (cont.)

13.2. Currency Translation Difference

This corresponds to the currency translation difference that was accounted for during the consolidation process of Zazoon Germany AG, as its functional currency is EUR as opposed to Zazoon AG's, which is CHF.

14. Loss Per Share and Dividends

14.1. Loss per share

The basic loss per share has been calculated using the loss attributable to shareholders of Zazoon AG as the numerator, i.e. no adjustments to loss were necessary in 2023 and 2024. There are no dilutions to the shares to be calculated, as there are no conditions that necessitate such a dilution.

	2024	2023
Weighted Average Number of Shares	23'750'000	10'416'667

14.2. Dividends

No dividends were issued or paid for any of the periods presented in the consolidated financial statements.

15. Revenue from Contracts with Customers and Other Income

As was discussed in [Note 3.12](#), Revenue from Contracts with Customers in FY 2023 and FY 2024 included ones from barter agreements with affiliated companies, as well as a service agreement with the shareholder. In FY 2024, revenues also stemmed from agreements with third parties. These revenues are divided into SaaS Revenue, Consulting Revenue, and Onboarding Revenue. See the table below for the break down of the various revenue streams, the breakdown is by geography, by type, and by source.

In the fiscal year of 2023 and 2024, Other Income was primarily (over 90%) from the sublease income.

Revenue Stream by Type	as a % - 2024	as a % - 2023	2024	2023
SaaS Licensing Revenue	22%	64%	90'575	67'400
Consulting Revenue	65%	0%	272'120	-
Onboarding Revenue	13%	36%	56'095	37'400
Total			418'790	104'800

Revenue Stream by Country	as a % - 2024	as a % - 2023	2024	2023
United Kingdom	65%	0%	272'120	-
Switzerland	28%	100%	116'154	104'800
Austria	5%	0%	20'282	-
Germany	2%	0%	10'234	-
Total			418'790	104'800

Please note that the entire consulting revenue (as such, about 65% of total revenues) came from one entity.

Other Income only relates to income from the operating sublease.

16. Management Fees and Other Operating Expenses

16.1. Management Fees

Zazoon AG has received services from an affiliated entity (its major shareholder) for a total amount of CHF 1'302'000 and CHF 970'800, in FY 2024 and FY 2023 respectively. The remaining CHF 13'898 in FY 2023 were from third parties. These services include financial, administrative, operating, and general managerial work. The amounts due are recorded as a loan payable, as is in accordance with the invoice received and the agreement between the two parties. Please refer to [Note 21](#) for more information regarding intercompany transactions.

16.2. Other Operating Expenses

Please refer to the table below, that lists each position of Other Operating Expenses for each fiscal year that on an individual basis constitutes more than 10% of the total balance as at 31.12.2024 and 31.12.2023 respectively (so CHF 66'115 and CHF 25'493 in FY 2024 and FY 2023, respectively).

Other Operating Expenses - by Type	as a % - 2024	2024
Advertisement Expense	34%	223'719
Accounting, Consulting Expense	23%	150'308
Bank Expenses	15%	97'644
Audit Expense	13%	88'816
Other Operating Expenses	15%	100'659
Total		661'146

Other Operating Expenses - by Type	as a % - 2023	2023
Accounting, Consulting Expense	28%	70'697
Bank Expenses	18%	46'868
Marketing Expenses	11%	27'640
Audit Expense	10%	25'622
Other Operating Expenses	33%	84'106
Total		254'933

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Notes to the Consolidated Financial Statements ending 31.12.2024

17. Interest and Finance Expenses / (Income)

Interest and finance expenses / (income) consist of the following:

Description	2024	2023
- Interest Expense: Shareholder and Affiliated Party Loans	248'314	230'850
- Interest Expense: Leasing Arrangements	18'020	19'104
<i>Subtotal: Interest Expense</i>	<i>266'334</i>	<i>249'954</i>
- Other Items	13'153	3'850
<i>Subtotal: Finance Expense</i>	<i>13'153</i>	<i>3'850</i>
Total Balance	279'487	253'804

18. Tax Expense / (Benefit)

Since Zazoon AG is not profitable in any of the periods presented, only the capital taxes, as well as other taxes (such as stamp duties) are due, which represent a negligible amount for each fiscal year. Please refer to [Note 10](#) for more information regarding the Deferred Tax Asset. The expected income tax rate, as the sum of the federal, cantonal, and local taxes, is at 27.80% for 2024 and 2023. These rates are based on officially published rates. Since Zazoon AG has generated a net loss in both periods presented, there are no noteworthy differences between the effective rate and the standard tax rate. The expected tax rate for stamp duties is 1% of the value of the newly emitted shares, for the total amount of the contribution that exceeds CHF 1'000'000.- of the share capital. The capital tax rate is negligible and not discussed further. In all three instances, there are no differences between the effective and the standard tax rate.

Description	2024	2023
- Current Tax Expense	17'358	11'554
- Change in Deferred Tax Asset (in Profit or Loss)	0	0
Total Balance	17'358	11'554

19. Non-Cash Adjustments and Net Changes in Working Capital

The changes made to non-cash adjustments and net changes in working capital consist of the following:

Non-Cash Adjustments	2024	2023
Depreciation and Amortization	66'562	60'065
Interest Expense Accrued in Loans Payable	248'314	230'850
Management Fees Accrued in Loans Payable	1'302'000	970'800
Development Fees Accrued in Loans Payable	55'200	145'200
Accounts Receivable Affiliated, net (Current and Non-Current)	(63'799)	(90'469)
Expenses Paid for through Loans Payable	323'904	9'320
Revenues Reducing Loans Payable	(284'528)	(20'800)
VAT Receivable change due to Expenses added to Loans Payable	(212'089)	84'330
Other	(4'346)	(8'909)
Total Balance	1'431'218	1'380'387

Net Changes in Working Capital	2024	2023
Change in Accounts Receivables, Third	(71'694)	0
Change in Other Current Assets	201'043	(94'506)
Change in Accounts Payable	(54'760)	37'324
Change in Other Current Liabilities	95'775	38'394
Change in Lease Related Assets and Liabilities	18'020	19'104
Other	581	6'017
Total Balance	188'965	6'333

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Notes to the Consolidated Financial Statements ending 31.12.2024

20. Reconciliation of Liabilities Arising from Financing Activities

The Cash Flows from Financing Activities are as follows:

	Long-Term Borrowings	Lease Liabilities	Total
1 January 2024			
Cash-Flows:			
- Repayments	-	-56'269	-56'269
- Interest Payments	-	-18'020	-18'020
- Proceeds	1'073'795	-	1'073'795
Non-Cash:			
- Recognized through P&L	1'378'280	-	1'378'280
- Reclassification	-1'252'786	18'020	-1'234'766
31 December 2024	1'199'289	-56'269	1'143'020
	Long-Term Borrowings	Lease Liabilities	Total
1 January 2023			
Cash-Flows:			
- Repayments	-	-51'324	-51'324
- Interest Payments	-	-19'104	-19'104
- Proceeds	898'476	-	898'476
Non-Cash:			
- Recognized through P&L	1'336'325	-	1'336'325
- Reclassification	-1'520'006	4'090	-1'515'916
31 December 2023	714'795	-66'338	648'458

21. Related Party Transaction

21.1. Overview

Zazoon AG's related party transactions include the shareholders, subsidiaries, and affiliated entities that are part of the same group structure. Please refer to the details to the transactions below, along with an evaluation of whether they are at arm's length or not.

Parent: 2020 Management AG (over 50% ownership of Zazoon AG)

Ultimate Parent: 2020 Holding AG (owns 100% of 2020 Management AG)

Subsidiary: Zazoon Germany AG (100% ownership by Zazoon AG)

Associates (Affiliates): Companies that are owned at least 50% by 2020 Management AG and thus part of the same group structure, as well as companies that are owned by the same UBO and/or members of the board.

Neither the parent nor the parent produces consolidated financial statements available for public use, thus the highest level of consolidation is at the level of the financial statements of Zazoon AG.

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Notes to the Consolidated Financial Statements ending 31.12.2024

21. Related Party Transaction (cont.)

21.2. Transactions with parent

Zazoon AG had the following transactions with the parent:

Transactions with Parent	At Arm's Length?	2024	2023	Comment
Long Term Loan Payable - 2020 Management AG	No	3'723'807	2'548'363	A
Long Term Loan Payable - Other Shareholders	No	1'050'685	820'311	A
Capital Contributions - 2020 Management AG	No	687'599	518'698	A
Capital Contributions - Other Shareholders	No	237'408	198'385	A
Interest (Expense) - 2020 Management AG	No	185'428	135'750	A
Interest (Expense) - Other Shareholders	No	62'730	88'196	A
Interim Management Services (Expense)	Yes	1'302'000	970'800	B
Development Services (Expense)	Yes	55'200	145'200	B
Licensing and Onboarding Revenues	Yes	13'945	20'800	C
Leasing of Office Spaces	No	0	0	D

A - Long Term Loan in the form of a Revolving Credit Line / Capital Contributions / Interest (Expense)

Zazoon AG currently funds its operations through the long term loan, in the form of a revolving credit line, with its parent company, as well as other shareholders. These revolving credit lines have an interest rate of 1.50% p.a. and are partially subordinated. This rate is not according to an arm's length rate, and is done due to possible negative tax implications in case of higher rates. Thus, in order to account for the loan at a fair value rate, the portion that is considered to be below market is accounted for as a capital contribution. Please refer to [Note 6](#) for more information relating thereto.

B - Interim Management Services and Development Services

Zazoon AG receives interim management services from its parent company. These services cover all relevant functions within Zazoon AG, including financial, operational, legal, and technical areas (such as the development of internally developed software). The services are charged based on daily time reports, reflecting the actual work performed and the personnel involved.

The applied daily rate of CHF 1,200 has been derived based on the individual annual compensation levels of the employees providing the services and their effective allocation to Zazoon AG. The calculation follows an internal cost allocation methodology designed to reflect the actual cost structure of the parent company's personnel. While the "1% rule" method was used as a supporting approach, the resulting rates were also validated against external market data, which confirmed that the applied rates are within a comparable range.

It should be noted that factors potentially influencing daily rates, such as assignment duration or individual performance-based targets, were not taken into account in this calculation.

The arm's length nature of these intercompany service fees is continuously documented and monitored, and any necessary adjustments are implemented in a timely manner to ensure ongoing compliance.

The interim management services, together with the related VAT, are converted from accounts payable to the aforementioned revolving credit line in full. For further details, please refer to [Note 16](#).

C - Licensing and Onboarding Revenues

Zazoon AG has a licensing agreement with its parent company, which included onboarding fees at the inception of this agreement on 01.01.2023. The software is licensed on an annual basis on 01.01. of every calendar year (until cancellation). The rates are at an arm's length and are in line with the general pricing terms and conditions provided to third parties.

D - Leasing of Office Spaces

Zazoon AG is the lessee of the office space that is also partially shared by the employees of its parent company. The parent company does not pay any compensation for these activities. However, since the primary purpose is related to Zazoon AG's business activities, this is deemed immaterial and documented for the purposes of completion within these notes.

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Notes to the Consolidated Financial Statements ending 31.12.2024

21. Related Party Transaction (cont.)

21.3. Transactions with Subsidiaries

Zazoon AG had the following transactions with its subsidiary:

Transactions with Subsidiary	At Arm's Length?	2024	2023	Comment
Long Term Loan Receivable in the form of a Revolving Credit Line	No	104'011	54'121	A
Interest (Revenue)	No	4'163	141	A
Other Services (Expense)	Yes	137'384	-	B
Revenues from Sales to Third Parties	Yes	10'978	-	C

A - Long Term Loan in the form of a Revolving Credit Line / Interest (Revenue)

Zazoon AG currently funds the operations of its subsidiary through the long term loan, in the form of a revolving credit line. This revolving credit line has an interest rate of 1.50% p.a. This rate is not according to an arm's length rate, and is done due to possible negative tax implications in case of higher rates. However, since the subsidiary is 100% owned by Zazoon AG, the balance and the interest expense / revenues are eliminated upon consolidation and have no bearing on the financial statements presented herein and are presented in this section of the notes for informational purposes only.

B - Interim Management Services

Zazoon AG receives other services from its subsidiary, primarily for the sales activities and the development of its product. These services are accounted for using commonly used OECD rates for transfer pricing between related companies in an international structure. However, since the amounts are eliminated during the consolidation, they have no bearing on the financial statements presented herein and are presented in this section of the notes for informational purposes only.

C - Revenues from Sales to Third Parties

Zazoon Germany AG sells the proprietary software of Zazoon AG to third parties. As such, Zazoon AG recuperates 75% of the revenue. The remaining 25% are the commissions that Zazoon Germany AG charges for selling the software. This is in line with partner agreements that Zazoon AG has with third parties and is thus considered to be at arm's length. However, since the amounts are eliminated during the consolidation, they have no bearing on the financial statements presented herein and are presented in this section of the notes for informational purposes only.

21.4. Transactions with Associates

Zazoon AG had the following transactions with its associates:

Transactions with Associates	At Arm's Length?	2024	2023	Comment
Accounts Receivable, Affiliated, net (Current and Non-Current)	Yes	154'268	90'468	A
Interest (Revenue)	Yes	4'414	-	A
Long Term Loan Payable Affiliated	No	9'389	9'251	B
Licensing and Onboarding Revenues	Yes	54'500	84'000	C

A - Accounts Receivable, Affiliated, net (Current and Non-Current) and the related Interest (Revenue)

As was documented in [Note 8](#), Zazoon AG has this receivable in relationship to the licensing and onboarding services charged to affiliated companies. Since the receivable has a significant financing component that is explicitly charged with a non-compounding interest rate of 5.40 p.a., management deems this transaction to be at arm's length.

B - Long Term Loan

Zazoon AG has received a long term loan from an affiliated party. This loan is provided without interest. Due to the immaterial amount, no further consideration was given to the loan received and is accounted for as long term debt.

C - Licensing and Onboarding Revenues

Zazoon AG has a licensing agreement with its affiliated companies, which included onboarding fees at the inception of this agreement on 01.01.2023. The software is licensed on an annual basis on 01.01. of every calendar year (until cancellation). The rates are at an arm's length. The pricing terms are considered to be as follows: the balance is due at the end of the calendar year (31.12. of each calendar year). The payment can be made a maximum of one fiscal year delayed at an interest rate of 5.40% p.a. This is deemed to be in line with the expected interest rate for such a transaction and is consistent with the rate used in other financial statement line items, and thus also considered to be at arm's length.

22. Financial Instruments Risk

Risk management objectives and policies

Zazoon AG is exposed to various risks in relation to financial instruments. Zazoon AG's financial assets and liabilities by category are summarized in [Note 6](#). The main types of risks are market risk, credit risk and liquidity risk.

Zazoon AG's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing Zazoon AG's short to medium-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

Zazoon AG does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The applicable financial risks to which Zazoon AG is exposed are described below.

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Notes to the Consolidated Financial Statements ending 31.12.2024

22. Financial Instruments Risk (cont.)

22.1. Market risk analysis

Foreign currency sensitivity

Zazoon AG has significant transactions in foreign currencies, specifically in Euro. These transactions primarily involve the intercompany transactions with its subsidiary, as well as the payment for external service providers. Management regularly monitors the changes in foreign exchange rates. However, due to the fact that the outstanding balances at year end are either consolidated (as between the loan balances between Zazoon AG and Zazoon Germany AG) or paid for using the daily spot rates used by the banks, the sensitivity is not high and deemed immaterial for outstanding balances as at 31.12.2024. As such, although the transactions are material, the exposure risk is low.

Interest rate sensitivity

Due to the fact that the debt that Zazoon AG has is from shareholders and affiliated entities with a fixed interest rate of 1.50% p.a., and that this is not subject to change, no further evaluation is conducted.

Other price sensitivity

Due to the fact that the two most significant expenses are related to external development personnel and affiliated party management services, both of which have a long term contract with set prices, this risk was deemed minimal and no further evaluation was conducted. As it pertains to the price sensitivity regarding revenues, the contracts are agreed upon prior to implementation and the prices vary greatly depending on the complexity and size of the customer, as well as the estimated work needed to onboard the customer. In order to minimize the price sensitivity, Zazoon AG has implemented a scheme that helps estimate the appropriate amount to be charged to the customer (or potential customer) based on factors deemed relevant for such an evaluation, including the ones mentioned above. Due to the fact that the invoices are due at the beginning of the service period, allows management to estimate the revenues more precisely. This is further aided by the fact that a majority of the contracts are for a three to five year period. As such, considering the above factors, this risk is deemed to be addressed through the contractual relationships, as well as the business model of the entity. Any material changes will be evaluated at the point they become apparent to management.

22.2. Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to Zazoon AG. Zazoon AG is exposed to credit risk from financial assets including cash and cash equivalents held at banks, trade and other receivables, and third party loans receivable.

In order to minimize credit risk, Zazoon AG has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Zazoon AG's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Zazoon AG reviews the recoverable amount of each trade debt and debt investment on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the directors of the parent company consider that Zazoon AG's credit risk is significantly reduced. accounts receivables consist of customers that spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

For accounts receivables and Current and Non-Current Receivables from Affiliated Parties, Zazoon AG does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The group defines counterparties as having similar characteristics if they are related entities.

Due to the fact that the cash and cash equivalents are held at reputable banks and the counterparties are banks with high credit-ratings assigned by international credit-rating agencies, Zazoon AG does not have a substantial credit risk as it pertains to cash and cash equivalents and did not conduct a further analysis for this particular point.

Finally, it is important to note that Zazoon AG has not experienced any credit loss to date.

22.2.i. Overview of Zazoon AG's exposure to credit risk

As at 31 December 2024, Zazoon AG's maximum exposure to credit risk arises the carrying amount of the respective recognized financial assets as stated in the consolidated statement of financial position.

Zazoon AG's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In Default	Amount is >90 days past due or there is evidence indicating the asset is credit impaired.	Lifetime ECL – credit-impaired
Write-Off	There is evidence indicating that the debtor is in severe financial difficulty and Zazoon AG has no realistic prospect of recovery.	Amount is written off

The tables below detail the credit quality of the Zazoon AG's financial assets, as well as Zazoon AG's maximum exposure to credit risk by credit risk rating grades:

31.12.2024	Internal Credit Rating	ECL?	Carrying Amount	Loss Allowance	Net Carrying Amount
Accounts Receivable, Third Parties	Performing	12-month ECL	71'694	-	71'694
Accounts Receivable, Affiliated	Performing	12-month ECL	154'268	-	154'268

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Notes to the Consolidated Financial Statements ending 31.12.2024

22. Financial Instruments Risk (cont.)

22.3. Liquidity risk analysis

Liquidity risk is that Zazoon AG might be unable to meet its obligations. Zazoon AG has long term debt, which is subordinated. The remaining payables are not material and do not pose a threat to the ability of Zazoon AG to remain liquid.

Zazoon AG minimizes its period cash expenditures by outsourcing its operations for interim management services, as well as a substantial amount of development services. Furthermore, the office space is partially sublet, which is a further reduction of period expenses incurred. The largest expense is added to a long term debt that matures at the end of 2027 (interim management fees and development fees). As such, the major short term expenses that require a cash flow within the next fiscal year is related to outsourced development costs and employee related costs, both of which are highly predictable and regular. Furthermore, the external development services can be seized in case of an emergency and do thus not endanger the liquidity of the company. Furthermore, a substantial proportion of the debt is subordinated, which further secures the liquidity of Zazoon AG.

As such, the liquidity risk is low and the operations of the entity are, for the periods presented in the consolidated financial statements, funded by shareholders and affiliated entities through the purchase of share capital or the issuance of subordinated debt.

Please see the liquidity table below:

31 December 2024	< 6 Months	Current 6 - 12 Months	Non-Current 1 - 5 Years	> 5 Years
Non-Subordinated Loans	-	-	298'535	-
Subordinated Loans	-	-	5'060'000	-
Trade and Other Payables	77'507	-	-	-
Capital	77'507	0	5'358'535	0

Please note that CHF 3'999'975 have been converted from Subordinated and Non-Subordinated Loans as at 27.05.2025. As such, the remaining amount to be paid within the next 1 - 5 years is CHF 1'358'560.-. Please refer to [Note 27](#) for more information regarding significant events after the balance sheet date.

23. Capital Management Policies

Zazoon AG's capital management objectives are:

- to ensure Zazoon AG's, as well as its subsidiaries', ability to continue as a going concern, and
- to provide an adequate return to shareholders by pricing products and services in a way that reflects the level of risk involved in providing those goods and services

Zazoon AG monitors capital on the basis of the carrying amount of equity plus its subordinated loans, less cash and cash equivalents as presented in the consolidated balance sheet.

Management assesses Zazoon AG's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. Zazoon AG manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The amounts managed as capital by the Group for the reporting periods under review are summarized as follows:

	2024	2023
Total Equity	-4'446'186	-3'061'034
Subordinated Loans	5'060'000	2'860'785
Cash and Cash Equivalents	-237'975	-319'202
Capital	375'839	(519'451)
Total Equity	-4'446'186	-3'061'034
Borrowings	4'783'882	3'584'592
Leasing Liabilities	250'965	314'397
Overall Financing	588'661	837'955
Capital-to-Overall Financing Ratio	64%	-62%

This ratio is not deemed appropriate by management. As such, as at 27.05.2025, Zazoon AG has had a capital increase (through the conversion of debt to equity) for a total amount of CHF 3'999'975. As such, management addressed the issue at hand, in order to improve the capital structure of the entity. The ongoing situation will continued to be monitored by management and any and all necessary steps to ensure the health of the capital structure of the entity, as far as is possible, will be taken.

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Notes to the Consolidated Financial Statements ending 31.12.2024

24. Procedures and Going Concern

Zazoon AG is financed primarily through the capital contributions by its majority shareholders in the form of equity and debt. Furthermore, Zazoon AG has obtained significant funds, as well as management services, from its corporate shareholder. A substantial portion of Zazoon AG's long term debt is subordinated. Zazoon AG has completed key modules and components of the software by the end of 2024, and was able to generate revenue (in the form of cash payments) by the end of 2024. However, due to the fact that a substantial amount of the contracts were closed in 2024, but will not start until 2025, these revenues were deferred to the subsequent fiscal year. Zazoon AG, through its management agreement with its main corporate shareholder, has also obtained significant marketing and sales related services, which have substantially increased its presence within the market and given it access to new partner networks, as well as potential reputable clients. As such, due to all of the aforementioned factors, Zazoon AG's management is convinced that Zazoon AG operates under going concern and will be able to fund its liabilities for the coming fiscal year.

However, due to the fact that the expected future cash flows from the majority shareholder and affiliated parties are not guaranteed and that the expected cash flows generated from revenue transactions are not entirely predictable at the point of the issuance of the consolidated financial statements, there is a material uncertainty that may cast significant doubt on Zazoon AG's ability to continue as a going concern and, therefore, may be unable to realize its assets and discharge its liabilities in the normal course of business.

In order to mitigate this factor, Zazoon AG's corporate shareholder has agreed to convert the majority of its debt (approximately CHF 4'000'000.-) to equity in 2025. On May 27 2025 the majority of the shareholders passed a resolution to offset the existing debt with newly created shares. As such, as of the date of issuance of these financial statements, Management assesses that the aforementioned condition, though it does not entirely eliminate the uncertainty, has addressed it in a material manner and decreased the uncertainty significantly. The uncertainty remains only because the projected future operating cash flows are expected to be negative, and thus, continuing financing is required in order to continue operating as a business.

As such, based on the factors above, management concludes that it is appropriate to account for the entity on a going concern basis.

25. Interests in Subsidiaries

Set out below are the details of the subsidiaries held directly by Zazoon AG:

Name of Subsidiary	Country of Incorporation	Principal Activity	Proportion of ownership interests held by Zazoon AG at period end.	
			2024	2023
Zazoon Germany AG	Germany	Licensing of Zazoon Software in the EU (primarily Germany and Austria).	100%	100%

As at 31 December 2024, Zazoon AG holds a 100% ownership interest in Zazoon Germany AG, a wholly owned subsidiary incorporated in Berlin, Germany. The subsidiary is fully consolidated into the Group financial statements.

Zazoon Germany AG was established to manage operational functions, commercial deployment, and market development activities in Germany. The subsidiary represents a significant part of the Group's operations.

25.1. Financial Significance to the Group

Revenue Contribution: In the financial year ended 31 December 2024, Zazoon Germany AG generated CHF 282,431 in revenue, representing approximately 67% of the Group's total consolidated revenue.

Operating Costs: Employee compensation and related expenses for Zazoon Germany AG were CHF 334,756 in 2024 (CHF 92,583 in 2023), reflecting all group employee-related costs.

25.2. Operational Role and Risks

As the Group's only entity with employees, Zazoon Germany AG is responsible for several critical internal functions. The subsidiary employed three full-time employees as of 31 December 2024 (one full-time employee as of 31 December 2023), all based in Germany.

There are no special provisions, guarantees, or contractual obligations unique to this subsidiary, and it does not represent a separate reportable segment under IFRS 8. However, operational continuity and revenue generation are dependent in part on its activities, and the Group's exposure includes the credit risk associated with the loan receivable.

25.3. Control and Consolidation

Control is based on Zazoon AG's ownership of 100% of the voting rights and equity interests, with full power to direct financial and operating policies. No significant judgments were required in assessing control.

25.4. Restrictions on Assets or Dividends

There are no statutory, regulatory, or contractual restrictions on the transfer of funds between Zazoon Germany AG and the parent company. There are also no non-controlling interests.

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Notes to the Consolidated Financial Statements ending 31.12.2024

26. Events After the Reporting Date

26.1. Conversion of Long Term Debt (Shareholder Loan)

On 27.05.2025 2020 Management AG (the main shareholder of Zazoon AG) converted CHF 3'999'975 of debt into 380'095 new shares at a price of CHF 10.50 per share. This capital increase was done as a first step to mitigate the negative equity position and the over indebtedness according to the Swiss Code of Obligations. The loan balance converted consisted of CHF 1'612'720 non-subordinated debt and 2'387'255 subordinated debt. On the statutory level, the conversion was done by adding the additional paid in capital to the accumulated loss carried forward, for tax purposes.

This transaction does not have a material impact on earnings per share, as the increase of the number of shares only represents about 1.3%.

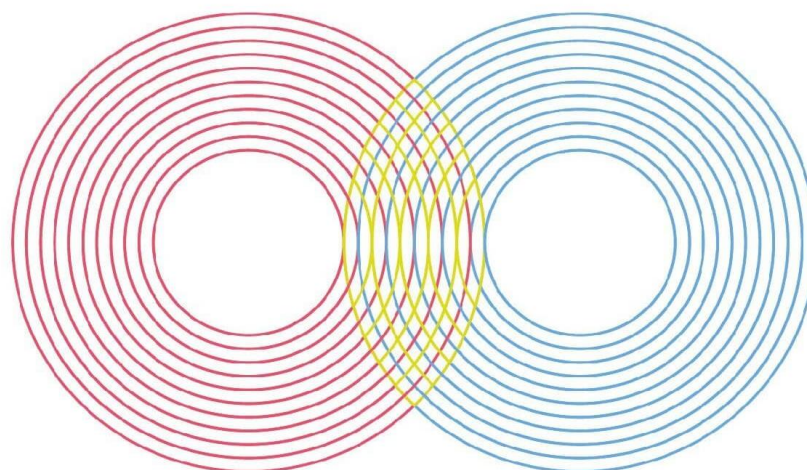
27. Authorization of Consolidated Financial Statements

The consolidated financial statements for the year ended 31.12.2024 (including comparatives) were approved by the board of directors on 01.12.2025.

**APPENDIX IV – AUDITED CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE
WITH IFRS OF THE ISSUER AS OF AND FOR THE FINANCIAL YEAR ENDED 31
DECEMBER 2023**



**IFRS Consolidated Financial Statements for the
Fiscal Year 2023**



Zazoon AG
Beethovestrasse 11
8002 Zurich
Switzerland



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Independent auditor's report

To the Board of Directors of
Zazoon AG, Zurich

Opinion

We have audited the consolidated financial statements of Zazoon AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, and the consolidated statement of profit and loss and comprehensive income, consolidated statement of cashflows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cashflows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with the Swiss Standards on Auditing (SA-CH) and the International Standards on Auditing (ISA). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the requirements of the Swiss audit profession and the International Ethics Standards Board of Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have 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.

Material Uncertainty Related to Going Concern

We draw attention to note 24 in the consolidated financial statements which indicates that the Group incurred a net loss of CHF 1'362'137 during the year ended 31 December 2023 and, as of that date, the Group's liabilities exceeded its total assets by CHF 979'717. As stated in note 24, these events or conditions, along with other matters as set forth in note 24, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.



Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance IFRS and for such internal control as the Board of Directors determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charges with governance are responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with the Board of Directors 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.

Zurich, 3 October 2024

Grant Thornton AG

A handwritten signature in black ink, appearing to read "H. Caspers".

Hermann Caspers
Partner

A handwritten signature in black ink, appearing to read "N. Beutler".

Nina Beutler
Senior Manager

Enclosure:

- Consolidated financial statements (consolidated balance sheet, consolidated statement of profit and loss and comprehensive income, consolidated statement of changes in equity and consolidated statement of cashflows and notes to the consolidated financial statements, including a summary of significant accounting policies)

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Consolidated Balance Sheet

as at 31 December 2023
(expressed in Swiss Franc - CHF)

	Notes	31 Dec. 2023	31 Dec. 2022
Assets			
Current			
Cash and Cash Equivalents	5	319'202	63'483
Other Current Assets	6	224'706	143'614
<i>Total Current Assets</i>		<i>543'908</i>	<i>207'097</i>
Non-Current			
Right-of-Use Assets	7	352'792	425'919
Deferred Tax Assets	8	568'535	334'156
Property, Plant, and Equipment	9	6'173	8'124
Internally Developed Intangible Assets	10	1'440'634	1'146'055
Other Non-Current Assets	11	20'652	20'002
<i>Total Non-Current Assets</i>		<i>2'388'786</i>	<i>1'934'256</i>
Total Assets		2'932'695	2'141'353
Equity and Liabilities			
Liabilities			
Current			
Accounts Payable, Third Parties	12	90'596	58'796
Lease Liabilities, Current	7	56'269	64'491
Other Current Liabilities	6	23'133	224
<i>Total Current Liabilities</i>		<i>169'998</i>	<i>123'511</i>
Non-Current			
Loans Payable (3rd Party)		206'667	0
Loans Payable (Shareholder and Affiliated)	6	3'221'350	2'869'797
Lease Liabilities, Non-Current	7	314'397	372'513
<i>Total Non-Current Liabilities</i>		<i>3'742'414</i>	<i>3'242'310</i>
Total Liabilities		3'912'412	3'365'821
Equity			
Share Capital	13	2'000'000	1'000'000
Capital Contributions	13	612'796	0
Currency Translation Difference	13	(5'908)	0
Accumulated Loss Carried Forward		(2'224'468)	(1'372'659)
Net Loss for the period		(1'362'137)	(851'809)
Total Equity		(979'717)	(1'224'468)
Total Equity and Liabilities		2'932'695	2'141'353

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Consolidated Statement of Profit and Loss and Other Comprehensive Income

for the year ended 31 December 2023
(expressed in Swiss Franc - CHF)

	Notes	2023	2022
Revenue from Contracts with Customers	15	670'000	0
Other Income	15	41'373	40'338
Total Net Operating Revenue		711'373	40'338
Development Services		(11'170)	(8'409)
Employee Compensation and Benefits		(92'583)	0
Management Fees	16	(984'698)	(636'000)
Other Operating Expenses		(716'946)	(211'358)
Loss Before Interest, Taxes, Depreciation, and Amortization		(1'094'024)	(815'429)
Depreciation and Amortization	7, 9	(310'383)	(67'478)
Loss Before Interest and Taxes		(1'404'407)	(882'907)
Interest Expense	17	(176'705)	(28'108)
Finance Expense	17	(3'850)	(3'579)
Loss Before Taxes		(1'584'962)	(914'594)
Tax Benefit	18	222'825	62'785
Loss for the Year		(1'362'137)	(851'809)
Other comprehensive income			
Currency Translation Difference		(5'908)	0
Comprehensive Loss		(1'368'045)	(851'809)
Loss per Share			
Basic Loss per 100 Shares	14	(13.08)	(8.52)

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Consolidated Statement of Cash Flows

for the year ended 31 December 2023
(expressed in Swiss Franc - CHF)

	Notes	2023	2022
Operating Activities			
Loss for the Year		(1'362'137)	(851'809)
Non-cash Adjustments	19	1'366'674	706'540
Net Changes in Working Capital	19	(39'285)	18'113
Net Changes in Deferred Tax Assets		(234'379)	(64'330)
Taxes Paid		(1'553)	(1'545)
<i>Net Cash from Operating Activities</i>		<i>(270'680)</i>	<i>(193'031)</i>
Investing Activities			
Investments in Intangible Assets		(398'515)	(332'973)
<i>Net Cash from Investing Activities</i>		<i>(398'515)</i>	<i>(332'973)</i>
Financing Activities			
Proceeds from Borrowing	20	1'012'176	648'023
Repayments of Borrowing	20	0	(2'000)
Repayments of Leasing Liabilities	20	(64'491)	(63'532)
Interest Paid		(19'104)	(6'896)
<i>Net Cash from Financing Activities</i>		<i>928'581</i>	<i>575'595</i>
Net Change in Cash and Cash Equivalents		259'386	49'591
Cash and Cash Equivalents, Beginning Balance		63'483	17'471
Exchange Differences on Cash and Cash Equivalents		(3'667)	(3'579)
Cash and Cash Equivalents, Ending Balance	5	319'202	63'483

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Consolidated Statement of Changes in Equity

for the period ended 31 December 2023
(expressed in Swiss Franc - CHF)

	Notes	Share Capital	Additional Paid in Capital	Currency Translation Difference	Capital Contributions	Retained Earnings (Loss)	Total Equity
Balance at 01 January 2023		1'000'000	0	0	0	(2'224'468)	(1'224'468)
Currency Translation Difference		0	0	(5'908)	0	0	(5'908)
Capital Contributions from Loans Below Market Interest Rates		0	0	0	612'796	0	612'796
Issue of Share Capital	13	1'000'000	0	0	0	0	1'000'000
Profit (Loss) for the Year		0	0	0	0	(1'362'137)	(1'362'137)
Balance at 31 December 2023		2'000'000	0	(5'908)	612'796	(3'586'605)	(979'717)
Balance at 01 January 2022		1'000'000	0	0	0	(1'372'659)	(372'659)
Profit (Loss) for the Year	13	0	0	0	0	(851'809)	(851'809)
Balance at 31 December 2022		1'000'000	0	0	0	(2'224'468)	(1'224'468)

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Notes to the Consolidated Financial Statements ending 31.12.2023

1. Nature of Operations

The principal activities of Zazoon AG is the internal development of the Zazoon software and the services rendered in connection thereto. The Zazoon software is an online GRC (Governance, Risk, and Compliance) and Data Protection tool developed by Zazoon AG. Founded in 1999 in Zurich (Switzerland), the company developed a RegTech SaaS platform that automates and streamlines Data Protection, Governance, Risk Management and Compliance processes. The platform's five main modules are: Policy Management, Internal Control System, Risk Management, Vendor Management and Data Protection. The Services rendered by Zazoon AG will generally fall into one of two categories:

- Offering the Zazoon software as a service (SaaS) for external use. This will be done by offering a subscription service.

- Zazoon AG will conduct a one time implementation for each new client during the onboarding process.

2. General Information and Statement of Compliance with IFRS

Zazoon AG is a corporation, incorporated and domiciled in Switzerland. Its registered office and principal place of business is Beethovenstrasse 11, 8002 Zurich, Switzerland. Zazoon AG's shares are not listed on any stock exchange.

The consolidated financial statements of Zazoon AG have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared on a historical cost basis, except for financial assets that have been measured initially at fair value.

The consolidated financial statements for the year ended 31.12.2023 (including comparatives) were approved and authorized for issue by the board of directors on 03.10.2024 (see [Note 27](#)). Under applicable Swiss law, amendments to the financial statements are not permitted after approval.

3. Summary of Accounting Policies

3.1 - Overall Considerations

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases that are in effect at 31.12.2023, as summarized below. These were used throughout all periods presented in the consolidated financial statements.

An overview of standards, amendments and interpretations to IFRSs issued but not yet effective, and which have not been adopted early by Zazoon AG, are presented in [Note 4](#).

3.2 - Foreign Currency Translation

Functional and presentation currency

The consolidated financial statements are presented in currency CHF (Swiss Francs), which is also the functional currency of Zazoon AG.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognized in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.3 - Operating Expenses

Operating expenses are recognized in profit or loss upon utilization of the service or at the date of their origin.

3.4 - Internally Developed Intangible Asset

Recognition of Intangible Assets

Internally Developed Software

The expenditure on the research phase of projects to develop new customized software for IT and telecommunication systems is recognized as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognized as intangible assets, provided they meet the following recognition requirements:

- Zazoon AG has the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Zazoon AG has the intention to complete the intangible asset and use or sell it.
- Zazoon AG has the ability to use or sell the intangible asset.
- The intangible asset will generate probable future economic benefits. Among other things, Zazoon AG can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- Zazoon AG has the availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset.
- Zazoon AG has the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development costs not meeting these criteria for capitalization are expensed as incurred.

Directly attributable costs include employee costs, as well as the costs of freelancers or external service providers, incurred on software development (See [Note 10](#)).

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Notes to the Consolidated Financial Statements ending 31.12.2023

3.4 - Internally Developed Intangible Asset (cont.)

Subsequent measurement

All intangible assets, including capitalized internally developed software, are accounted for using the cost model, whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in [Note 3.7](#). The following useful lives are applied:

- Software: 5 - 10 years

Any capitalized internally developed software that is not yet complete is not amortized, though it is subject to impairment testing as described in [Note 3.7](#).

Zazoon AG has completed the development of the software for the main modules and components as of 01.01.2023, at which point it started to amortize the software. Zazoon AG begins the amortization at the end of the quarter in which the module/component/software goes live. Costs are tracked for each individual component as a percentage of time invested, multiplied by the total cost expended within the period measured. If a component is abandoned at any stage of development, or if the capitalization criteria are not deemed to have been met, the component is

3.5 - Property, Plant, and Equipment

Furniture, IT equipment, and other equipment

Furniture, IT equipment, and other equipment are initially recognized at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by Zazoon AG's management. Furniture, IT equipment, and other equipment are subsequently measured using the cost model: cost less accumulated depreciation and impairment losses.

Depreciation is recognized on a straight-line basis to write down the cost less estimated residual value of furniture, IT equipment, and other equipment. The following useful lives are applied:

- IT equipment: 2-5 years
- Furniture and other equipment: 3-12 years

3.6 - Leased Assets (Including Subleases)

Leases as a Lessee

Zazoon AG assesses whether a contract is or contains a lease at inception of the contract. At lease commencement date, Zazoon AG recognizes a right-of-use asset and a lease liability in its consolidated balance sheet.

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards of ownership of the leased asset. Where Zazoon AG is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. The lease liability is recognized as the present value of the lease payments plus incidental payments.

The depreciation of the right-of-use (ROU) asset generated through the lease is depreciated over the lease term, on a straight line basis, including any extension options that management is reasonably certain will be exercised. The corresponding lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as interest expense over the period of the lease.

The ROU asset is measured for impairment indicators at the end of every fiscal period. None were noted to date. Please refer to [Note 3.7](#) for more information.

Zazoon AG utilizes the incremental borrowing rate because as the lease contracts are negotiated with third parties it is not possible to determine the interest rate that is implicit in the lease. The incremental borrowing rate is the estimated rate that Zazoon AG would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. The estimation is based on the currently existing loans and rates that Zazoon AG has obtained at the inception of the lease.

Leases as a Lessor, including Subleases

Zazoon AG partially subleases its office spaces that are leased by Zazoon AG. The sublease was classified by reference to the ROU asset arising from the head lease, rather than by reference to the underlying asset. Thus, since the sublease does not constitute the transfer of the economic ownership of the leased asset (through the head lease), the net present value (NPV) of all the lease payments made by the sublessor does not exceed at least half of the ROU asset generated under the head lease, and the lease can be terminated at any point by Zazoon AG or the sublettor with a 6 month notice. Zazoon AG has determined that the sublease is recognized as an operating lease. Therefore, Zazoon AG continues to account for the lease liability and ROU asset on the head lease like any other lease. The received lease payments on the operating sublease agreements are recognized as other income on an effective basis over the lease term. Associated costs, such as maintenance and insurance, are recognized identically as incurred.

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Notes to the Consolidated Financial Statements ending 31.12.2023

3.7 - Impairment Testing of Intangible Assets and Property, Plant, and Equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to Zazoon AG's latest budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors. Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

3.8 - Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity. Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income, based on the Group's forecast of future operating results, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full. Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

3.9 - Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.10 - Equity and Reserves

- Share capital represents the nominal value of shares that have been issued.
- Additional Paid in Capital includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from additional paid in capital, net of any related income tax benefits. If no additional paid in capital is accounted for, the transaction costs are expensed in the period in which they occurred.
- Capital Contributions represent the equity component of the below market rate interest on loans from shareholders. These increases in economic benefits during the accounting period in the form of decreases of liabilities that result in increases in equity, other than those relating to contributions from equity participants, are contained herein.
- Currency Translation Difference is due to the fully consolidated subsidiary, Zazoon Germany AG, having a functional currency (EUR) different from the one of the parent (CHF).
- Retained earnings (or loss) includes all current and prior period retained profits and/or losses.

See **Note 13** for more information.

3.11 - Provisions, Contingent Assets, and Contingent Liabilities

Provisions for legal disputes, onerous contracts, or other claims are recognized when Zazoon AG has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from Zazoon AG, and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that Zazoon AG can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision. In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized.

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Notes to the Consolidated Financial Statements ending 31.12.2023

3.12 - Significant Management Judgement in Applying Accounting Policies and Estimation Uncertainty

When preparing the consolidated financial statements, management undertakes a number of judgements, estimates, and assumptions about the recognition and measurement of assets, liabilities, income, and expenses.

Significant Management Judgement

The following are significant management judgements in applying the accounting policies of Zazoon AG that have the most significant effect on the consolidated financial statements.

Capitalization of Internally Developed Software

Distinguishing the research and development phases of a new customized software project and determining whether the recognition requirements for the capitalization of development costs are met, requires judgement. After capitalization, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalized costs may be impaired (see [Note 3.4](#)).

Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of Zazoon AG's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions (see [Note 3.8](#)).

Market Rate of Loans Issued by Shareholders

Zazoon AG has significant loans from shareholders. Due to the tax laws in Switzerland, these loans have an interest rate p.a. of 1.5%. In order to determine an appropriate market rate, Zazoon AG acquired the average lending interest rate, based on information from the International Monetary Fund, for a debt instrument similar to the ones accounted for by Zazoon AG and added an adequate risk premium, to account for the risks specifically applicable to its operations, structure, and legal and regulatory framework. This rate was determined to be 5.40% (2.90% from IMF + 2.50% risk premium). (see [Note 6](#))

Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income, and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see [Note 3.7](#)).

Useful Lives of Depreciable Tangible Assets

Management reviews its estimate of the useful lives of depreciable tangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Useful Lives of Amortizable Intangible Assets

Management reviews its estimate of the useful lives of amortizable intangible assets at each reporting date, based on the expected longitude at which the software can be licensed to customers, on a stand alone basis. These reviews occur on a modular basis, and are not done on the internally developed software as a whole. As such, management tracks each module individually and amortizes the intangible asset based on the information gained on a modular basis.

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Notes to the Consolidated Financial Statements ending 31.12.2023

3.13 - Revenues

Zazoon AG's revenues in 2023 stem from intercompany and affiliated party barter agreements, as well as service agreements. The barter agreements stipulate services to be provided by both parties, the value of the services provided, as well as the time period in which they are attributable to.

Revenue Recognition:

- 1) Identify the Contract: Zazoon AG entered into written contracts with its customers. These contracts are ratified and identify the terms and conditions of the services provided by Zazoon AG, as well as the responsibilities and obligations of the customers.
- 2) Separate Performance Obligations: Zazoon AG has three distinct performance obligations:
 - a) SaaS (Licensing of Cloud Software): These revenues are recognized linearly over the term of the agreement.
 - b) Consulting Services: These are recognized at the point in time in which the services are provided. Due to immaterial differences in timing, these are recognized linearly over the term of the agreement.
 - c) Onboarding Fees: Recognized at completion of the implementation of the customer account and any and all necessary training.
- 3) Determine the Transaction Price: Zazoon AG did not provide any discounts, refunds, credits, or other variable components. Furthermore, the price was determined based on going market rates.
- 4) Allocate the Transaction Price: Due to the fact that there was no bundling or other form of price reduction, the invoiced price corresponds to the standalone selling price.
- 5) Recognize Revenue: Since the Consulting Services and SaaS Licensing span over a specified period of time, and the services are provided evenly across the term of the agreement, the revenue is recognized linearly over said term. The Onboarding fees are recognized at a point in time, since the onboarding process occurs over a span of 2 to 3 days, and does not constitute a period of time that is material.

Significant Payment Terms

Service Agreements: The service agreements have a payment term of 30 days. If there is an amount owed to the counter party (such as in the form of a debt or revolving credit agreement), then the amount charged through the service agreement is served as a reduction of the amount owed to the counter party.

Barter Agreement: A barter agreement does not have payment terms. However, it clearly states the rights and obligations of each party, as well as which services are returned, as a form of compensation for Zazoon AG's services, by the counter party. These services need to be provided, by both parties, regularly over the term of the contract.

3.14 - Borrowing Costs

Borrowing costs are expensed in the period in which they are incurred and reported in financial and/or interest expense (see [Note 17](#)). Furthermore, the borrowing costs incurred are accounted for using the effective interest rate method. The determination of the rate is discussed

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Notes to the Consolidated Financial Statements ending 31.12.2023

3.15 - Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when Zazoon AG becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled, or expires.

Classification and initial measurement of financial assets

Except for those accounts receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into one of the following categories:

- amortized cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the periods presented, Zazoon AG does not have any financial assets categorized as FVTPL or FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset

All revenue and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of accounts receivables, which is presented within other income.

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognize expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortized cost and trade receivables.

Zazoon AG considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2')

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognized for the first category (i.e. Stage 1) while 'lifetime expected credit losses' are recognized for the second category (i.e. Stage 2).

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Accounts and other receivables

Zazoon AG makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, Zazoon AG uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Zazoon AG assesses impairment of trade receivables on a collective basis. As they possess shared credit risk characteristics, they have been grouped based on the days past due. Refer to **Note 6** for more information.

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Notes to the Consolidated Financial Statements ending 31.12.2023

3.15 - Financial Instruments (cont.)

Classification and measurement of financial liabilities

Zazoon AG's financial liabilities include borrowings and trade and other payables.

Financial liabilities are measured at amortized cost using the effective interest method. Except for those payables and liabilities that do not contain a significant financing component, these are measured at the transaction price.

All interest-related charges and, if applicable, debt forgiveness or extinguishment of debts, are included within finance costs or finance income.

3.16 - Basis of Consolidation

Zazoon AG's consolidated financial statements consolidate those of the parent company and its subsidiary at 31.12.2023. The subsidiary has a reporting date of 31 December.

All transactions and balances between Group companies are eliminated on consolidation. Amounts reported in the consolidated financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by Zazoon AG.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

4. Standards, Amendments and Interpretations to Existing Standards that are not yet effective and have not been Adopted

At the date of authorization of these consolidated financial statements, certain new standards, amendments, and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by Zazoon AG.

Since these are not relevant to Zazoon AG and will not, or do not need to be, adopted by Zazoon AG, no further action was deemed necessary in relationship

5. Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

	2023	2022
Cash at bank (in CHF):		
- CHF	273'901	5'370
- EUR	45'302	58'113
Total Balance	319'202	63'483

6. Financial Assets and Liabilities

6.1. Categories of financial assets and financial liabilities

Note 3.15 provides a description of each category of financial assets and financial liabilities and the related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:

31 December 2023	Amortized Cost
Financial Assets	
Cash and Cash Equivalents	319'202
Total Financial Assets	319'202

31 December 2023	Amortized Cost
Financial Liabilities	
Accounts Payable, Third Parties	90'596
Loans Payable (3rd Party)	206'667
Loans Payable (Shareholder and Affiliated)	3'221'350
Total Financial Liabilities	3'518'613

31 December 2022	Amortized Cost
Financial Assets	
Cash and Cash Equivalents	63'483
Total Financial Assets	63'483

31 December 2022	Amortized Cost
Financial Liabilities	
Accounts Payable, Third Parties	58'796
Loans Payable (Shareholder and Affiliated)	2'869'797
Total Financial Liabilities	2'928'593

A description of Zazoon AG's financial instrument risks, including risk management objectives and policies is given in **Note 22**.

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Notes to the Consolidated Financial Statements ending 31.12.2023

6.2. Financial assets at amortized cost

Financial assets at amortized cost include cash and cash equivalents and other current assets.

Cash and cash equivalents

Please refer to [Note 5](#) for the detailed information.

Other current assets

Please note that this balance primarily consists of VAT receivable for the payables, including the one related to the management fees. As such, this balance was recorded at the value expected to be redeemed by the tax authorities. The remainder is attributable to other receivables from tax authorities in Germany.

6.3. Financial liabilities at amortized cost

Accounts payables and other current liabilities

As was noted in [Note 3.15](#), these liabilities do not contain a significant financing component and are recognized at the transaction price. Please refer to [Note 12](#) for more details.

Loans payable (shareholder and affiliated)

The loans payable to shareholders and affiliated parties are composed as follows:

Description	Interest p.a.	Market Rate p.a.	Term Beg.	Term End	2023	2022
Loan - Shareholders	1.50%	5.40%	01.01.2021	31.12.2027	3'212'099	473'531
Loan - Affiliated Parties	1.50%	1.50%	01.01.2021	31.12.2027	0	2'387'254
Other Loan - Affiliated Parties	N/A	N/A	N/A	N/A	9'251	9'012
Total Balance at Amortized Costs					3'221'350	2'869'797

6.3. Financial liabilities at amortized cost (cont.)

Loan - Shareholders

The balance consists of two loans, both of which were granted on 01.01.2021 and are still active. One of the two parties was previously an affiliated party and has now acquired shares during the fiscal year of 2023. As such, the loan amount was reclassified as of 31.12.2023 to reflect this change.

As was noted in [Note 3.12](#), as of 01.01.2023, Zazoon AG has estimated a market rate for the shareholder loans that were acquired below market rate. This market rate consists of a risk free loan for a comparable period of time and an approximately similar amount of money and a risk premium for the company as it is currently constituted.

The loan has been separated into three separate components: Loan Payable, Discount on Loan Payable, and an Equity Component for the below market

Description	2023	2022
Loan Payable	3'734'971	2'860'785
Discount on Loan Payable	(522'873)	0
Total Balance at Amortized Costs	3'212'098	2'860'785

The Equity Component in the form of Capital Contributions is further discussed in [Note 13](#).

Please note that the shareholder loans at the end of each fiscal year are subordinated to the amount of CHF 2'860'786.-.

Loan - Affiliated Parties

This has been reclassified to Loan - Shareholders, as was noted above.

Other Loan - Affiliated Parties

The loan was granted during the fiscal year of 2022. Due to the immaterial amount, no formal agreement was entered into and no interest is charged.

7. Leases

7.1. Right-of-use asset

	Office
Gross carrying amount	
Balance at 01 January 2023	655'260
Additions	33'169
Disposals	(48'183)
Balance at 31 December 2023	640'246
Depreciation and impairment	
Balance at 01 January 2023	(229'341)
Disposals	0
Depreciation	(58'113)
Balance at 31 December 2023	(287'454)
Carrying amount at 31 December 2023	352'792

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Notes to the Consolidated Financial Statements ending 31.12.2023

7.1. Right-of-use asset (cont.)

	Office
Gross carrying amount	
Balance at 01 January 2022	655'260
Additions	0
Disposals	0
Balance at 31 December 2022	655'260
Depreciation and impairment	
Balance at 01 January 2022	(163'815)
Disposals	0
Depreciation	(65'526)
Balance at 31 December 2022	(229'341)
Carrying amount at 31 December 2022	425'919

7.2. Lease liability

	2023	2022
Current	56'269	64'491
Non-current	314'397	372'513
Total Balance	370'666	437'004

Zazoon AG makes the use of leasing arrangements principally for the provision and use of the headquarter office space. This lease is reflected in the Balance Sheet as a right-of-use (ROU) asset and a lease liability. Variable lease payments that do not depend on an index or a rate (such as service charges) are excluded from the initial measurement of the lease liability and ROU asset.

Zazoon AG has a contractual right to sublet the leased office space to another party. Zazoon AG has partially sublet the leased office space to a third party and recognizes the sublease as an operating lease: this is described further below. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Zazoon AG is prohibited from selling or pledging the underlying leased assets as security. Zazoon AG must keep the leased office property in a good state of repair and return it in their original condition at the end of the lease. Further, Zazoon AG must insure ROU assets and incur service charges on such items in accordance with the lease contracts.

The lease of the office space is set to terminate on 30.06.2024. Zazoon AG has the option to extend the lease of the office space until 30.06.2029. Since management is reasonably certain that the lease extension will be exercised, the calculation of the ROU asset, as well as the lease liability included the aforementioned extension. Furthermore, as of 31.12.2023, management has been made aware of a change in rent payable as of 01.07.2024. As such, since the extension will be exercised and the amount has been disclosed to management prior to 31.12.2023, the new amount was utilized in the calculation of the ROU Asset and Lease Liability as of 31.12.2023. This represents the addition in the ROU Asset as of 31.12.2023.

The table below describes the nature of Zazoon AG's leasing activities for the ROU asset recognized in the Balance Sheet at 31.12.2023:

Right-of-use Asset	Remaining Lease Term
Office Space	5.5 Years

The lease liabilities are secured by the related underlying assets. Future lease payments at 31.12.2023 were as follows:

	<1 Year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years	Total
31 December 2023							
Lease Payments	74'289	78'150	78'150	78'150	78'150	39'075	425'964
Finance Charges	(18'020)	(14'718)	(11'207)	(7'501)	(3'590)	(261)	(55'297)
NPV	56'269	63'432	66'943	70'649	74'560	38'814	370'667
31 December 2022							
Lease Payments	70'428	70'428	70'428	70'428	70'428	105'642	457'782
Finance Charges	(5'937)	(4'963)	(3'974)	(2'970)	(1'951)	(983)	(20'778)
NPV	64'491	65'465	66'454	67'458	68'477	104'659	437'004

7.3. Incremental borrowing rate

The incremental borrowing rate was determined to be 5.40% p.a., as this is the estimated market rate used for all of the active borrowings that Zazoon AG has as of 31.12.2023.

7.4. Lease payments not recognized as a liability

Certain variable lease payments are not recognized as lease liabilities and are expensed as incurred. These payments are for service charges and consist of quarterly payments (made at the beginning of each quarter) for the total amount of CHF 900.00 per quarter. Each calendar year, the landlord provides a statement that indicates the total amount of service charges due, where the balance is either due to the lessee or the lessor. These payments are not deemed material and thus not considered further.

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Notes to the Consolidated Financial Statements ending 31.12.2023

7.5. Operating leases as lessor (for a sublease)

Zazoon AG partially sublets the office space to a third party. Due to the fact that the sublease does not meet the conditions to be recognized as a financing lease, due to the fact that the lease is considered a short term lease, Zazoon AG accounted for the sublease as an operating lease. Please refer to [Note 3.6](#) for more information and documentation related thereto.

8. Deferred Tax Asset

Deferred taxes arising from temporary differences and unused tax losses are summarized as follows:

Deferred Tax Asset	Net Balance at 01.01.2023	Recognized in Other Comprehensive Income	Recognized in Profit or Loss	Net Balance at 31.12.2023
Description				
Unused Net Operating Loss	334'156	0	234'379	568'535
Carrying amount at 31 December 2023				568'535

Deferred Tax Asset	Net Balance at 01.01.2022	Recognized in Other Comprehensive Income	Recognized in Profit or Loss	Net Balance at 31.12.2022
Description				
Unused Net Operating Loss	269'826	0	64'330	334'156
Carrying amount at 31 December 2022				334'156

Zazoon AG had accumulated an unused net operating loss (NOL) of CHF 1'997'523.00 and CHF 3'297'115.00, in 2022 and 2023 respectively. These amounts were multiplied by the sum of the direct federal rate (8.50%), the cantonal rate (8.42%), and the communal rate (10.97%), which represents a total of 27.88%. The NOL can be carried forward for a maximum of 7 years, after which it expires. The gross deferred tax asset was reduced by 40% in 2022 and 2023, in order for the amount per the consolidated financial statements to reflect the net amount expected to be received as a tax benefit by Zazoon AG in future periods.

9. Property, Plant and Equipment

Details of Zazoon AG's property, plant and equipment and their carrying amounts are as follows:

	Furniture and Equipment	Office Machines, IT Equipment, and Communication	Total
Gross carrying amount			
Balance at 01 January 2023	489	12'064	12'553
Additions	0	0	0
Disposals	0	0	0
Balance at 31 December 2023	489	12'064	12'553
Depreciation and impairment			
Balance at 01 January 2023	(489)	(3'940)	(4'429)
Disposals	0	0	0
Depreciation	0	(1'951)	(1'951)
Balance at 31 December 2023	(489)	(5'891)	(6'380)
Carrying amount at 31 December 2023	0	6'173	6'173
Gross carrying amount			
Balance at 01 January 2022	489	12'064	12'553
Additions	0	0	0
Disposals	0	0	0
Balance at 31 December 2022	489	12'064	12'553
Depreciation and impairment			
Balance at 01 January 2022	(489)	(1'988)	(2'477)
Disposals	0	0	0
Depreciation	0	(1'952)	(1'952)
Balance at 31 December 2022	(489)	(3'940)	(4'429)
Carrying amount at 31 December 2022	0	8'124	8'124

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Notes to the Consolidated Financial Statements ending 31.12.2023

10. Internally Developed Intangible Assets

Details of Zazoon AG's internally developed assets and their carrying amounts are as follows:

	Internally Developed Intangible Assets: GRC Software
Gross carrying amount	
Balance at 01 January 2023	1'146'055
Additions	515'092
Disposals	0
Balance at 31 December 2023	1'661'147
Amortization and impairment	
Balance at 01 January 2023	0
Disposals	0
Amortization	(250'318)
Balance at 31 December 2023	(250'318)
Carrying amount at 31 December 2023	1'410'829
Gross carrying amount	
Balance at 01 January 2022	392'659
Additions	753'396
Disposals	0
Balance at 31 December 2022	1'146'055
Amortization and impairment	
Balance at 01 January 2022	0
Disposals	0
Amortization	0
Balance at 31 December 2022	0
Carrying amount at 31 December 2022	1'146'055

Zazoon AG internally develops the Zazoon GRC software and capitalizes all allowable development costs. These capitalized development costs include the invoice amount (excl. VAT) of external software developers or external personnel working directly on the development of the software, as well as the direct labor related to the development of Zazoon AG's employees. No capitalized borrowing costs are included in the amount capitalized as at 31.12.2022 and 31.12.2023.

Please refer to [Note 3.4](#) for more information and documentation related thereto.

11. Other Non-Current Assets

Zazoon AG's balance of other non-current assets consists of a rent deposit for the leased office spaces.

12. Accounts Payable and Other Current Liabilities

Accounts payable and other current liabilities consist of the following:

	2023	2022
Accounts Payable	90'596	58'796
Other Payables	21'508	0
Accrued Expenses	1'178	0
Bank Overdraft	448	224
Total Balance	113'730	59'020

All amounts are short-term. The carrying values all the balances listed above are considered to be a reasonable approximate of fair value.

13. Equity

13.1. Share capital

The share capital of Zazoon AG consists only of fully paid ordinary shares with a nominal (par) value of CHF 0.01 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of Zazoon AG.

	2023	2022
Shares issued and fully paid:		
- Beginning of the year	10'000'000	10'000'000
- Share issue, private placement	10'000'000	0
Total shares authorized at 31 December	20'000'000	10'000'000

The nominal (par) value of the share capital was CHF 100.00 per share from 23.12.1999 to 08.03.2000, CHF 10.00 per share from 08.03.2000 to 10.11.2020, and CHF 0.01 per share from 10.11.2020 to 15.12.2023. As of 15.12.2023, the nominal (par) value is at CHF 0.10 per share.

On 15.12.2023 additional shares were issued from the conversion of the loans from affiliated parties for a total amount of CHF 1'000'000.00.

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Notes to the Consolidated Financial Statements ending 31.12.2023

13.2. Additional Paid in Capital

There is no additional paid in capital at any period of the presented consolidated financial statements, since the shares were all issued and paid at the nominal (par) value.

13.3. Capital Contributions

As was noted above, Zazoon AG receives loans at below market rates from its shareholders. The difference between the fair value and the below market rate component was recognized as a Capital Contribution. Due to the fact that the loans were made by a shareholder on favourable terms, the substance of the transaction is that Zazoon AG has received a contribution from the shareholder to the extent that the cash advanced exceeds the fair value of Zazoon AG's financial liability.

13.2. Currency Translation Difference

This corresponds to the currency translation difference that was accounted for during the consolidation process of Zazoon Germany AG, as its functional currency is EUR as opposed to Zazoon AG's, which is CHF.

14. Loss Per Share and Dividends

14.1. Loss per share

The basic loss per share has been calculated using the loss attributable to shareholders of Zazoon AG as the numerator, i.e. no adjustments to loss were necessary in 2022 and 2023. There are no dilutions to the shares to be calculated, as there are no conditions that necessitate such a dilution.

	2023	2022
Weighted Average Number of Shares	10'416'667	10'000'000

14.2. Dividends

No dividends were issued or paid for any of the periods presented in the consolidated financial statements.

15. Revenue from Contracts with Customers and Other Income

As was discussed in Note 3.13, Revenue from Contracts with Customers in FY 2023 were from barter agreements with affiliated companies, as well as a service agreement with the shareholder. These revenues are divided into SaaS Revenue, Consulting Revenue, and Onboarding Revenue. See the table below for the break down of the various revenue streams. All revenues are generated in Switzerland.

In the fiscal year of 2022 and 2023, Other Income was primarily (over 90%) from the sublease income.

Revenue Stream	as a % - 2023	as a % - 2022	2023	2022
SaaS Licensing Revenue	39%	0%	260'000	-
Consulting Revenue	46%	0%	310'000	-
Onboarding Revenue	15%	0%	100'000	-
Total			670'000	0

16. Management Fees

As of 01.01.2023, Zazoon AG has received services from an affiliated entity. These services include financial, administrative, operating, and general managerial work. Furthermore, the direct labor for the internal development of the software is capitalized appropriately. The amounts due are recorded as a loan payable, since the accounts payable was converted into the loan as at 31.12.2023.

17. Interest and Finance Expenses / (Income)

Interest and finance expenses / (income) consist of the following:

Description	2023	2022
- Interest Expense: Shareholder and Affiliated Party Loans	157'601	21'212
- Interest Expense: Leasing Arrangements	19'104	6'896
Subtotal: Interest Expense	176'705	28'108
- Securitization and Digitization of Shares	0	33'668
- Other Items	3'850	(30'089)
Subtotal: Finance Expense	3'850	3'579
Total Balance	180'555	31'687

18. Tax Expense / (Benefit)

Please note that the balance as at 31.12.2022 and 31.12.2023 almost entirely (over 95%) consists of the change in the deferred tax asset. Since Zazoon AG is not profitable in any of the periods presented, only the capital taxes, as well as other taxes (such as stamp duties) are due, which represent a negligible amount for each fiscal year. Please refer to Note 8 for more information regarding the Deferred Tax Asset. The expected income tax rate, as the sum of the federal, cantonal, and local taxes, is at 27.88% for 2023 and 2022. These rates are based on officially published rates. Since Zazoon AG has generated a net loss in both periods presented, there are no noteworthy differences between the effective rate and the standard tax rate. The expected tax rate for stamp duties is 1% of the value of the newly emitted shares, for the total amount of the contribution that exceeds CHF 1'000'000.- of the share capital. The capital tax rate is negligible and not discussed further. In all three instances, there are no differences between the effective and the standard tax rate.

Description	2023	2022
- Current Tax Expense	11'554	1'545
- Change in Deferred Tax Asset (in Profit or Loss)	(234'379)	(64'330)
Total Balance	(222'825)	(62'785)

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Notes to the Consolidated Financial Statements ending 31.12.2023

19. Non-Cash Adjustments and Net Changes in Working Capital

The changes made to non-cash adjustments and net changes in working capital consist of the following:

Non-Cash Adjustments	2023	2022
Depreciation and Amortization	310'383	67'478
Interest Expense Accrued in Loans Payable	157'601	21'212
Management Fees Accrued in Loans Payable	984'698	636'000
Other	(86'008)	(18'150)
Total Balance	1'366'674	706'540

Net Changes in Working Capital	2023	2022
Change in Other Current Assets	(81'092)	(75'373)
Change in Other Non-Current Assets	(650)	0
Change in Accounts Payable	31'800	17'942
Change in Other Current Liabilities	24'463	(3'596)
Change in VAT Related to Management Fees Accrued in Loans Payable	(3'835)	79'140
Other	(9'971)	
Total Balance	(39'285)	18'113

20. Reconciliation of Liabilities Arising from Financing Activities

The Cash Flows from Financing Activities are as follows:

	Long-Term Borrowings	Short-Term Borrowings	Lease Liabilities	Total
1 January 2023				
Cash-Flows:				
- Repayments	-	-	-64'491	-64'491
- Proceeds	1'012'176	-	-	1'012'176
Non-Cash:				
- Fair Value	-612'796	-	-1'847	-614'643
- Recognized through P&L	1'003'573	-	-	1'003'573
- Reclassification	-1'000'000	-	-	-1'000'000
31 December 2023	402'953	-	-66'338	336'615

	Long-Term Borrowings	Short-Term Borrowings	Lease Liabilities	Total
1 January 2022				
Cash-Flows:				
- Repayments	-2'000	-	-63'532	-65'532
- Proceeds	648'023	-	-	648'023
Non-Cash:				
- Fair Value	-	-	-	-
- Recognized through P&L	1'027'800	-	-	1'027'800
- Reclassification	-	-	-	-
31 December 2022	1'673'823	-	-63'532	1'610'291

21. Related Party Transaction

Zazoon AG's related party transactions include the shareholders and affiliated entities that are part of the same group structure. Zazoon AG has shareholder loans from its main shareholders, one of which is a natural person, the other of which is a company. These shareholder loans are subordinated to the amount of CHF 2'860'786.00. Furthermore, Zazoon AG received management services from the corporate shareholder. These management services, along with all VAT due, is converted from an accounts payable to an interest bearing loan for the entire amount. All active loans have a 1.50% interest rate p.a.. For more information regarding the shareholder and affiliated entity loans, please refer to [Note 6](#). For more information pertaining to the management fees, please refer to [Note 16](#). Furthermore, as was noted in [Note 15](#), Zazoon AG also has barter agreements with Affiliated Companies, as well as the corporate shareholder. The total amount recognized in Net Revenues and Consulting Services amounts to CHF 475'000.00, these transactions only occurred with affiliated companies. The total amount recognized in Net Revenues and Management Fees amounted to CHF 195'000.00, this transaction only occurred with the corporate shareholder. The total Net Revenue recognized from related party transactions is CHF 670'000.00.

22. Financial Instruments Risk

Risk management objectives and policies

Zazoon AG is exposed to various risks in relation to financial instruments. Zazoon AG's financial assets and liabilities by category are summarized in [Note 6](#). The main types of risks are market risk, credit risk and liquidity risk.

Zazoon AG's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing Zazoon AG's short to medium-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

Zazoon AG does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The applicable financial risks to which Zazoon AG is exposed are described below.

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Notes to the Consolidated Financial Statements ending 31.12.2023

22.1. Market risk analysis

Foreign currency sensitivity

Due to the fact that Zazoon AG does not have significant transactions or balances in foreign currencies, this risk is deemed immaterial and is not evaluated further.

Interest rate sensitivity

Due to the fact that the debt that Zazoon AG has is from shareholders and affiliated entities with a fixed interest rate of 1.50% p.a., no further evaluation is conducted.

Other price sensitivity

Due to the fact that the two most significant expenses are related to external development personnel and affiliated party management services, both of which have a long term contract with set prices, this risk was deemed minimal and no further evaluation was conducted. As it pertains to the price sensitivity regarding revenues, the contracts are agreed upon prior to implementation and the prices vary greatly depending on the complexity and size of the customer, as well as the estimated work needed to onboard the customer. In order to minimize the price sensitivity, Zazoon AG has implemented a scheme that helps estimate the appropriate amount to be charged to the customer (or potential customer) based on factors deemed relevant for such an evaluation, including the ones mentioned above. However, due to the fact that the revenue from third parties has been zero as of 31.12.2023, this will need to be evaluated further in 2024 and beyond, when there is more experience on the appropriate market pricing and Zazoon AG's sensitivity thereto.

22.2. Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to Zazoon AG. Zazoon AG is exposed to credit risk from financial assets including cash and cash equivalents held at banks, trade and other receivables, and shareholder loans receivable.

Due to the fact that the cash and cash equivalents are held at reputable banks and that the receivables are immaterial, Zazoon AG does not have a substantial credit risk and did not conduct a further analysis.

22.3. Liquidity risk analysis

Liquidity risk is that Zazoon AG might be unable to meet its obligations. Zazoon AG has long term debt, which is subordinated. The remaining payables are not material and do not pose a threat to the ability of Zazoon AG to remain liquid.

Zazoon AG minimizes its period expenses by outsourcing its operations and does not have any employees as at 31.12.2023. Furthermore, the office space is partially sublet, which is a further reduction of period expenses incurred. The largest expenses are either added to a long term debt that matures at the end of 2027 (management fees) or incurred in combination with a barter agreement. As such, the major short term expenses that require a cash flow within the next fiscal year is related to outsourced development costs, which are highly predictable and regular. Furthermore, these services can be seized in case of an emergency and do thus not endanger the liquidity of the company. Furthermore, a substantial proportion of the debt is subordinated, which further secures the liquidity of Zazoon AG.

As such, the liquidity risk is low and the operations of the entity are, for the periods presented in the consolidated financial statements, funded by shareholders and affiliated entities through the purchase of share capital or the issuance of subordinated debt.

31 December 2023	Current		Non-Current	
	< 6 Months	6 - 12 Months	1 - 5 Years	> 5 Years
Non-Subordinated Loans	210'000	-	882'284	-
Subordinated Loans	-	-	3'081'878	-
Trade and Other Payables	113'729	-	-	-
Capital	323'729	0	3'964'162	0

Please note that the non-subordinated loan due within 6 months was transferred to the shareholder, and is as such added to the amount owed and due in FY 2027. As such, the amount is not due anymore within 6 months as of the creation of this financial statement. Furthermore, the majority of the debt is subordinated and not due until the end of 2027.

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Notes to the Consolidated Financial Statements ending 31.12.2023

23. Capital Management Policies

Zazoon AG's capital management objectives are:

- to ensure Zazoon AG's, as well as its subsidiaries', ability to continue as a going concern, and
- to provide an adequate return to shareholders by pricing products and services in a way that reflects the level of risk involved in providing those goods and services

Zazoon AG monitors capital on the basis of the carrying amount of equity plus its subordinated loans, less cash and cash equivalents as presented in the consolidated balance sheet.

Management assesses Zazoon AG's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The amounts managed as capital by the Group for the reporting periods under review are summarised as follows:

	2023	2022
Total Equity	-979'717	-1'224'468
Subordinated Loans	2'860'785	2'860'785
Cash and Cash Equivalents	-319'202	-63'483
Capital	1'561'866	1'572'834
Total Equity	-979'717	-1'224'468
Borrowings	3'428'017	2'869'797
Leasing Liabilities	314'397	372'513
Overall Financing	2'762'697	2'017'842
Capital-to-Overall Financing Ratio	57%	78%

The overall ratio is deemed appropriate for the stage of Zazoon AG's operations and development, and in line with management's expectations. The change from FY 2022 to FY 2023 is primarily due to the conversion of CHF 1'000'000.- of debt into equity, the addition of the capital contribution from loans from affiliated parties below with below market interest rates, which is however offset by the increase in borrowings.

24. Going Concern

Zazoon AG is financed primarily through the capital contributions by its shareholders in the form of equity and debt. Furthermore, Zazoon AG has obtained significant funds, as well as management services, from its corporate shareholder. A substantial portion of Zazoon AG's long term debt is subordinated. Zazoon AG plans to complete key modules and components of the software by the end of 2024, and to generate revenue (in the form of cash payments) by mid 2024. Additionally, Zazoon AG is planning to have an IPO by the end of 2024, which further secures the flow of sustainable capital, in order to fund its operations. As such, due to all of the aforementioned factors, Zazoon AG's management is convinced that Zazoon AG operates under going concern and will be able to fund its liabilities for the coming fiscal year.

However, due to the fact that the expected future cash flows from the majority shareholder and affiliated parties are not guaranteed and that the expected cash flows generated from revenue transactions are not reasonably predictable at the point of the issuance of the consolidated financial statements, there is a material uncertainty that may cast significant doubt on Zazoon AG's ability to continue as a going concern and, therefore, may be unable to realize its assets and discharge its liabilities in the normal course of business.

25. Interests in Subsidiaries

Set out below are the details of the subsidiaries held directly by Zazoon AG:

Nam of Subsidiary	Country of Incorporation	Principal Activity	Proportion of ownership interests held by Zazoon AG at period end.	
			2023	2022
Zazoon Germany AG	Germany	Licensing of Zazoon Software in the EU (primarily Germany and Austria).	100%	100%

The annual reporting date of Zazoon Germany AG is 31.12.2023. The subsidiary has not made any revenue as of 31.12.2023 and has less than 3 FTE employed. The entity is primarily responsible for acting as a conduit to the German-Speaking EU Market. As such, no significant operations occur as of the reporting date.

26. Events After the Reporting Date

Zazoon AG has converted CHF 1'000'000.- from debt to equity, reducing the debt to shareholders and increasing the share capital accordingly. No other adjusting or significant non-adjusting events have occurred between 31.12.2023 reporting date and the date of authorization.

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Notes to the Consolidated Financial Statements ending 31.12.2023

27. Authorization of Consolidated Financial Statements

The consolidated financial statements for the year ended 31.12.2023 (including comparatives) were approved by the board of directors on 03.10.2024.



Khokhar, Nabil
Member of the Board of Directors

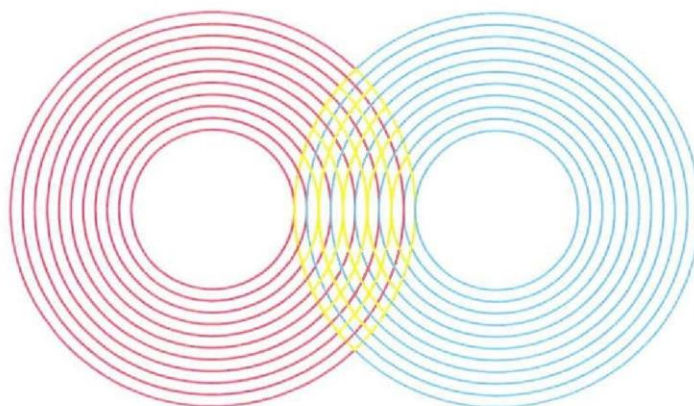


Furutan, Bayan Chandler
Interim Chief Financial Officer

**APPENDIX V – THE AUDITED IFRS CONSOLIDATED FINANCIAL STATEMENTS FOR THE
FISCAL YEAR 2022**

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**IFRS Consolidated Financial Statements for the
Fiscal Year 2022**



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Independent auditor's report

To the Board of Directors of
Zazoon AG, Zurich

Opinion

We have audited the consolidated financial statements of Zazoon AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2022, and the consolidated statement of profit and loss and comprehensive income, consolidated statement of cashflows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2022, and of its consolidated financial performance and its consolidated cashflows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with the Swiss Standards on Auditing (SA-CH) and the International Standards on Auditing (ISA). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the requirements of the Swiss audit profession and the International Ethics Standards Board of Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have 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.

Emphasis of matter

We draw attention to note 22 in the consolidated financial statements which indicates that the Group incurred a net loss of CHF 851'810 during the year ended December 31, 2022 and, as of that date, the Group's liabilities exceeded its total assets by CHF 1'224'468. As stated in note 22, these events or conditions, along with other matters as set forth in note 22, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance IFRS and for such internal control as the Board of Directors determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charges with governance are responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with the Board of Directors 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.

Zurich, July 3, 2023
Grant Thornton AG

A stylized black ink signature of Hermann Caspers.

Hermann Caspers
Partner

A stylized black ink signature of Nina Beutler.

Nina Beutler
Senior Manager

Enclosure:

- Consolidated financial statements (consolidated balance sheet, consolidated statement of profit and loss and comprehensive income, consolidated statement of changes in equity and consolidated statement of cashflows and notes to the consolidated financial statements, including a summary of significant accounting policies)

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Consolidated Balance Sheet

as at 31 December 2022
(expressed in Swiss Franc - CHF)

	Notes	31 Dec. 2022	31 Dec. 2021
Assets			
Current			
Cash and Cash Equivalents	5	63,483	17,471
Other Current Assets	6	143,614	68,241
<i>Total Current Assets</i>		<i>207,097</i>	<i>85,712</i>
Non-Current			
Right-of-Use Assets	7	425,919	491,445
Deferred Tax Assets	8	334,156	269,826
Property, Plant, and Equipment	9	8,124	10,076
Internally Developed Intangible Assets	10	1,146,055	392,659
Other Non-Current Assets	11	20,002	20,000
<i>Total Non-Current Assets</i>		<i>1,934,256</i>	<i>1,184,006</i>
Total Assets		2,141,353	1,269,718
Equity and Liabilities			
Liabilities			
Current			
Accounts Payable, Third Parties	12	58,796	40,854
Lease Liabilities, Current	7	64,491	63,532
Other Current Liabilities	6	224	5,365
<i>Total Current Liabilities</i>		<i>123,511</i>	<i>109,751</i>
Non-Current			
Loans Payable (Shareholder and Affiliated)	6	2,869,797	1,095,622
Lease Liabilities, Non-Current	7	372,513	437,004
<i>Total Non-Current Liabilities</i>		<i>3,242,310</i>	<i>1,532,626</i>
Total Liabilities		3,365,821	1,642,377
Equity			
Share Capital	13	1,000,000	1,000,000
Retained Earnings (Loss)	14	(1,372,659)	(675,985)
Net Income (Loss) for the period		(851,809)	(696,674)
Total Equity		(1,224,468)	(372,659)
Total Equity and Liabilities		2,141,353	1,269,718

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Consolidated Statement of Profit and Loss and Other Comprehensive Income

as at 31 December 2022
(expressed in Swiss Franc - CHF)

	Notes	2022	2021
Net Revenue		0	0
Other Income	15	40,338	40,644
Total Net Operating Revenue		40,338	40,644
Development Services		(8,410)	(35,759)
Employee Compensation and Benefits		0	(6,604)
Management Fees	16	(636,000)	(745,664)
Other Operating Expenses		(211,358)	(86,574)
Loss Before Interest, Taxes, Depreciation, and Amortization		(815,430)	(833,957)
Depreciation	7, 9	(67,478)	(67,219)
Loss Before Interest and Taxes		(882,908)	(901,176)
Interest Expense	17	(28,108)	(9,696)
Finance Expense	17	(3,579)	(14,001)
Loss Before Taxes		(914,595)	(924,873)
Tax Benefit	18	62,785	228,199
Loss for the Year		(851,810)	(696,674)
Other comprehensive income		0	0
Comprehensive Loss		(851,810)	(696,674)
Loss per Share			
Basic Loss per 100 Shares	14	(0.85)	(0.88)

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Consolidated Statement of Cash Flows

as at 31 December 2022
(expressed in Swiss Franc - CHF)

	Notes	2022	2021
Operating Activities			
Loss for the Year		(851,809)	(696,674)
Non-cash Adjustments	19	699,644	788,487
Net Changes in Working Capital	19	16,568	32,634
Net Changes in Deferred Tax Assets		(64,330)	(228,371)
<i>Net Cash from Operating Activities</i>		<i>(199,927)</i>	<i>(103,924)</i>
Investing Activities			
Investments in Tangible Assets		0	(6,185)
Investments in Intangible Assets		(332,973)	(321,555)
<i>Net Cash from Investing Activities</i>		<i>(332,973)</i>	<i>(327,740)</i>
Financing Activities			
Proceeds from Borrowing		648,023	227,575
Repayments of Borrowing		(2,000)	(4,531)
Proceeds from Loans Issued		0	239,750
Repayments of Leasing Liabilities		(63,532)	(62,586)
<i>Net Cash from Financing Activities</i>		<i>582,491</i>	<i>400,208</i>
Net Change in Cash and Cash Equivalents		49,591	(31,456)
Cash and Cash Equivalents, Beginning Balance		17,471	48,927
Exchange Differences on Cash and Cash Equivalents		(3,579)	0
Cash and Cash Equivalents, Ending Balance	5	63,483	17,471
Interest Paid		(6,896)	(7,842)
Taxes Paid		(1,545)	(172)

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Consolidated Statement of Changes in Equity

as at 31 December 2022
(expressed in Swiss Franc - CHF)

	Notes	Share Capital	Additional Paid in Capital	Retained Earnings (Loss)	Total Equity
Balance at 01 January 2022		1,000,000	0	(1,372,660)	(372,660)
Profit (Loss) for the Year	13	0	0	(851,809)	(851,809)
Balance at 31 December 2022		1,000,000	0	(2,224,469)	(1,224,469)
Balance at 01 January 2021		500,000	0	(675,986)	(175,986)
Issue of Share Capital	13	500,000	0	0	500,000
Profit (Loss) for the Year		0	0	(696,674)	(696,674)
Balance at 31 December 2021		1,000,000	0	(1,372,660)	(372,660)

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Notes to the Consolidated Financial Statements ending 31.12.2022

1. Nature of Operations

The principal activities of Zazoon AG is the internal development of the Zazoon software and the services rendered in connection thereto. The Zazoon software is an online GRC (Governance, Risk, and Compliance) and Data Protection tool developed by Zazoon AG. Founded in 1999 in Zurich (Switzerland), the company developed a RegTech SaaS platform that automates and streamlines Data Protection, Governance, Risk Management and Compliance processes. The platform's five main modules are: Policy Management, Internal Control System, Risk Management, Vendor Management and Data Protection. The Services rendered by Zazoon AG will generally fall into one of two categories:

- Offering the Zazoon software as a service (SaaS) for external use. This will be done by offering a subscription service.
- Zazoon AG will conduct a one time implementation for each new client during the onboarding process.

Although the Zazoon software is still in the development phase and Zazoon AG has not conducted these activities (other than the internal development of the software) as of the date of these consolidated financial statements, the above are considered to be the nature of Zazoon AG's operations.

2. General Information and Statement of Compliance with IFRS

Zazoon AG is a corporation, incorporated and domiciled in Switzerland. Its registered office and principal place of business is Beethovenstrasse 11, 8002 Zurich, Switzerland. Zazoon AG's shares are not listed on any stock exchange.

The consolidated financial statements of Zazoon AG have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements for the year ended 31.12.2022 (including comparatives) were approved and authorized for issue by the board of directors on 03.07.2023 (see [Note 24](#)). Under applicable Swiss law, amendments to the financial statements are not permitted after approval.

3. Summary of Accounting Policies

3.1 - Overall Considerations

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases that are in effect at 31.12.2022, as summarized below. These were used throughout all periods presented in the consolidated financial statements.

An overview of standards, amendments and interpretations to IFRSs issued but not yet effective, and which have not been adopted early by Zazoon AG, are presented in [Note 4](#).

3.2 - Foreign Currency Translation

Functional and presentation currency

The consolidated financial statements are presented in currency CHF (Swiss Francs), which is also the functional currency of Zazoon AG.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognized in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.3 - Operating Expenses

Operating expenses are recognized in profit or loss upon utilization of the service or at the date of their origin.

3.4 - Internally Developed Intangible Asset

Recognition of Intangible Assets

Internally Developed Software

The expenditure on the research phase of projects to develop new customized software for IT and telecommunication systems is recognized as an expense as Incurred.

Costs that are directly attributable to a project's development phase are recognized as intangible assets, provided they meet the following recognition requirements:

- Zazoon AG has the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Zazoon AG has the intention to complete the intangible asset and use or sell it.
- Zazoon AG has the ability to use or sell the intangible asset.
- The intangible asset will generate probable future economic benefits. Among other things, Zazoon AG can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- Zazoon AG has the availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset.
- Zazoon AG has the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development costs not meeting these criteria for capitalization are expensed as incurred.

Directly attributable costs include employee costs, as well as the costs of freelancers or external service providers, incurred on software development (See [Note 10](#)).

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Notes to the Consolidated Financial Statements ending 31.12.2022

3.4 - Internally Developed Intangible Asset (cont.)

Subsequent measurement

All intangible assets, including capitalized internally developed software, are accounted for using the cost model, whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in [Note 3.7](#). The following useful lives are applied:

- Software: 5 - 10 years

Any capitalized internally developed software that is not yet complete is not amortized, though it is subject to impairment testing as described in [Note 3.7](#). Since the internally developed software is not complete as of the consolidated financial statement date, no amortization has been

3.5 - Property, Plant, and Equipment

Furniture, IT equipment, and other equipment

Furniture, IT equipment, and other equipment are initially recognized at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by Zazoon AG's management. Furniture, IT equipment, and other equipment are subsequently measured using the cost model: cost less accumulated depreciation and impairment losses.

Depreciation is recognized on a straight-line basis to write down the cost less estimated residual value of furniture, IT equipment, and other equipment. The following useful lives are applied:

- IT equipment: 2-5 years
- Furniture and other equipment: 3-12 years

3.6 - Leased Assets (Including Subleases)

Leases as a Lessee

Zazoon AG assesses whether a contract is or contains a lease at inception of the contract. At lease commencement date, Zazoon AG recognizes a right-of-use asset and a lease liability in its consolidated balance sheet.

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards of ownership of the leased asset. Where Zazoon AG is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. The lease liability is recognized as the present value of the lease payments plus incidental payments.

The depreciation of the right-of-use (ROU) asset generated through the lease is depreciated over the lease term, on a straight line basis, including any extension options that management is reasonably certain will be exercised. The corresponding lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as interest expense over the period of the lease.

The ROU asset is measured for impairment indicators at the end of every fiscal period. None were noted to date. Please refer to [Note 3.7](#) for more information.

Zazoon AG utilizes the incremental borrowing rate because as the lease contracts are negotiated with third parties it is not possible to determine the interest rate that is implicit in the lease. The incremental borrowing rate is the estimated rate that Zazoon AG would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. The estimation is based on the currently existing loans and rates that Zazoon AG has obtained at the inception of the lease.

Leases as a Lessor, Including Subleases

Zazoon AG partially subleases its office spaces that are leased by Zazoon AG. The sublease was classified by reference to the ROU asset arising from the head lease, rather than by reference to the underlying asset. Thus, since the sublease does not constitute the transfer of the economic ownership of the leased asset (through the head lease), the net present value (NPV) of all the lease payments made by the sublessor does not exceed at least half of the ROU asset generated under the head lease, and the lease can be terminated at any point by Zazoon AG or the sublettor with a 6 month notice. Zazoon AG has determined that the sublease is recognized as an operating lease. Therefore, Zazoon AG continues to account for the lease liability and ROU asset on the head lease like any other lease. The received lease payments on the operating sublease agreements are recognized as other income on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are recognized identically as incurred.

3.7 - Impairment Testing of Intangible Assets and Property, Plant, and Equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to Zazoon AG's latest budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors. Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

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Notes to the Consolidated Financial Statements ending 31.12.2022

3.8 - Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity. Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income, based on the Group's forecast of future operating results, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full. Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

3.9 - Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.10 - Equity and Reserves

Share capital represents the nominal value of shares that have been issued.

Additional Paid in Capital includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from additional paid in capital, net of any related income tax benefits. If no additional paid in capital is accounted for, the transaction costs are expensed in the period in which they occurred.

Retained earnings (or loss) includes all current and prior period retained profits and/or losses.

3.11 - Provisions, Contingent Assets, and Contingent Liabilities

Provisions for legal disputes, onerous contracts, or other claims are recognized when Zazoon AG has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from Zazoon AG, and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that Zazoon AG can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision. In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized.

3.12 - Significant Management Judgement in Applying Accounting Policies and Estimation Uncertainty

When preparing the consolidated financial statements, management undertakes a number of judgements, estimates, and assumptions about the recognition and measurement of assets, liabilities, income, and expenses.

Significant Management Judgement

The following are significant management judgements in applying the accounting policies of Zazoon AG that have the most significant effect on the consolidated financial statements.

Capitalization of Internally Developed Software

Distinguishing the research and development phases of a new customized software project and determining whether the recognition requirements for the capitalization of development costs are met, requires judgement. After capitalization, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalized costs may be impaired (see Note 3.4).

Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of Zazoon AG's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions (see Note 3.8).

Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income, and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see Note 3.7).

Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

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Notes to the Consolidated Financial Statements ending 31.12.2022

3.13 - Revenues

Since the group has not earned any operating revenues within any of the presented periods, no specific accounting treatment applies.

3.14 - Borrowing Costs

Borrowing costs are expensed in the period in which they are incurred and reported in financial and/or interest expense (see [Note 17](#)).

3.15 - Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when Zazoon AG becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled, or expires.

Classification and initial measurement of financial assets

Except for those accounts receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into one of the following categories:

- amortized cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the periods presented, Zazoon AG does not have any financial assets categorized as FVTPL or FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset

All revenue and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of accounts receivables, which is presented within other income.

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognize expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortized cost and trade receivables.

Zazoon AG considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2')

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognized for the first category (i.e. Stage 1) while 'lifetime expected credit losses' are recognized for the second category (i.e. Stage 2).

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Accounts and other receivables

Zazoon AG makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, Zazoon AG uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Zazoon AG assesses impairment of trade receivables on a collective basis. As they possess shared credit risk characteristics, they have been grouped based on the days past due. Refer to [Note 6](#) for more information.

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Notes to the Consolidated Financial Statements ending 31.12.2022

3.15 - Financial Instruments (cont.)

Classification and measurement of financial liabilities

Zazoon AG's financial liabilities include borrowings and trade and other payables.

Financial liabilities are measured at amortized cost using the effective interest method. Except for those payables and liabilities that do not contain a significant financing component, these are measured at the transaction price.

All interest-related charges and, if applicable, debt forgiveness or extinguishment of debts, are included within finance costs or finance income.

3.16 - Basis of Consolidation

Zazoon AG's consolidated financial statements consolidate those of the parent company and its subsidiary at 31.12.2022. The subsidiary has a reporting date of 31 December.

All transactions and balances between Group companies are eliminated on consolidation. Amounts reported in the consolidated financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by Zazoon AG.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

4. Standards, Amendments and Interpretations to Existing Standards that are not yet effective and have not been Adopted

At the date of authorization of these consolidated financial statements, certain new standards, amendments, and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by Zazoon AG.

Since these are not relevant to Zazoon AG and will not, or do not need to be, adopted by Zazoon AG, no further action was deemed necessary in relationship

5. Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

	2022	2021
Cash at bank and in hand (in CHF):		
- CHF	5,370	10,943
- EUR	58,113	6,528
Total Balance	63,483	17,471

6. Financial Assets and Liabilities

6.1. Categories of financial assets and financial liabilities

Note 3.15 provides a description of each category of financial assets and financial liabilities and the related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:

31 December 2022	Amortized Cost
Financial Assets	
Cash and Cash Equivalents	63,483
Other Current Assets	143,614
Total Financial Assets	207,097

31 December 2022	Amortized Cost
Financial Liabilities	
Accounts Payable, Third Parties	58,796
Other Current Liabilities	224
Loans Payable (Shareholder and Affiliated)	2,869,797
Total Financial Liabilities	2,928,817

31 December 2021	Amortized Cost
Financial Assets	
Cash and Cash Equivalents	17,471
Other Current Assets	68,241
Total Financial Assets	85,712

31 December 2021	Amortized Cost
Financial Liabilities	
Accounts Payable, Third Parties	40,854
Other Current Liabilities	5,365
Loans Payable (Shareholder and Affiliated)	1,095,622
Total Financial Liabilities	1,141,841

A description of Zazoon AG's financial instrument risks, including risk management objectives and policies is given in Note 21.

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Notes to the Consolidated Financial Statements ending 31.12.2022

6.2. Financial assets at amortized cost

Financial assets at amortized cost include cash and cash equivalents and other current assets.

Cash and cash equivalents

Please refer to [Note 5](#) for the detailed information.

Other current assets

Please note that this balance primarily consists of VAT receivable for the payables, including the one related to the management fees as at 31.12.2021 and 31.12.2022. As such, this balance was recorded at the value expected to be redeemed by the tax authorities.

6.3. Financial liabilities at amortized cost

Accounts payables and other current liabilities

As was noted in [Note 3.15](#), these liabilities do not contain a significant financing component and are recognized at the transaction price. Please refer to [Note 12](#) for more details.

Loans payable (shareholder and affiliated)

The loans payable to shareholders and affiliated parties are composed as follows:

Description	Interest p.a.	Term Beg.	Term End	2022	2021
Loan - Main Shareholder	1.50%	01.01.2021	31.12.2027	473,531	249,171
Loan - Affiliated Parties	1.50%	01.01.2021	31.12.2027	2,387,254	846,451
Other Loan - Affiliated Parties	N/A	N/A	N/A	9,012	0
Total Balance at Amortized Costs				2,869,797	1,095,622

6.3. Financial liabilities at amortized cost (cont.)

Loan - Main Shareholder

The loan was granted on 01.01.2021 and is still active.

Loan - Affiliated Parties

The loan was granted on 01.01.2021 and is still active.

Other Loan - Affiliated Parties

The loan was granted during the fiscal year of 2022. Due to the immaterial amount, no formal agreement was entered into and no interest is charged.

Please note that all loans, with the exception of Other Loan - Affiliated Parties, at the end of each fiscal year are subordinated.

7. Leases

7.1. Right-of-use asset

	Office
Gross carrying amount	
Balance at 01 January 2022	655,260
Additions	0
Disposals	0
Balance at 31 December 2022	655,260
Depreciation and impairment	
Balance at 01 January 2022	(163,815)
Disposals	0
Depreciation	(65,526)
Balance at 31 December 2022	(229,341)
Carrying amount at 31 December 2022	425,919

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Notes to the Consolidated Financial Statements ending 31.12.2022

7.1. Right-of-use asset (cont.)

	Office
Gross carrying amount	
Balance at 01 January 2021	655,260
Additions	0
Disposals	0
Balance at 31 December 2021	655,260
Depreciation and impairment	
Balance at 01 January 2021	(98,289)
Disposals	0
Depreciation	(65,526)
Balance at 31 December 2021	(163,815)
Carrying amount at 31 December 2021	491,445

7.2. Lease liability

	2022	2021
Current	64,491	63,532
Non-current	372,513	437,004
Total Balance	437,004	500,536

Zazoon AG makes the use of leasing arrangements principally for the provision and use of the headquarter office space. This lease is reflected in the Balance Sheet as a right-of-use (ROU) asset and a lease liability. Variable lease payments that do not depend on an index or a rate (such as service charges) are excluded from the initial measurement of the lease liability and ROU asset.

Zazoon AG has a contractual right to sublet the leased office space to another party. Zazoon AG has partially sublet the leased office space to a third party and recognizes the sublease as an operating lease; this is described further below. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Zazoon AG is prohibited from selling or pledging the underlying leased assets as security. Zazoon AG must keep the leased office property in a good state of repair and return it in their original condition at the end of the lease. Further, Zazoon AG must insure ROU assets and incur service charges on such items in accordance with the lease contracts.

The lease of the office space is set to terminate on 30 June 2024. Zazoon AG has the option to extend the lease of the office space until 30 June 2029. Since management is reasonably certain that the lease extension will be exercised, the calculation of the ROU asset, as well as the lease liability included the aforementioned extension.

The table below describes the nature of Zazoon AG's leasing activities for the ROU asset recognized in the Balance Sheet at 31.12.2022:

Right-of-use Asset	Remaining Lease Term
Office Space	6.5 Years

The lease liabilities are secured by the related underlying assets. Future lease payments at 31.12.2022 were as follows:

	<1 Year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years	Total
31 December 2022							
Lease Payments	70,428	70,428	70,428	70,428	70,428	105,642	457,782
Finance Charges	(5,937)	(4,963)	(3,974)	(2,970)	(1,951)	(983)	(20,778)
NPV	64,491	65,465	66,454	67,458	68,477	104,659	437,004
31 December 2021							
Lease Payments	70,428	70,428	70,428	70,428	70,428	176,070	528,210
Finance Charges	(6,896)	(5,937)	(4,963)	(3,974)	(2,970)	(2,934)	(27,674)
NPV	63,532	64,491	65,465	66,454	67,458	173,136	500,536

7.3. Incremental borrowing rate

The incremental borrowing rate was determined to be 1.50% p.a., as this is the interest rate used for all of the active borrowings that Zazoon AG has as at

7.4. Lease payments not recognized as a liability

Certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred. These payments are for service charges and consist of quarterly payments (made at the beginning of each quarter) for the total amount of CHF 900.00 per quarter. Each calendar year, the landlord provides a statement that indicates the total amount of service charges due, where the balance is either due to the lessee or the lessor. These payments are not deemed material and thus not considered further.

7.5. Operating leases as lessor (for a sublease)

Zazoon AG partially sublets the office space to a third party. Due to the fact that the sublease does not meet the conditions to be recognized as a financing lease, due to the fact that the lease is considered a short term lease, Zazoon AG has opted to account for the sublease as an operating lease. Please refer to [Note 3.6](#) for more information and documentation related thereto.

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Notes to the Consolidated Financial Statements ending 31.12.2022

8. Deferred Tax Asset

Deferred taxes arising from temporary differences and unused tax losses are summarized as follows:

Deferred Tax Asset	Net Balance at 01.01.2022	Recognized in Other Comprehensive Income	Recognized in Profit or Loss	Net Balance at 31.12.2022
Description				
Unused Net Operating Loss	269,826	0	64,330	334,156
Carrying amount at 31 December 2021				334,156
Deferred Tax Asset	Net Balance at 01.01.2021	Recognized in Other Comprehensive Income	Recognized in Profit or Loss	Net Balance at 31.12.2021
Description				
Unused Net Operating Loss	41,455	0	228,371	269,826
Carrying amount at 31 December 2020				269,826

Zazoon AG had accumulated an unused net operating loss (NOL) of CHF 1'072'046.00 and CHF 1'997'523.00, in 2021 and 2022 respectively. These amounts were multiplied by the sum of the direct federal rate (8.50%), the cantonal rate (8.42%), and the communal rate (10.97%), which represents a total of 27.88%. The NOL can be carried forward for a maximum of 7 years, after which it expires. The gross deferred tax asset was reduced by 10% 2021 and by 40% in 2022, in order for the amount per the consolidated financial statements to reflect the net amount expected to be received as a tax benefit by Zazoon AG in future periods.

9. Property, Plant and Equipment

Details of Zazoon AG's property, plant and equipment and their carrying amounts are as follows:

	Furniture and Equipment	Office Machines, IT Equipment, and Communication
Gross carrying amount		
Balance at 01 January 2022	489	12,064
Additions	0	0
Disposals	0	0
Balance at 31 December 2022	489	12,064
Depreciation and impairment		
Balance at 01 January 2022	(489)	(1,988)
Disposals	0	0
Depreciation	0	(1,952)
Balance at 31 December 2022	(489)	(3,940)
Carrying amount at 31 December 2022	0	8,124
Gross carrying amount		
Balance at 01 January 2021	489	5,879
Additions	0	6,185
Disposals	0	0
Balance at 31 December 2021	489	12,064
Depreciation and impairment		
Balance at 01 January 2021	(489)	(295)
Disposals	0	0
Depreciation	0	(1,693)
Balance at 31 December 2021	(489)	(1,988)
Carrying amount at 31 December 2021	0	10,076

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Notes to the Consolidated Financial Statements ending 31.12.2022

10. Internally Developed Intangible Assets

Details of Zazoon AG's internally developed assets and their carrying amounts are as follows:

	Internally Developed Intangible Assets
Gross carrying amount	
Balance at 01 January 2022	392,659
Additions	753,396
Disposals	0
Balance at 31 December 2022	1,146,055
Amortization and impairment	
Balance at 01 January 2022	0
Disposals	0
Amortization	0
Balance at 31 December 2022	0
Carrying amount at 31 December 2022	1,146,055
Gross carrying amount	
Balance at 01 January 2021	0
Additions	392,659
Disposals	0
Balance at 31 December 2021	392,659
Amortization and impairment	
Balance at 01 January 2021	0
Disposals	0
Amortization	0
Balance at 31 December 2021	0
Carrying amount at 31 December 2021	392,659

Zazoon AG internally develops the Zazoon GRC software and capitalizes all allowable development costs. These capitalized development costs include the invoice amount (excl. VAT) of external software developers or external personnel working directly on the development of the software, as well as the direct labor related to the development of Zazoon AG's employees. No capitalized borrowing costs are included in the amount capitalized as at 31.12.2021 and 31.12.2022.

Since the software is still in the process of being developed as at 31.12.2022, no amortization has incurred as at the balance sheet date.

Please refer to [Note 3.4](#) for more information and documentation related thereto.

11. Other Non-Current Assets

Zazoon AG's balance of other non-current assets consists of a rent deposit for the leased office spaces.

12. Accounts Payable and Other Current Liabilities

Accounts payable and other current liabilities consist of the following:

	2022	2021
Accounts Payable	58,796	40,854
Other Payables	0	4,917
Bank Overdraft	224	448
Total Balance	59,020	46,219

All amounts are short-term. The carrying values all the balances listed above are considered to be a reasonable approximate of fair value.

13. Equity

13.1. Share capital

The share capital of Zazoon AG consists only of fully paid ordinary shares with a nominal (par) value of CHF 0.01 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of Zazoon AG.

	2022	2021
Shares issued and fully paid:		
- Beginning of the year	100,000,000	50,000,000
- Share issue, private placement	0	50,000,000
Total shares authorized at 31 December	100,000,000	100,000,000

The nominal (par) value of the share capital was CHF 100.00 per share from 23.12.1999 to 08.03.2000 and CHF 10.00 per share from 08.03.2000 to 10.11.2020. As of 10.11.2020, the nominal (par) value is at CHF 0.01 per share.

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Notes to the Consolidated Financial Statements ending 31.12.2022

13.2. Additional paid in capital

There is no additional paid in capital at any period of the presented consolidated financial statements, since the shares were all issued and paid at the nominal

14. Loss Per Share and Dividends

14.1. Loss per share

The basic loss per share has been calculated using the loss attributable to shareholders of Zazoon AG as the numerator, i.e. no adjustments to loss were necessary in 2021 and 2022. There are no dilutions to the shares to be calculated, as there are no conditions that necessitate such a dilution.

	2022	2021
Weighted Average Number of Shares	100,000,000	79,166,667

14.2. Dividends

No dividends were issued or paid for any of the periods presented in the consolidated financial statements.

15. Other Income

In the fiscal year of 2021 and 2022, other income was primarily (over 90%) from the sublease income.

16. Management Fees

As of 01.01.2022, Zazoon AG has received services from an affiliated entity. These services include financial, administrative, operating, and general managerial work. Furthermore, the direct labor for the internal development of the software is capitalized appropriately. The amounts due are recorded as a loan payable, since the accounts payable was converted into the loan as of 31.12.2022.

17. Interest and Finance Expenses / (Income)

Interest and finance expenses / (income) consist of the following:

Description	2022	2021
- Interest Expense: Subordinated Shareholder and Affiliated Party Loans	21,212	1,855
- Interest Expense: Leasing Arrangements	6,896	7,842
Subtotal: Interest Expense	28,108	9,697
- Securitization and Digitization of Shares	33,668	14,392
- Other Items	(30,089)	(391)
Subtotal: Finance Expense	3,579	14,001
Total Balance	31,687	23,698

18. Tax Expense / (Benefit)

Please note that the balance as at 31.12.2021 and 31.12.2022 almost entirely (over 95%) consists of the change in the deferred tax asset. Since Zazoon AG is not profitable in any of the periods presented, only the capital taxes are due, which represent a negligible amount for each fiscal year. Please refer to [Note 8](#) for more information regarding the Deferred Tax Asset.

Description	2022	2021
- Current Tax Expense	1,545	172
- Change in Deferred Tax Asset (in Profit or Loss)	(64,330)	(228,371)
Total Balance	(62,785)	(228,199)

19. Non-Cash Adjustments and Net Changes in Working Capital

The changes made to non-cash adjustments and net changes in working capital consist of the following:

Non-Cash Adjustments	2022	2021
Depreciation	67,478	67,219
Interest Expense Accrued in Loans Payable	21,212	1,855
Management Fees Accrued in Loans Payable	636,000	745,200
Other	(25,046)	(25,787)
Total Balance	699,644	788,487

19. Non-Cash Adjustments and Net Changes in Working Capital (cont.)

Net Changes in Working Capital	2022	2021
Change in Other Current Assets	(75,373)	(67,941)
Change in Accounts Payable	17,942	40,854
Change in Other Current Liabilities	(5,141)	(709)
Change in VAT Related to Management Fees Accrued in Loans Payable	79,140	60,430
Total Balance	16,568	32,634

20. Related Party Transaction

Zazoon AG's related party transactions include the shareholders and affiliated entities that are part of the same group structure. Zazoon AG has subordinated shareholder loans from its main shareholders. Furthermore, Zazoon AG received management services from an affiliated entity. These management services, along with all VAT due, is converted from an accounts payable to an interest bearing loan for the entire amount, which is also subordinated. All active loans have a 1.50% interest rate. For more information regarding the shareholder and affiliated entity loans, please refer to [Note 6](#). For more information pertaining to the management fees, please refer to [Note 16](#).

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Notes to the Consolidated Financial Statements ending 31.12.2022

21. Financial Instruments Risk

Risk management objectives and policies

Zazoon AG is exposed to various risks in relation to financial instruments. Zazoon AG's financial assets and liabilities by category are summarized in **Note 6**. The main types of risks are market risk, credit risk and liquidity risk.

Zazoon AG's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing Zazoon AG's short to medium-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

Zazoon AG does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The applicable financial risks to which Zazoon AG is exposed are described below.

21.1. Market risk analysis

Foreign currency sensitivity

Due to the fact that Zazoon AG does not have significant transactions or balances in foreign currencies, this risk is deemed immaterial and is not evaluated further.

Interest rate sensitivity

Due to the fact that the debt that Zazoon AG has is from shareholders and affiliated entities with a fixed interest rate of 1.50% p.a., no further evaluation is conducted.

Other price sensitivity

Due to the fact that the two most significant expenses are related to external development personnel and affiliated party management services, both of which have a long term contract with set prices, and since Zazoon AG does not generate operating revenues for any of the presented periods, this risk was deemed minimal and no further evaluation was conducted.

21.2. Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to Zazoon AG. Zazoon AG is exposed to credit risk from financial assets including cash and cash equivalents held at banks, trade and other receivables, and shareholder loans receivable.

Due to the fact that the cash and cash equivalents are held at reputable banks, that the receivables are immaterial due to the lack of operating revenue Zazoon AG does not have a substantial credit risk and did not conduct a further analysis.

21.3. Liquidity risk analysis

Liquidity risk is that Zazoon AG might be unable to meet its obligations. Zazoon AG has long term debt, which is subordinated. The remaining payables are not material and do not pose a threat to the ability of Zazoon AG to remain liquid.

Zazoon AG minimizes its period expenses by outsourcing its operations and does not have any employees as at 31.12.2022. Furthermore, the office space is partially sublet, which is a further reduction of period expenses incurred.

As such, the liquidity risk is low and the operations of the entity are, for the periods presented in the consolidated financial statements, funded by shareholders and affiliated entities through the purchase of share capital or the issuance of subordinated debt.

22. Capital Management Policies and Procedures and Going Concern

Zazoon AG is financed primarily through the capital contributions by its shareholders in the form of equity and debt. Furthermore, Zazoon AG has obtained significant funds as well as management services from its affiliated entities that have the same primary shareholder as Zazoon AG. All of Zazoon AG's long term debt is subordinated. Zazoon AG plans to complete the software in mid 2023 and to generate revenue (in the form of cash payments) by the end of 2023. Additionally, Zazoon AG will convert CHF 1'000'000.- of its debt from affiliated entities into share capital by the end of 2023. Finally, Zazoon AG, as of the issuance date of the consolidated financial statements, has contacted various collaborators in order to raise funds through seeding rounds during which equity stakes in Zazoon AG will be sold to third parties and investors. As such, due to all of the aforementioned factors, Zazoon AG's management is convinced that Zazoon AG operates under going concern and will be able to fund its liabilities for the coming fiscal year.

However, due to the fact that the expected future cash flows from the majority shareholder and affiliated parties are not guaranteed and that the expected cash flows generated from revenue transactions are not reasonably predictable at the point of the issuance of the consolidated financial statements, there is a material uncertainty that may cast significant doubt on Zazoon AG's ability to continue as a going concern and, therefore, may be unable to realize its assets and discharge its liabilities in the normal course of business.

23. Acquisitions and disposals

On 19.09.2022 Zazoon AG founded and owns 100% of the equity instruments of Zazoon Germany AG in Berlin, Germany. Zazoon AG used its own cash and cash equivalents to pay the EUR 50'000.- capital necessary to found the company in Germany. The subsidiary is not operating as of 31.12.2022. As such, Zazoon Germany AG's assets consist of a bank balance in Euro for approximately CHF 46.5K and founding costs amounting to about CHF 2.6K.

Due to the fact that at the acquisition date, the only asset on hand was the cash and cash equivalents of Zazoon Germany AG, the fair value is identical with the current cash value. Any future assets and liabilities will be measured at their fair value at the acquisition date according to the relevant and applicable accounting principles.

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Notes to the Consolidated Financial Statements ending 31.12.2022

24. Interests In Subsidiaries

Set out below are the details of the subsidiaries held directly by Zazoon AG:

Name of Subsidiary	Country of Incorporation	Principal Activity	Proportion of ownership interests held by Zazoon AG at period end.	
			2022	2021
Zazoon Germany AG	Germany	Licensing of Zazoon Software in the EU (primarily Germany and Austria).	100%	0%

The annual reporting date of Zazoon Germany AG is 31.12.2022. Due to the fact that the entity is not operating as of the reporting date, no further considerations are made as of the reporting date. Please refer to [Note 23](#) for more information.

25. Events After the Reporting Date

No adjusting or significant non-adjusting events have occurred between 31.12.2022 reporting date and the date of authorization.

26. Authorization of Consolidated Financial Statements

The consolidated financial statements for the year ended 31.12.2022 (including comparatives) were approved by the board of directors on 03.07.2023.



Jucker, Walter
President of the Board of Directors



Furutan, Bayan Chandler
Interim Chief Financial Officer

**APPENDIX VI – STATUTORY AUDITED ANNUAL FINANCIAL STATEMENTS IN
ACCORDANCE WITH THE SWISS CODE OF OBLIGATIONS FOR THE FINANCIAL
YEAR ENDED 31 DECEMBER 2024**

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Bericht der Revisionsstelle an die Generalver-
sammlung über die Jahresrechnung 2024

Zazoon AG



Bericht der Revisionsstelle
an die Generalversammlung der
Zazoon AG, Zürich

Zürich, 5. Dezember 2025

Bericht zur Prüfung der Jahresrechnung

Prüfungsurteil

Wir haben die Jahresrechnung der Zazoon AG (die Gesellschaft) - bestehend aus der Bilanz zum 31. Dezember 2024, der Erfolgsrechnung für das dann endende Jahr sowie dem Anhang, einschliesslich einer Zusammenfassung bedeutsamer Rechnungslegungsmethoden - geprüft.

Nach unserer Beurteilung entspricht die beigefügte Jahresrechnung dem schweizerischen Gesetz und den Statuten.

Grundlage für das Prüfungsurteil

Wir haben unsere Abschlussprüfung in Übereinstimmung mit dem schweizerischen Gesetz und den Schweizer Standards zur Abschlussprüfung (SA-CH) durchgeführt. Unsere Verantwortlichkeiten nach diesen Vorschriften und Standards sind im Abschnitt «Verantwortlichkeiten der Revisionsstelle für die Prüfung der Jahresrechnung» unseres Berichts weitergehend beschrieben. Wir sind von der Gesellschaft unabhängig in Übereinstimmung mit den schweizerischen gesetzlichen Vorschriften und den Anforderungen des Berufsstands. Wir haben unsere sonstigen beruflichen Verhaltenspflichten in Übereinstimmung mit diesen Anforderungen erfüllt.

Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise ausreichend und geeignet sind, um als eine Grundlage für unser Prüfungsurteil zu dienen.

Wesentliche Unsicherheit im Zusammenhang mit der Fortführung der Geschäftstätigkeit

Wir machen auf Angabe 4.03 im Abschluss aufmerksam, die darauf hinweist, dass die Gesellschaft in dem am 31. Dezember 2024 endenden Jahr einen Bilanzverlust von CHF 3'948'635 erlitten hat und zu diesem Zeitpunkt die kurzfristigen Schulden der Gesellschaft deren gesamte Vermögenswerte im Umfang von CHF 4'898'863 überstiegen. Wie in Angabe 4.03 dargelegt, deuten diese Ereignisse oder Gegebenheiten zusammen mit anderen in Angabe 4.03 ausgeführten Sachverhalten auf das Bestehen einer wesentlichen Unsicherheit hin, die erhebliche Zweifel an der Fähigkeit der Gesellschaft zur Fortführung der Geschäftstätigkeit aufwerfen kann.

Wir machen darauf aufmerksam, dass die Zazoon AG im Sinne von Art. 725b Abs. 3 OR überschuldet ist. Da Gläubiger der Gesellschaft im Betrag von CHF 5'060'000 Rangrücktritt erklärt haben und ihre Forderungen stunden, kann der Verwaltungsrat von der Benachrichtigung des Gerichts absehen. Unser Prüfungsurteil ist nicht modifiziert in Bezug auf diesen Sachverhalt.

Sonstiger Sachverhalt

Die Jahresrechnung der Gesellschaft für das am 31. Dezember 2023 endende Jahr wurde von einem unabhängigen Prüfer im Auftrag eingeschränkt geprüft, der am 3. Oktober 2024 eine nicht modifizierte Prüfungsaussage zu diesem Abschluss abgegeben hat.

Sonstige Informationen

Der Verwaltungsrat ist für die sonstigen Informationen verantwortlich. Die sonstigen Informationen umfassen die im Geschäftsbericht enthaltenen Informationen, aber nicht die Jahresrechnung und unseren dazugehörigen Bericht.

Unser Prüfungsurteil zur Jahresrechnung erstreckt sich nicht auf die sonstigen Informationen, und wir bringen keinerlei Form von Prüfungsschlussfolgerung hierzu zum Ausdruck.

Im Zusammenhang mit unserer Abschlussprüfung haben wir die Verantwortlichkeit, die sonstigen Informationen zu lesen und dabei zu würdigen, ob die sonstigen Informationen wesentliche Unstimmig-

keiten zur Jahresrechnung oder unseren bei der Abschlussprüfung erlangten Kenntnissen aufweisen oder anderweitig wesentlich falsch dargestellt erscheinen.

Falls wir auf Grundlage der von uns durchgeführten Arbeiten den Schluss ziehen, dass eine wesentliche falsche Darstellung dieser sonstigen Informationen vorliegt, sind wir verpflichtet, über diese Tatsache zu berichten. Wir haben in diesem Zusammenhang nichts zu berichten.

Verantwortlichkeiten des Verwaltungsrates für die Jahresrechnung

Der Verwaltungsrat ist verantwortlich für die Aufstellung einer Jahresrechnung in Übereinstimmung mit den gesetzlichen Vorschriften und den Statuten und für die internen Kontrollen, die der Verwaltungsrat als notwendig feststellt, um die Aufstellung einer Jahresrechnung zu ermöglichen, die frei von wesentlichen falschen Darstellungen aufgrund von dolosen Handlungen oder Irrtümern ist.

Bei der Aufstellung der Jahresrechnung ist der Verwaltungsrat dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Geschäftstätigkeit zu beurteilen, Sachverhalte im Zusammenhang mit der Fortführung der Geschäftstätigkeit – sofern zutreffend – anzugeben sowie dafür, den Rechnungslegungsgrundsatz der Fortführung der Geschäftstätigkeit anzuwenden, es sei denn, der Verwaltungsrat beabsichtigt, entweder die Gesellschaft zu liquidieren oder Geschäftstätigkeiten einzustellen, oder hat keine realistische Alternative dazu.

Verantwortlichkeiten der Revisionsstelle für die Prüfung der Jahresrechnung

Unsere Ziele sind, hinreichende Sicherheit darüber zu erlangen, ob die Jahresrechnung als Ganzes frei von wesentlichen falschen Darstellungen aufgrund von dolosen Handlungen oder Irrtümern ist, und einen Bericht abzugeben, der unser Prüfungsurteil beinhaltet. Hinreichende Sicherheit ist ein hohes Mass an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit dem schweizerischen Gesetz und den SA-CH durchgeführte Abschlussprüfung eine wesentliche falsche Darstellung, falls eine solche vorliegt, stets aufdeckt. Falsche Darstellungen können aus dolosen Handlungen oder Irrtümern resultieren und werden als wesentlich gewürdigt, wenn von ihnen einzeln oder insgesamt vernünftigerweise erwartet werden könnte, dass sie die auf der Grundlage dieser Jahresrechnung getroffenen wirtschaftlichen Entscheidungen von Nutzern beeinflussen.

Als Teil einer Abschlussprüfung in Übereinstimmung mit dem schweizerischen Gesetz und den SA-CH üben wir während der gesamten Abschlussprüfung pflichtgemässes Ermessen aus und bewahren eine kritische Grundhaltung. Darüber hinaus:

- ▶ identifizieren und beurteilen wir die Risiken wesentlicher falscher Darstellungen in der Jahresrechnung aufgrund von dolosen Handlungen oder Irrtümern, planen und führen Prüfungshandlungen als Reaktion auf diese Risiken durch sowie erlangen Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für unser Prüfungsurteil zu dienen. Das Risiko, dass aus dolosen Handlungen resultierende wesentliche falsche Darstellungen nicht aufgedeckt werden, ist höher als ein aus Irrtümern resultierendes, da dolose Handlungen kollusives Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen oder das Ausserkraftsetzen interner Kontrollen beinhalten können.
- ▶ gewinnen wir ein Verständnis von dem für die Abschlussprüfung relevanten Internen Kontrollen, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit der Internen Kontrollen der Gesellschaft abzugeben.
- ▶ beurteilen wir die Angemessenheit der angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der dargestellten geschätzten Werte in der Rechnungslegung und damit zusammenhängenden Angaben.
- ▶ ziehen wir Schlussfolgerungen über die Angemessenheit des vom Verwaltungsrat angewandten Rechnungslegungsgrundsatzes der Fortführung der Geschäftstätigkeit sowie auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die erhebliche Zweifel an der Fähigkeit der Gesellschaft zur Fortführung der Geschäftstätigkeit aufwerfen können. Falls wir die Schlussfolgerung ziehen, dass eine wesentliche Unsicherheit besteht, sind wir verpflichtet, in unserem Bericht auf die dazugehörigen Angaben in der Jahresrechnung aufmerksam zu machen oder, falls diese Angaben unangemessen sind, unser Prüfungsurteil zu modifizieren. Wir ziehen unsere Schlussfolgerungen auf der Grundlage der bis zum Datum unseres Berichts erlangten Prüfungsnachweise. Zukünftige

Ereignisse oder Gegebenheiten können jedoch die Abkehr der Gesellschaft von der Fortführung der Geschäftstätigkeit zur Folge haben.

Wir kommunizieren mit dem Verwaltungsrat unter anderem über den geplanten Umfang und die geplante zeitliche Einteilung der Abschlussprüfung sowie über bedeutsame Prüfungsfeststellungen, einschliesslich etwaiger bedeutsamer Mängel in Internen Kontrollen, die wir während unserer Abschlussprüfung identifizieren.

Bericht zu sonstigen gesetzlichen und anderen rechtlichen Anforderungen

Im Rahmen unserer Prüfung gemäss Art. 728a Abs. 1 Ziff. 3 OR und PS-CH 890 haben wir festgestellt, dass ein gemäss den Vorgaben des Verwaltungsrats ausgestaltetes Internes Kontrollsystem für die Aufstellung der Jahresrechnung in allen wesentlichen Bereichen nicht schriftlich dokumentiert ist.

Nach unserer Beurteilung entspricht das Interne Kontrollsystem nicht dem schweizerischen Gesetz, weshalb wir die Existenz des Internen Kontrollsystems für die Aufstellung der Jahresrechnung nicht bestätigen können.

Ferner weisen wir darauf hin, dass die ordentliche Generalversammlung entgegen den Bestimmungen von Art. 699 Abs. 2 OR nicht innerhalb von sechs Monaten nach Abschluss des Geschäftsjahres stattgefunden hat.

Aufgrund unserer Prüfung gemäss Art. 728a Abs. 1 Ziff. 2 OR bestätigen wir, dass der Antrag des Verwaltungsrats dem schweizerischen Gesetz und den Statuten entspricht, und empfehlen, die vorliegende Jahresrechnung zu genehmigen.

Ferax Treuhand AG

 ▲

Renzo Peduzzi

Zugelassener
Revisionsexperte

Leitender Revisor

 ▲

Mujo Selimovic

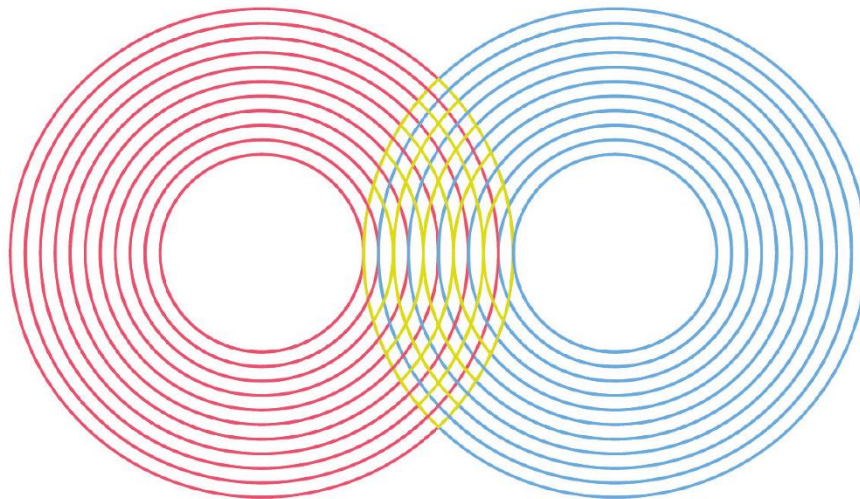
Zugelassener
Revisionsexperte

Anhang:

- ▶ Bilanz auf den 31. Dezember 2024
- ▶ Erfolgsrechnung für das Jahr 2024
- ▶ Anhang der Jahresrechnung 2024
- ▶ Antrag des Verwaltungsrats



Jahresrechnungen nach OR für das Fiskaljahr 2024



Zazoon AG
Beethovestrasse 11
8002 Zürich
Schweiz

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Bilanz

per 31. Dezember 2024
(in Schweizer Franken - CHF)

	Anhang	31. Dez 24	31. Dez 23
Aktiven			
Umlaufvermögen			
Flüssige Mittel	3.01	220'667	313'064
Forderungen aus Lieferungen und Leistungen	3.02	215'938	0
Übrige Kurzfristige Forderungen	3.03	0	1'055
Aktive Rechnungsabgrenzungen	3.04	1'967	210'488
<i>Total Umlaufvermögen</i>		<i>438'572</i>	<i>524'607</i>
Anlagevermögen			
Finanzanlagen	3.05	131'081	74'123
Beteiligungen	3.06	49'075	49'075
Sachanlagen		2'160	2'701
Immaterielle Werte	3.07	1'000	1'442'634
<i>Total Anlagevermögen</i>		<i>183'316</i>	<i>1'568'533</i>
Total Aktiven		621'888	2'093'140
Passiven			
Fremdkapital			
Kurzfristiges Fremdkapital			
Verbindlichkeiten aus Lieferungen und Leistungen	3.08	40'754	90'438
Übrige Kurzfristige Verbindlichkeiten	3.09	23'715	448
Passive Rechnungsabgrenzungen	3.10	88'357	0
<i>Total Kurzfristiges Fremdkapital</i>		<i>152'826</i>	<i>90'886</i>
Langfristiges Fremdkapital			
Langfristige Verzinsliche Verbindlichkeiten	5.01	5'367'925	3'950'889
<i>Total Langfristiges Fremdkapital</i>		<i>5'367'925</i>	<i>3'950'889</i>
Total Fremdkapital		5'520'751	4'041'775
Eigenkapital			
Grundkapital		3'000'000	2'000'000
Verlustvortrag		(3'948'635)	(2'545'782)
Jahresverlust		(3'950'228)	(1'402'853)
Total Eigenkapital		(4'898'863)	(1'948'635)
Total Passiven		621'888	2'093'140

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Erfolgsrechnung

für das Geschäftsjahr 2024
(in Schweizer Franken - CHF)

	Anhang	2024	2023
Nettoerlöse aus Lieferungen und Leistungen	3.11	147'418	670'000
<i>Bruttogewinn</i>		<i>147'418</i>	<i>670'000</i>
Entwicklungsaufwand	3.12	(338'415)	(11'129)
Management Fees	3.13	(1'302'000)	(984'698)
Übriger Betrieblicher Aufwand und Ertrag	3.14	(697'441)	(694'434)
<i>Betriebliches Ergebnis vor Zinsen, Steuern und Abschreibungen</i>		<i>(2'190'438)</i>	<i>(1'020'261)</i>
Abschreibungen und Wertberichtigungen auf Positionen des Anlagevermögens	3.15	(1'540)	(253'118)
<i>Betriebliches Ergebnis vor Zinsen und Steuern</i>		<i>(2'191'978)</i>	<i>(1'273'379)</i>
Finanzaufwand	3.16	(183'556)	(127'920)
Finanzertrag	3.16	9'116	0
<i>Betriebliches Ergebnis vor Steuern</i>		<i>(2'366'418)</i>	<i>(1'401'299)</i>
Ausserordentlicher, Einmaliger oder Periodenfremder Aufwand	5.02	(1'653'814)	0
Ausserordentlicher, Einmaliger oder Periodenfremder Ertrag	5.02	87'362	0
<i>Jahresergebnis vor Steuern</i>		<i>(3'932'870)</i>	<i>(1'401'299)</i>
Direkte Steuern		(17'358)	(1'554)
Jahresverlust		(3'950'228)	(1'402'853)

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Antrag des Verwaltungsrats über die Verwendung des Bilanzverlustes

für das Fiskaljahr 2024
(in Schweizer Franken - CHF)

	2024	2023
Jahresverlust	(3'950'228)	(1'402'853)
Vortrag aus dem Vorjahr	(3'948'635)	(2'545'782)
Reduktion/Zuweisung an Reserven	0	0
<i>Verfügbarer Bilanzverlust</i>	<i>(7'898'863)</i>	<i>(3'948'635)</i>
Ausrichtung von Dividenden aus dem Bilanzverlust	0	0
Vortrag auf neue Rechnung	(7'898'863)	(3'948'635)

Der Verwaltungsrat wird der Generalversammlung beantragen, (CHF 7'898'863.-) auf die neue Rechnung vorzutragen.

Im Vorjahr erfolgte keine Ausschüttung.

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Anhang zur Jahresrechnung per 31.12.2024

1. Rechtsgrundlagen und Organisation

1.01. Allgemeine Informationen

Die Haupttätigkeit der Zazoon AG ist die interne Entwicklung der Zazoon-Software und die damit verbundenen Dienstleistungen. Die Zazoon Software ist ein von der Zazoon AG entwickeltes Online GRC (Governance, Risk, and Compliance) und Datenschutz-Tool. Das im Jahre 1999 in Zürich (Schweiz) gegründete Unternehmen hat eine RegTech SaaS-Plattform entwickelt, die Datenschutz-, Governance-, Risikomanagement- und Compliance-Prozesse automatisiert und rationalisiert. Die sechs Hauptmodule der Plattform sind: Policy Management, Internes Kontrollsystem, Risikomanagement, Prozessmanagement, Vendor Management und Datenschutz. Die von der Zazoon AG erbrachten Dienstleistungen fallen in der Regel in eine von drei Kategorien:

- Das Anbieten der Zazoon-Software als Service (SaaS) zur externen Nutzung. Dies geschieht durch das Anbieten eines Abonnementdienstes.
- Die Zazoon AG wird eine einmalige Implementierung für jeden neuen Kunden während des Onboarding-Prozesses durchführen.
- Die Zazoon AG erbringt auch Consulting Dienstleistungen.

1.02. Rechtsform, Sitz und Stammkapital

Die Zazoon AG wurde als Aktiengesellschaft in der Schweiz gegründet und in Zürich, ZH domiziliert.

Das Grundkapital der Zazoon AG beträgt CHF 3'000'000.- und setzt sich aus 30'000'000 Inhaberaktien zu je CHF 0.10 zusammen.

Die Jahresrechnung wurde am 01. Dezember 2025 genehmigt und wird der ordentlichen Generalversammlung zur Annahme vorgelegt.

1.03. Anzahl zu den Vollzeitstellen

Die Zazoon AG weist im Jahresdurchschnitt weniger als 10 Mitarbeiter aus (Vorjahr - weniger als 10).

1.04. Angaben der Vorjahreszahlen

Die Vorjahreszahlen wurden nach aktuellem Rechnungslegungsrecht erstellt, um eine stetige Darstellung und Gliederung der Zahlen zu erreichen. Allfällige durch die Anwendung des neuen Rechnungslegungsrecht resultierende Bewertungsunterschiede wurden im laufenden Geschäftsjahr verbucht.

2. Wichtige Bilanzierungs- und Bewertungsgrundsätze

2.01. Rechnungslegungsgrundsätze

Die vorliegende Jahresrechnung der Zazoon AG wurde gemäss den Bestimmungen des Schweizer Rechnungslegungsrechtes erstellt. Die wesentlichen angewandten Bilanzierungs- und Bewertungsgrundsätze, die nicht bereits durch das Obligationenrecht vorgeschrieben sind, sind nachfolgend beschrieben (Art. 957-963 OR).

2.02. Schätzungen und Annahmen des Managements

Die Rechnungslegung in Übereinstimmung mit dem Obligationenrecht erfordert gewisse Schätzungen und Annahmen durch das Management. Diese werden laufend vorgenommen und basieren auf Erfahrungswerten und anderen Faktoren (z.B. auf Erwartungen künftiger Ereignisse, die unter den gegebenen Umständen angemessen erscheinen). Die später tatsächlich eintreffenden Ergebnisse können von diesen Schätzungen abweichen. Wesentliche Positionen in der Jahresrechnung, die auf Schätzungen und Annahmen des Managements basieren, sind die folgenden:

- Beteiligungen
- Immaterielle Werte
- Aktive Rechnungsabgrenzungen



Anhang zur Jahresrechnung per 31.12.2024

2.03. Fremdwährungspositionen

Die funktionale Währung der Zazoon AG ist Schweizer Franken (CHF). Transaktionen in fremden Währungen werden zum jeweiligen Tageskurs der Transaktion in die funktionale Währung CHF umgerechnet:

Stichtagskurs:

CHF in EUR: 0.94947

Jahresmittelkurs:

CHF in EUR: 0.95238

2.04. Nahestehende Parteien

Die Transaktionen von Zazoon AG mit nahestehenden Parteien umfassen die Aktionäre, Tochtergesellschaften sowie verbundene Gesellschaften innerhalb derselben Konzernstruktur. Nachstehend finden sich die Details zu den Transaktionen sowie eine Beurteilung, ob diese zu marktüblichen Bedingungen („at arm's length“) erfolgt sind oder nicht.

Muttergesellschaft: 2020 Management AG (beteiligt mit über 50 % an der Zazoon AG)

Obergesellschaft: 2020 Holding AG (100%ige Eigentümerin der 2020 Management AG)

Tochtergesellschaft: Zazoon Germany AG (100%ige Tochtergesellschaft der Zazoon AG)

Assoziierte Gesellschaften (Affiliates): Gesellschaften, an denen die 2020 Management AG mindestens 50 % hält und die somit Teil derselben Konzernstruktur sind, sowie Gesellschaften, die demselben wirtschaftlich Berechtigten und/oder denselben Verwaltungsratsmitgliedern zuzurechnen sind.

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Anhang zur Jahresrechnung per 31.12.2024

2.04. Nahestehende Parteien (Forts.)

2.04.01. Transaktionen mit der Muttergesellschaft

Zazoon AG hatte folgende Transaktionen mit der Muttergesellschaft:

Transaktionen mit Muttergesellschaft	Marktüblich?	2024	2023	Kommentar
Langfristige Darlehensverbindlichkeit – 2020 Management AG	Nein	4'179'444	2'779'972	A
Langfristige Darlehensverbindlichkeit – Weitere Aktionäre	Nein	1'179'091	954'999	A
Zinsaufwand – 2020 Management AG	Nein	51'508	37'924	A
Zinsaufwand – Weitere Aktionäre	Nein	17'425	24'499	A
Interim-Management-Dienstleistungen (Aufwand)	Ja	1'302'000	970'800	B
Entwicklungsdienstleistungen (Aufwand)	Ja	55'200	145'200	B
Lizenz-, Consulting-, und Onboarding-Erlöse	Ja / Nein	12'900	195'000	C
Miete von Büroräumlichkeiten	Nein	0	0	D

A – Langfristige Darlehensverbindlichkeiten / Zinsaufwand

Die Finanzierung der Zazoon AG erfolgt über langfristige Darlehen in Form einer revolving Kreditlinie sowohl der Muttergesellschaft als auch weiterer Aktionäre. Diese revolving Kreditlinien weisen einen Zinssatz von 1.50 % p.a. auf und sind teilweise nachrangig.

B – Interim-Management- und Entwicklungsdienstleistungen

Die Zazoon AG bezieht Interim-Management-Dienstleistungen von ihrer Muttergesellschaft. Diese Dienstleistungen umfassen sämtliche wesentlichen Funktionen der Zazoon AG, einschliesslich der finanziellen, operativen, rechtlichen und technischen Bereiche (einschliesslich der Entwicklung der selbst entwickelten Software). Die Verrechnung erfolgt auf Basis von Tagesrapporten, welche die tatsächlich erbrachte Arbeitsleistung sowie die beteiligten Mitarbeitenden widerspiegeln.

Der angewendete Tagessatz von CHF 1'200 wurde auf Grundlage der individuellen Jahresvergütungen der Mitarbeitenden, die diese Dienstleistungen erbringen, sowie deren effektivem Einsatz für die Zazoon AG ermittelt. Die Berechnung folgt einer internen Kostenallokationsmethode, welche die tatsächliche Kostenstruktur der Mitarbeitenden der Muttergesellschaft abbildet. Während die sogenannte „1%-Regel“ als unterstützendes Verfahren angewendet wurde, wurden die daraus resultierenden Tagessätze zusätzlich mit externen Marktdaten abgeglichen, welche bestätigten, dass sich die angewendeten Sätze in einem vergleichbaren Rahmen bewegen.

Es ist darauf hinzuweisen, dass Faktoren, welche die Tagessätze potenziell beeinflussen könnten – wie Einsatzdauer oder individuelle Zielvereinbarungen – in dieser Berechnung nicht berücksichtigt wurden.

Die Fremdüblichkeit dieser konzerninternen Verrechnung wird laufend dokumentiert und überwacht; allfällige notwendige Anpassungen werden zeitnah vorgenommen, um die fortlaufende Einhaltung sicherzustellen.

Die Interim-Management-Dienstleistungen werden zusammen mit der darauf entfallenden Mehrwertsteuer vollständig von den Verbindlichkeiten aus Lieferungen und Leistungen in die oben erwähnte revolving Kreditlinie überführt.

C – Lizenz-, Consulting-, und Onboarding-Erlöse

Die Zazoon AG hat mit der Muttergesellschaft einen Lizenzvertrag abgeschlossen, der zu Beginn am 01.01.2023 eine Onboarding-Gebühr vorsah. Die Software wird jeweils zu Jahresbeginn auf Basis eines Jahresvertrages lizenziert. Im Jahr 2023, hat Zazoon AG auch diverse Consulting Dienstleistungen erbracht. Im Jahr 2024, entsprachen die marktüblichen Ansätzen. Im Jahr 2023 hatte Zazoon AG noch keine Drittumsätze und einen Preis geschätzt, den sie als marktkonform einschätzte. In späteren Perioden wurde es klar, dass der angesetzte Preis zu hoch war und wurde im 2024 angepasst.

D - Miete von Büroräumlichkeiten

Die Zazoon AG ist Mieterin der Büroräumlichkeiten, welche teilweise auch von Mitarbeitenden der Muttergesellschaft mitbenutzt werden. Die Muttergesellschaft leistet für diese Mitbenutzung keine Entschädigung.

Da der primäre Zweck der Nutzung mit der Geschäftstätigkeit der Zazoon AG zusammenhängt, wird dieser Umstand als nicht wesentlich eingestuft und ausschliesslich zu Dokumentationszwecken im Rahmen dieser Anhangangaben offengelegt.

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Anhang zur Jahresrechnung per 31.12.2024

2.04. Nahestehende Parteien (Forts.)

2.04.02. Transaktionen mit Tochtergesellschaft

Zazoon AG hatte folgende Transaktionen mit der Tochtergesellschaft:

Transaktionen mit Tochtergesellschaft	Marktüblich?	2024	2023	Kommentar
Langfristige Darlehensforderung – Revolvierende Kreditlinie	Nein	104'011	54'121	A
Zinsertrag	Nein	4'163	141	A
Sonstige Dienstleistungen (Aufwand)	Ja	137'384	-	B
Umsätze aus Verkäufen an Dritte	Ja	10'978	-	C

A – Langfristige Darlehensforderung / Zinsertrag

Die Finanzierung der Tochtergesellschaft erfolgt über eine revolvierende Kreditlinie (Zinssatz 1.50 % p.a.). Da die Konditionen nicht marktüblich sind, wird dies im Anhang zu Informationszwecken ausgewiesen.

B – Sonstige Dienstleistungen

Die Tochtergesellschaft erbringt Dienstleistungen insbesondere in den Bereichen Vertrieb und Produktentwicklung. Die Verrechnung erfolgt anhand international gebräuchlicher OECD-Verrechnungspreissätze.

C – Umsätze aus Verkäufen an Dritte

Die Tochtergesellschaft vertreibt die Software der Zazoon AG. 75 % der Umsätze werden an die Zazoon AG abgeführt, 25 % verbleiben als Provision. Dies entspricht marktüblichen Partnervereinbarungen.

2.04.03. Transaktionen mit Assoziierten Gesellschaften

Zazoon AG hatte folgende Transaktionen mit der assoziierten Gesellschaften:

Transaktionen mit Assoziierten Gesellschaften	Marktüblich?	2024	2023	Kommentar
Forderungen gegenüber Affiliates (kurz- und langfristig)	Ja	154'268	-	A
Zinsertrag	Ja	4'885	-	A
Langfristige Darlehensverbindlichkeit Affiliate	Nein	9'389	9'251	B
Lizenz-, Consulting-, und Onboarding-Erlöse	Ja / Nein	54'500	475'000	C
Consulting Dienstleistungen (Aufwand)	Ja / Nein	-	475'000	C

A – Forderungen gegenüber Affiliates / Zinsertrag

Die Forderungen betreffen Lizenz- und Onboarding-Dienstleistungen gegenüber verbundenen Unternehmen. Sie tragen einen explizit ausgewiesenen Zinssatz von 5.40 % p.a. und werden als marktüblich beurteilt.

B – Langfristige Darlehensverbindlichkeit

Die Gesellschaft hat ein unverzinsliches langfristiges Darlehen von einer verbundenen Partei erhalten. Aufgrund der geringen Höhe wird dieses lediglich als langfristige Verbindlichkeit ausgewiesen.

C – Lizenz-, Consulting-, und Onboarding-Erlöse / Consulting Dienstleistungen (Aufwand)

Die Zazoon AG hat mit assoziierten Gesellschaften einen Lizenzvertrag abgeschlossen, der zu Beginn am 01.01.2023 eine Onboarding-Gebühr vorsah. Die Software wird jeweils zu Jahresbeginn auf Basis eines Jahresvertrages lizenziert. Im Jahr 2023, hat Zazoon AG auch diverse Consulting Dienstleistungen erbracht. Im Jahr 2024, entsprachen die marktüblichen Ansätzen. Im Jahr 2023 hatte Zazoon AG noch keine Drittumsätze und einen Preis geschätzt, den sie als marktkonform einschätzte. In späteren Perioden wurde es klar, dass der angesetzte Preis zu hoch war und wurde im 2024 angepasst. Im Jahr 2023, wurden diese im Umfang eines Tauschvertrages abgeschlossen, der vorgesehen hat Dienstleistungen im gleichen Umfang zu beziehen wie erbracht worden sind. Dieser wurde in den Folgejahren nicht mehr durchgeführt.

2.05. Flüssige Mittel

Die Position Flüssige Mittel beinhaltet Bankguthaben. Sie werden zu Nominalwerten bilanziert.

2.06. Sachanlagen

Sachanlagen werden jährlich zu 20% abgeschrieben.

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Anhang zur Jahresrechnung per 31.12.2024

2.07. Immaterielle Werte

Website:

Die Position Website beinhaltet die Kosten der Fremdarbeiten für die Erschaffung der Webseite. Diese wird über 3 Jahre amortisiert und ist als unwesentlich betrachtet.

2.08. Leasinggeschäfte

Leasing- und Mietverträge werden nach Massgabe des rechtlichen Eigentums bilanziert. Entsprechend werden die Aufwendungen als Leasingnehmerin bzw. als Mieterin periodengerecht im Aufwand erfasst. Per 31.12.2024 wurden die Massgaben für ein kaufvertragsähnliches Leasinggeschäft nicht erreicht und daher wurde das Leasinggeschäft direkt über Aufwandspositionen abgewickelt und nicht bilanziert.

3. Angaben zu Bilanz- und Erfolgsrechnungspositionen

3.01. Flüssige Mittel

	2024	2023
- CHF	28'078	273'901
- EUR	192'588	39'163
Total	220'667	313'064

3.02. Forderungen aus Lieferungen und Leistungen

	2024	2023
- FLL (Dritte)	61'670	0
- FLL Assoziierten Gesellschaften (5.40% p.a.)	154'268	0
- Wertberichtigungen	0	0
Total	215'938	0

Die Zazoon AG hat per 31.12.2024 keine überfälligen Forderungen aus Lieferungen und Leistungen und verfügt bislang über keine Erfahrungen mit Kreditausfällen.

Die Rechnungsstellung erfolgt jeweils im Voraus vor der Erbringung der vertraglich vereinbarten Leistungen. Der per Bilanzstichtag ausgewiesene Nettobetrag betrifft ausschliesslich Leistungen, die bereits erbracht und in Rechnung gestellt, jedoch noch nicht bezahlt worden sind. Beträge, die zwar fakturiert, aber deren Leistungen noch nicht erbracht wurden, sind nicht in dieser Position enthalten.

Im ersten Jahr eines Vertragsverhältnisses werden für neue Kunden Onboarding-Dienstleistungen erbracht. In den Folgejahren betreffen die fakturierten Beträge im Wesentlichen ausschliesslich die Lizenzgebühren. Das Onboarding ist sowohl für die Kunden als auch für die Zazoon AG zeitintensiv. Die Geschäftsleitung erachtet es daher als äusserst unwahrscheinlich, dass sich ein Kunde auf diesen Prozess einlässt, wenn er nicht in der Lage ist, die geschuldeten Beträge (einschliesslich Lizenzgebühren) zu bezahlen. Zudem wird der Zugang zur Software nicht freigeschaltet, solange die Rechnung nicht fristgerecht beglichen ist, womit der Aufwand des Kunden ansonsten hinfällig wäre.

Darüber hinaus gilt, dass Rechnungen vor der Erbringung der Lizenzdienstleistungen fällig werden. Beahlt ein Kunde nicht fristgerecht, wird der Zugang zur Software gesperrt, bis eine Einigung erzielt oder die Zahlung geleistet wurde. Ein allfälliger „Verlust“ in einem solchen Szenario betrifft daher nicht den gesamten Rechnungsbetrag, sondern lediglich einen unerheblichen Teilbetrag.

Gestützt auf diese Faktoren und die bisherigen Erfahrungen wurden per 31.12.2024 keine Wertberichtigungen auf Forderungen aus Lieferungen und Leistungen vorgenommen.

Die Einschätzung wird in künftigen Perioden anhand der weiteren Unternehmensentwicklung sowie der jeweiligen Umstände überprüft und, falls notwendig, angepasst.

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Anhang zur Jahresrechnung per 31.12.2024

3.03. Übrige Kurzfristige Forderungen

	2024	2023
- Andere Kurzfristige Forderungen	0	1'055
Total	0	1'055

3.04. Aktive Rechnungsabgrenzungen

	2024	2023
- Vorausbezahlte Aufwendungen	1'967	0
- Erwartete Rückerstattung für die MWST der Management Fees	0	210'488
Total	1'967	210'488

3.05. Finanzanlagen

	2024	2023
- Darlehen an Tochtergesellschaft	104'011	54'121
- Darlehen an Assoziierte Gesellschaften	7'000	0
- Mieterkaufkonto	20'071	20'002
Total	131'081	74'123

3.06. Beteiligungen

Beteiligung	Sitz	Grundkapital	Kapitalanteil in %		Stimmanteil in %	
			2024	2023	2024	2023
Zazoon Germany AG	Berlin, DE	50'000.00 EUR	100%	100%	100%	100%

3.07. Immaterielle Werte

	2024	2023
- Software	0	1'440'634
- Website	1'000	2'000
Total	1'000	1'442'634

3.08. Verbindlichkeiten aus Lieferungen und Leistungen

	2024	2023
- Verbindlichkeiten ggü Dritten	40'754	90'438
Total	40'754	90'438

3.09. Übrige Kurzfristige Verbindlichkeiten

	2024	2023
- Banküberzug	0	448
- MWST Schuld	13'715	0
- Geschuldete Emissionsabgabe	10'000	0
Total	23'715	448

3.10. Passive Rechnungsabgrenzungen

	2024	2023
- Noch Nicht bezahlter Aufwand	70'999	0
- Steuerschuld	7'358	0
- Erhaltener Ertrag des Folgejahres	10'000	0
Total	88'357	0

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Anhang zur Jahresrechnung per 31.12.2024

3.11. Nettoerlöse aus Lieferungen und Leistungen

Die Nettoeinnahmen im Jahr 2023 stammten aus Vereinbarungen mit verbundenen Unternehmen sowie Dienstleistungsvereinbarungen mit der Muttergesellschaft. Diese Umsätze sind in SaaS-Umsätze und Onboarding-Gebühren unterteilt. Die SaaS-Umsätze werden linear über die gesamte Vertragslaufzeit, in der Regel ein Jahr, erfasst. Onboarding Fees werden zu dem Zeitpunkt verbucht, an dem der Kunde die Software vollständig in Betrieb genommen hat und bereit ist, sie zu nutzen, in der Regel innerhalb weniger Tage. Consulting Dienstleistungen werden am Zeitpunkt des Dienstes als Umsatz gebucht.

Umsatz pro Typ	% - 2024	% - 2023	2024	2023
SaaS Lizenzen	65%	39%	95'778	260'000
Consulting	0%	46%	-	310'000
Onboarding	35%	15%	51'640	100'000
Total			147'418	670'000

Umsatz pro Land	% - 2024	% - 2023	2024	2023
Schweiz	78%	100%	115'023	670'000
Österreich	15%	0%	21'417	-
Deutschland	7%	0%	10'978	-
Total			147'418	670'000

Umsatz pro Art der Gesellschaft	% - 2024	% - 2023	2024	2023
Aktionärin	9%	29%	12'900	195'000
Assoziierte Gesellschaft	44%	71%	65'478	475'000
Dritte	47%	0%	69'040	-
Total			147'418	670'000

3.12. Entwicklungsaufwand

	2024	2023
- Von Dritte	283'215	11'129
- Von Muttergesellschaft	55'200	0
Total	338'415	11'129

3.13. Management Fees

	2024	2023
- Von Muttergesellschaft	1'302'000	984'698
Total	1'302'000	984'698

Die Zazoon AG hat von ihrer Muttergesellschaft (ihre Mehrheitsaktionärin) Dienstleistungen bezogen. Diese Dienstleistungen umfassen Tätigkeiten in den Bereichen Finanzen, Administration, Betrieb sowie allgemeine Geschäftsführung. Die dafür geschuldeten Beträge sind als Darlehensverbindlichkeit verbucht, entsprechend der erhaltenen Rechnung und der zwischen den beiden Parteien bestehenden Vereinbarung.

3.14. Übriger Betrieblicher Aufwand und Ertrag

	2024	2023
- Buchhaltung und Beratung (Aufwand)	132'131	544'358
- Management Dienstleistungen (Aufwand)	137'384	0
- Mietzins (Aufwand)	74'028	76'269
- Revisionsstelle (Aufwand)	88'816	25'622
- Untermiete (Ertrag)	(38'120)	(41'373)
- Werbung (Aufwand)	223'597	11'181
- Andere Aufwände und Erträge	79'605	78'377
Total	697'441	694'434

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Anhang zur Jahresrechnung per 31.12.2024

3.15. Abschreibungen und Wertberichtigungen auf Positionen des Anlagevermögens

	2024	2023
- Sachanlagen	540	1'800
- Intern Entwickelte Software	0	250'318
- Webseite	1'000	1'000
Total	1'540	253'118

3.16. Finanzaufwand und -ertrag

Finanzaufwand	2024	2023
- Digitalisierung Aktien	96'613	41'758
- Zinsen	69'072	82'312
- Div. Finanzaufwand	17'871	3'850
Total	183'556	127'920

Finanzertrag	2024	2023
- Zinsertrag Dritte	68	0
- Zinsertrag Tochtergesellschaft	4'163	0
- Zinsertrag Assoziierte Gesellschaften	4'885	0
Total	9'116	0

4.

Weitere Angaben, die nicht bereits aus der Bilanz oder der Erfolgsrechnung ersichtlich sind

4.01. Restbetrag der Leasingverbindlichkeiten

	2024	2023
< 1 Jahr	78'150	74'290
1 - 5 Jahre	273'525	312'600
> 5 Jahre	0	39'075
Total	351'675	425'965

4.02. Treuhänderisch Gehaltene Aktien

Die Zazoon AG hat mit dem Hauptaktionär einen Treuhandvertrag abgeschlossen, wonach die Zazoon AG die Aktien des Hauptaktionärs in dessen Namen in ihrem Depot hält. Diese Aktien gehören weiterhin dem Hauptaktionär und stellen keine eigenen Aktien dar. Diese Aktien dürfen ohne ausdrückliche Zustimmung des Hauptaktionärs nicht verkauft, übertragen oder anderweitig verwendet werden.

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Anhang zur Jahresrechnung per 31.12.2024

4.03. Fortführung

Die Zazoon AG wird hauptsächlich durch die Kapitaleinlagen ihrer Mehrheitsaktionäre in Form von Eigenkapital und Fremdkapital finanziert. Darüber hinaus hat die Zazoon AG erhebliche Mittel sowie Managementdienstleistungen von ihrer Gesellschaftsaktionärin erhalten. Ein wesentlicher Teil der langfristigen Verbindlichkeiten der Zazoon AG ist nachrangig. Bis Ende 2024 hat die Zazoon AG zentrale Module und Komponenten ihrer Software fertiggestellt und war in der Lage, Umsätze (in Form von Geldzuflüssen) zu generieren. Da jedoch ein erheblicher Teil der Verträge erst im Jahr 2024 abgeschlossen wurde, deren Beginn jedoch auf 2025 datiert ist, wurden diese Umsätze in das folgende Geschäftsjahr abgegrenzt. Zudem hat die Zazoon AG über den Managementvertrag mit ihrer Hauptaktionärin wesentliche Marketing- und vertriebsbezogene Dienstleistungen erhalten, die ihre Marktpräsenz erheblich gesteigert und ihr Zugang zu neuen Partnernetzwerken sowie potenziellen namhaften Kunden verschafft haben. Aus diesen Gründen ist die Geschäftsleitung der Zazoon AG überzeugt, dass die Gesellschaft unter der Annahme der Fortführung der Unternehmenstätigkeit („Going Concern“) operiert und in der Lage sein wird, ihre Verbindlichkeiten im kommenden Geschäftsjahr zu erfüllen.

Allerdings besteht aufgrund der Tatsache, dass die erwarteten zukünftigen Mittelzuflüsse seitens der Mehrheitsaktionärin und der nahestehenden Parteien nicht garantiert sind und dass die erwarteten Zahlungsflüsse aus Umsatztransaktionen zum Zeitpunkt der Veröffentlichung des Jahresabschlusses nicht vollständig vorhersehbar sind, eine wesentliche Unsicherheit, die erhebliche Zweifel an der Fähigkeit der Zazoon AG zur Fortführung der Unternehmenstätigkeit aufwerfen kann und dazu führen könnte, dass die Gesellschaft ihre Vermögenswerte nicht realisieren und ihre Verbindlichkeiten nicht im normalen Geschäftsverlauf begleichen kann.

Die Höhe der Überschuldung der Zazoon AG beträgt CHF 4'898'863.- und 1'948'635.-, und die Rangrücktritte CHF 5'060'000.- und CHF 2'860'786.-, jeweils per 31.12.2024 und 31.12.2023.

Zur Minderung dieses Risikos hat sich die Gesellschaftsaktionärin verpflichtet, den grössten Teil ihrer Darlehen (rund CHF 4'000'000.-) im Jahr 2025 in Eigenkapital umzuwandeln. Am 27. Mai 2025 beschlossen die Mehrheitsaktionäre, die bestehenden Darlehen mit neu geschaffenen Aktien zu verrechnen. Zum Zeitpunkt der Veröffentlichung dieses Jahresabschlusses beurteilt die Geschäftsleitung daher, dass die genannte Massnahme, auch wenn sie die Unsicherheit nicht vollständig beseitigt, diese in wesentlichem Umfang adressiert und die Unsicherheit deutlich reduziert hat. Die verbleibende Unsicherheit besteht einzig darin, dass die prognostizierten operativen Cashflows weiterhin negativ ausfallen dürften und deshalb eine fortlaufende Finanzierung erforderlich ist, um die Geschäftstätigkeit weiterzuführen.

Aufgrund der geplanten und durchgeführten Massnahmen, wird die Jahresrechnung auf Basis von Fortführungswerten erstellt.

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Anhang zur Jahresrechnung per 31.12.2024

5. Zusätzliche Angaben im Anhang

5.01. Langfristige verzinsliche Verbindlichkeiten

	2024	2023
- Darlehen von Dritten	0	206'667
- Darlehen von Aktionären	5'358'535	3'734'971
- Darlehen von Nahestehenden Unternehmen	9'390	9'251
Total	5'367'925	3'950'889

Die Darlehen von Aktionären sind im Umfang von CHF 5'060'000.- und CHF 2'860'785.-, jeweils per 31.12.2024 und 31.12.2023, mit einem Rangrücktritt versehen.

5.02. Ausserordentlicher, Einmaliger oder Periodenfremder Aufwand und Ertrag

Bitte finden Sie die folgenden Informationen zum Ausserordentlicher, Einmaliger oder Periodenfremder Aufwand und Ertrag.

	Aufwand	Ertrag	Kommentar
- MWST Revision	-3'197	2'730	A
- Abgrenzung Verbindlichkeiten	-20'935	-	B
- Umsatz / Aufwand mit Verbundenen Gesellschaften	-189'048	84'000	C
- Intern Entwickelte Software	-1'440'634	-	D
- Andere Aufwände / Erträge	-	632	
Total	-1'653'814	87'362	

A - MWST Revision

Im Jahr 2025 war die Zazoon A einer MWST Revision unterstellt von den Jahren 2020 bis 2024. Im Umfang dieser Revision wurden gewisse Korrekturen vorgenommen, welche zu den obengenannten Buchungen führten.

B - Abgrenzung Verbindlichkeiten

Die Zazoon AG hat im Jahr 2023 gewisse Verbindlichkeiten nicht korrekt abgegrenzt. Diese führten zu den obengenannten Buchungen.

C - Umsatz / Aufwand mit Verbundenen Gesellschaften

In der Revision für die Jahresrechnungen der Zazoon AG für das Jahr 2024 hat die Geschäftsleitung festgestellt, dass die Erträge und Dienstleistungen mit verbundenen Gesellschaften (inklusive dem Aktionär) vom Jahre 2023, vor allem welche im Umfang eines Tauschvertrags waren, nicht genügend dokumentiert waren, und somit rückgebucht worden sind. Zusätzlich waren die Beträge die verrechnet wurden höher als welche die an Dritte verrechnet wurden. Somit ist in dieser Korrektur enthalten: Anpassung des Umsatzes und der Aufwände verbunden mit dem Tauschvertrag, herabsetzung des Umsatzes, damit dieser einem Drittvergleich standhält, Anpassung der Zinsen MWST.

C - Intern Entwickelte Software

Die Zazoon AG hat die intern entwickelte Software im Geschäftsjahr 2024 vollständig abgeschrieben. Dies erfolgte im Zusammenhang mit der Revision der Jahresrechnung 2024, bei welcher festgestellt wurde, dass die Dokumentation der Entwicklungsarbeiten nicht in ausreichendem Masse vorlag, um den bestehenden Prüfungsstandards zu entsprechen.

Es ist wichtig festzuhalten, dass diese Abschreibung nicht aufgrund einer Wertberichtigung vorgenommen wurde und die Software weiterhin als werthaltig betrachtet wird. Es handelt sich hierbei ausschliesslich um eine buchhalterische Anpassung.

5.03. Wesentliche Ereignisse nach dem Bilanzstichtag

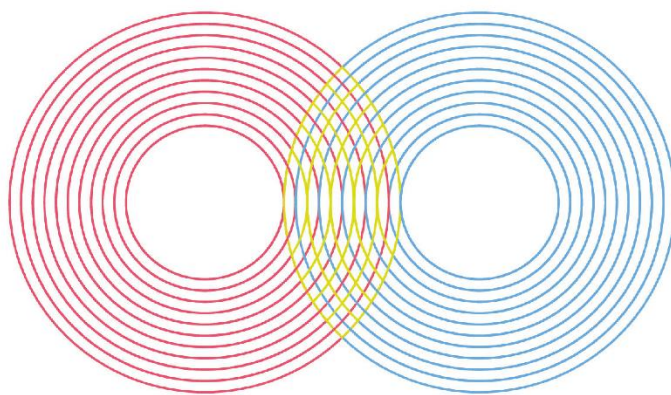
Am 27.05.2025 hat die 2020 Management AG (Hauptaktionärin der Zazoon AG) Forderungen in Höhe von CHF 3'999'975 in 380'095 neue Aktien zu einem Preis von CHF 10.50 pro Aktie umgewandelt. Diese Kapitalerhöhung erfolgte als erster Schritt zur Behebung der negativen Eigenkapitalsituation sowie der Überschuldung im Sinne des Schweizer Obligationenrechts.

Auf statutarischer Ebene wurde die Umwandlung durch eine Zuweisung des Agios (Kapitalreserven) an den Verlustvortrag vorgenommen, was für steuerliche Zwecke massgebend ist.

**APPENDIX VII - UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS IN
ACCORDANCE WITH THE SWISS CODE OF OBLIGATIONS FOR THE FINANCIAL PERIOD
ENDED 30 JUNE 2025**

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Jahresrechnungen nach OR für die Periode Ebdebd
30.06.2025



Zazoon AG
Beethovestrasse 11
8002 Zürich
Schweiz

zazoon

Bilanz

per 30. Juni 2025
(in Schweizer Franken - CHF)

	30. Jun 25	31. Dez 24
Aktiven		
Umlaufvermögen		
Flüssige Mittel	637'594	220'667
Forderungen aus Lieferungen und Leistungen	213'023	215'938
Übrige Kurzfristige Forderungen	12'451	0
Aktive Rechnungsabgrenzungen	0	1'967
<i>Total Umlaufvermögen</i>	<i>863'068</i>	<i>438'572</i>
Anlagevermögen		
Finanzanlagen	350'761	131'081
Beteiligungen	49'075	49'075
Sachanlagen	2'161	2'160
Immaterielle Werte	1'000	1'000
<i>Total Anlagevermögen</i>	<i>402'997</i>	<i>183'316</i>
Total Aktiven	1'266'065	621'888
Passiven		
Fremdkapital		
Kurzfristiges Fremdkapital		
Verbindlichkeiten aus Lieferungen und Leistungen	81'627	40'754
Übrige Kurzfristige Verbindlichkeiten	74'469	23'715
Passive Rechnungsabgrenzungen	7'358	88'357
<i>Total Kurzfristiges Fremdkapital</i>	<i>163'454</i>	<i>152'826</i>
Langfristiges Fremdkapital		
Langfristige Verzinsliche Verbindlichkeiten	2'989'553	5'367'925
<i>Total Langfristiges Fremdkapital</i>	<i>2'989'553</i>	<i>5'367'925</i>
Total Fremdkapital	3'153'007	5'520'751
Eigenkapital		
Grundkapital	3'038'095	3'000'000
Verlustvortrag	(3'936'984)	(3'948'635)
Jahresverlust	(988'053)	(3'950'228)
Total Eigenkapital	(1'886'942)	(4'898'863)
Total Passiven	1'266'065	621'888

zazoon

Erfolgsrechnung

für Periode endend 30 Juni 2025
(in Schweizer Franken - CHF)

	30.06.2025	2024
Nettoerlöse aus Lieferungen und Leistungen	172'807	147'418
<i>Bruttogewinn</i>	<i>172'807</i>	<i>147'418</i>
Entwicklungsaufwand	(132'805)	(338'415)
Management Fees	(651'000)	(1'302'000)
Übriger Betrieblicher Aufwand und Ertrag	(293'877)	(697'441)
<i>Betriebliches Ergebnis vor Zinsen, Steuern und Abschreibungen</i>	<i>(904'875)</i>	<i>(2'190'438)</i>
Abschreibungen und Wertberichtigungen auf Positionen des Anlagevermögens	0	(1'540)
<i>Betriebliches Ergebnis vor Zinsen und Steuern</i>	<i>(904'875)</i>	<i>(2'191'978)</i>
Finanzaufwand	(87'736)	(183'556)
Finanzertrag	4'558	9'116
<i>Betriebliches Ergebnis vor Steuern</i>	<i>(988'053)</i>	<i>(2'366'418)</i>
Ausserordentlicher, Einmaliger oder Periodenfremder Aufwand	0	(1'653'814)
Ausserordentlicher, Einmaliger oder Periodenfremder Ertrag	0	87'362
<i>Jahresergebnis vor Steuern</i>	<i>(988'053)</i>	<i>(3'932'870)</i>
Direkte Steuern	0	(17'358)
Jahresverlust	(988'053)	(3'950'228)

APPENDIX VIII – NOTARIZED ARTICLES OF ASSOCIATION DATED 27 MAY 2025

Öffentliche Urkunde

über die
Beschlüsse der Generalversammlung
- ordentliche Kapitalerhöhung -
der

Zazoon AG

(UID: CHE-101.131.450)

mit Sitz in Zürich

Die unterzeichnende Urkundsperson des Notariates Küsnacht hat an der am 27.05.2025, ab 10:30 Uhr, im Amtszimmer des Notariates Küsnacht stattgefundenen ausserordentlichen Generalversammlung der oben erwähnten Gesellschaft teilgenommen. Über deren Beschlüsse zu Traktanden Ziff. 1 und 2 errichtet die unterzeichnende Urkundsperson nach den Bestimmungen des Schweizerischen Obligationenrechtes (OR) diese öffentliche Urkunde.

I.


Herr Walter Jucker, geb. 17.06.1958, Bürgerort: Rüti ZH, Lerchenhalde 7, 8703 Erlenbach ZH, Präsident des Verwaltungsrats, eröffnet die Versammlung und übernimmt den Vorsitz. Herr Bayán Chandler Furutan, geb. 12.08.1994, Bürgerort: Zürich ZH, Bahnhofstrasse 37, 8703 Erlenbach ZH, amtiert als Protokollführer. Die Auszählung der ausschliesslich auf elektronischem Weg abgegebenen Stimmen wurde durch die Firma Konsento AG, Zürich, vorgenommen.

Der Vorsitzende stellt fest:

- Einladung:

Zur heutigen Generalversammlung ist gemäss den statutarischen und gesetzlichen Bestimmungen eingeladen worden durch Publikation im SHAB vom 29.04.2025 und Brief/E-Mail an die im Aktienbuch eingetragenen Aktionäre und Nutzniesser vom 28.04.2025 sowie mit Verdeutlichung zur Ein-

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ladung durch Publikation im SHAB vom 01.05.2025 und Brief vom 29.04.2025.

Zudem sind auch die Mitglieder des Verwaltungsrates und der Geschäftsleitung zur heutigen Generalversammlung eingeladen worden.

Der Verwaltungsrat hat entschieden, dass die Aktionärinnen und Aktionäre, die nicht am Ort der Generalversammlung anwesend sind, ihre Rechte auf elektronischem Weg oder durch den unabhängigen Stimmrechtsvertreter ausüben können.

Der Verwaltungsrat bestätigt im Sinne von Art. 701e OR, dass er sicher gestellt hat, dass sämtliche Aktionäre, die Mitglieder des Verwaltungsrates sowie die Mitglieder der Geschäftsleitung, welche nicht anwesend sind, auf elektronischem Weg an dieser Generalversammlung teilnehmen können.

Als unabhängiger Stimmrechtsvertreter ist Herr Rechtsanwalt MLaw utr. iur. Stefan Kölbener, % Lischer Zemp & Partner, 6006 Luzern, anwesend.

- Präsenz:

Vom gesamten Aktienkapital von CHF 3'000'000.00, eingeteilt in 30'000'000 Namenaktien zu CHF 0.10, sind heute vertreten durch:

a) Organstimmrechtsvertreter im Sinne von Art. 689d OR:

0 Aktien.

b) unabhängige Stimmrechtsvertreter im Sinne von Art. 689c OR:

5'000 Aktien

c) Depotvertreter im Sinne von Art. 689e OR:

0 Aktien.

d) Aktionäre:

24'381'675 Aktien.

Insgesamt sind also total 24'386'675 Aktienstimmen und Aktiennennwerte im Gesamtbetrag von CHF 2'438'667.50 vertreten.

Das für das vorliegende Traktandum notwendige Quorum gemäss Art. 704 Abs.1 Ziff. 3 OR beträgt mindestens 16'257'784 Aktienstimmen und Aktiennennwerte im Gesamtbetrag von CHF 1'219'333.80.

- Beschlussfähigkeit:

Die heutige Generalversammlung ist somit ordnungsgemäss konstituiert und für die vorgesehenen Traktanden beschlussfähig.

Gegen diese Feststellungen des Vorsitzenden wird kein Widerspruch erhoben.



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II.

Zu Traktandum 1:

SANIERUNGSMASSNAHMEN HINSICHTLICH BÖRSENGANG

Antrag des Verwaltungsrates:

Ordentliche Kapitalerhöhung mittels Verrechnung von Darlehen in Höhe von CHF 3'999'975.-

BEZUGSRECHT

Die Aktionäre können ihr Bezugsrecht geltend machen, um ihre Beteiligung nicht zu verwässern. Der entsprechende Ausgabebetrag pro Aktie beträgt CHF 10.50.

unterbreitet der Vorsitzende folgendes:

Ordentliche Erhöhung des Aktienkapitals um CHF 38'095.00 auf CHF 3'038'095.00

und legt folgendes fest:

1. a) den Nennbetrag, um den das Aktienkapital erhöht werden soll: CHF 38'095.00
b) Betrag der darauf zu leistenden Einlagen: CHF 38'095.00
2. a) Anzahl oder gegebenenfalls die maximale Anzahl, Nennwert und Art der neu auszugebenden Aktien: 380'950 Namenaktien zu CHF 0.10
b) Vorrechte einzelner Kategorien: Keine
3. a) Ausgabebetrag: CHF 10.50 je Aktie
b) Beginn der Dividendenberechtigung: Die neu auszugebenden Aktien sind ab dem Geschäftsjahr 2025 dividendenberechtigt
4. Art der Einlagen:
Durch Verrechnung mit verrechenbaren Forderungen gegenüber der Gesellschaft: Verrechnung im Betrage von CHF 3'999'975.00, wofür dem Gläubiger 2020 Management AG 380'950 Aktien zu je CHF 0.10 zukommen.
5. Zuweisung nicht ausgeübter oder entzogener Bezugsrechte und Einschränkung oder Aufhebung des Bezugsrechtes: Das Bezugsrecht wird weder eingeschränkt noch aufgehoben. Über die Verwendung nicht ausgeübter Bezugsrechte entscheidet der Verwaltungsrat im Interesse der Gesellschaft und unter Wahrung der Gleichbehandlung der Aktionäre.

Dann folgt die Beschlussfassung.

Nach der Beschlussfassung gibt der Vorsitzende bekannt, dass die Generalversammlung den zu diesem Traktandum vorliegenden Antrag unverändert

- mit folgendem Abstimmungsergebnis:



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- Ja-Stimmen: 23'610'113
- Nein-Stimmen: 790'312
- Enthaltungen: 0

beschlossen

und dabei die Quoren von Art. 704 OR erfüllt hat.

Zu Traktandum 2:

ANPASSUNG STATUTEN

Antrag des Verwaltungsrates:

Der Verwaltungsrat beantragt, die Statuten der Zazoon AG zu ändern, mithin den Art. 31. Abs. 2 der Statuten zu löschen.

unterbreitet der Vorsitzende folgendes:

Artikel 31 Absatz 2 der Statuten ist ersatzlos zu streichen.

Dann folgt die Beschlussfassung.

Nach der Beschlussfassung gibt der Vorsitzende bekannt, dass die Generalversammlung den zu diesem Traktandum vorliegenden Antrag unverändert

- mit folgendem Abstimmungsergebnis:

- Ja-Stimmen: 23'750'425
- Nein-Stimmen: 650'000
- Enthaltungen: 0

beschlossen hat.

Diskussion und Verhandlungen der Generalversammlung sind nicht Gegenstand dieser öffentlichen Urkunde.

Der Vorsitzende legt ein Exemplar der Gesellschaftsstatuten vor und erklärt, dass es sich um die vollständigen, unter Berücksichtigung der vorstehenden Änderungen gültigen Statuten handelt. Diese Statuten liegen der Urkunde bei.

III.

Diese Erhöhung des Aktienkapitals (Traktandum 1) ist vom Verwaltungsrat innerhalb von sechs Monaten durchzuführen. Wird die Kapitalerhöhung nicht

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innerhalb dieser Frist beim Handelsregisteramt zur Eintragung angemeldet, so fällt der heutige Beschluss der Generalversammlung dahin, Art. 650 Abs. 3 OR.

Die Gesellschaft muss den Beschluss der Generalversammlung über die Statutenänderung (Traktandum 2) beim Handelsregisteramt anmelden.

Küsnacht, 27. Mai 2025

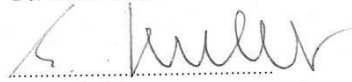
Ende der Versammlung: 11:06 Uhr



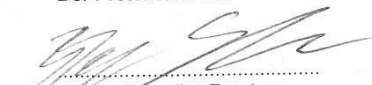
NOTARIAT KÜSNACHT


Thomas Hersche, Notar

Der Vorsitzende:


Walter Jucker

Der Protokollführer:


Bayán Chandler Furutan

STATUTEN

der

Zazoon AG
(Zazoon Ltd.)
(Zazoon SA)
("Gesellschaft")
mit Sitz in Zürich

I. Grundlage

Artikel 1 – Firma und Sitz

Unter der Firma

Zazoon AG
(Zazoon Ltd.)
(Zazoon SA)

besteht mit Sitz in Zürich auf unbestimmte Dauer eine Aktiengesellschaft gemäss Art. 620 ff. OR.

Artikel 2 – Zweck

Die Gesellschaft bezweckt den Handel mit Waren aller Art sowie das Erbringen von Dienstleistungen im Bereich Consulting; sie befasst sich mit Projekt- und Prozessmanagement, Softwareentwicklung in den Bereichen Internet, IT, Telekommunikation und Multi Media. Sie kann alle kommerziellen, finanziellen und anderen Tätigkeiten ausüben, welche mit dem Zweck der Gesellschaft in einem Zusammenhang stehen, sowie Patente, Lizenzen und Herstellungsverfahren erwerben, entwickeln, verwalten und verwerten.

Die Gesellschaft kann Zweigniederlassungen und Tochtergesellschaften im In- und Ausland errichten und sich an anderen Unternehmen im In- und Ausland beteiligen sowie alle Geschäfte tätigen, die direkt oder indirekt mit ihrem Zweck in Zusammenhang stehen. Die Gesellschaft kann im In- und Ausland Grundeigentum erwerben, belasten, veräussern und verwalten. Sie kann auch

ARTICLES OF ASSOCIATION

of

Zazoon AG
(Zazoon Ltd.)
(Zazoon SA)
("Company")
domiciled in Zurich

I. Basic Provisions

Article 1 – Company name and Registered Office

Under the name

Zazoon AG
(Zazoon Ltd.)
(Zazoon SA)

a stock corporation with its registered office in Zurich exists for an indefinite period in accordance with Art. 620 ff. OR.

Article 2 – Purpose

The Company's purpose is to trade in all kinds of goods and to provide consulting services; it deals with project and process management, software development in the areas of the Internet, IT, telecommunications and multimedia. It can carry out all commercial, financial and other activities that are related to the Company's purpose, as well as acquire, develop, manage and exploit patents, licenses and manufacturing processes.

The Company may establish branches and subsidiaries in Switzerland and abroad and participate in other companies in Switzerland and abroad, as well as carry out all transactions that are directly or indirectly related to its purpose. The Company may acquire, encumber, sell and manage real estate in Switzerland and abroad. It may also undertake

Finanzierungen für eigene oder fremde Rechnung vornehmen sowie Garantien und Bürgschaften für Tochtergesellschaften und Dritte eingehen.

financing for its own or third-party account and provide guarantees and sureties for subsidiaries and third parties.

II. Kapital

II. Share Capital

Artikel 3 – Aktienkapital und Aktien

Article 3 – Share Capital and Shares

Das Aktienkapital beträgt CHF 3'038'095 (Schweizer Franken drei Millionen, achtunddreissigtausendfünfundneunzig) und ist eingeteilt in 30'380'950 (dreissig Millionen dreihundertachtzigtausendneinhundertfünfzig) Namenaktien zu CHF 0.10 (zehn Rappen) nominal.

The share capital amounts to CHF 3'038'095 (three million thirty eight thousand and ninety five Swiss francs) and is divided into 30'380'950 (thirty million three hundred eighty thousand and nine hundred fifty) registered shares with a nominal value of CHF 0.10 (ten centimes).

Die Aktien sind vollständig liberiert Die Kapitalerhöhung um CHF 1'000'000 vom 12. Dezember 2023 erfolgte mittels Verrechnung eines Darlehens der 2020 Management AG in Höhe von CHF 1'000'000. Alleinige Aktionärin sämtlicher neu ausgegebenen Aktien ist die 2020 Management AG.

The shares are fully paid up. The capital increase of CHF 1,000,000 dated 12 December 2023 was carried out by offsetting a loan from 2020 Management AG in the amount of CHF 1,000,000. The sole shareholder of all newly issued shares is 2020 Management AG.

Die Kapitalerhöhung um CHF 1'000'000 vom 16. Juli 2024 erfolgte mittels Verrechnung eines Darlehens der 2020 Management AG in Höhe von CHF 1'000'000. Alleinige Aktionärin sämtlicher neu ausgegebenen Aktien ist die 2020 Management AG.

The capital increase of CHF 1,000,000 dated 16 July 2024 was carried out by offsetting a loan from 2020 Management AG in the amount of CHF 1,000,000. The sole shareholder of all newly issued shares is 2020 Management AG.

Die Kapitalerhöhung um CHF 38'095 vom 27. Mai 2025 erfolgte mittels Verrechnung eines Darlehens der 2020 Management AG in Höhe von CHF 3'999'975. Alleinige Aktionärin sämtlicher neu ausgegebenen 380'950 Aktien ist die 2020 Management AG.

The capital increase of CHF 38'095 dated 27.05.2025 was carried out by offsetting a loan from 2020 Management AG in the amount of CHF 3'999'975. The sole shareholder of all newly issued 380'950 shares is 2020 Management AG.

Artikel 4 – Form der Aktien

Article 4 – Form of the Shares

Die Namenaktien der Gesellschaft können als Wertrechte (im Sinne von Art. 973c oder 973d des Schweizerischen Obligationenrechts), als Bucheffekten (im Sinne des Bundesgesetzes über Bucheffekten) oder als Einzel- oder Globalzertifikate ausgegeben werden. Die Verpfändung und Übertragung von Bucheffekten richtet sich ausschliesslich nach den Vorschriften des Bundesgesetzes über Bucheffekten.

The registered shares of the company may be issued as uncertificated securities (within the meaning of Art. 973c or 973d of the Swiss Code of Obligations), as intermediated securities (within the meaning of the Swiss Federal Act on Intermediated Securities) or as individual or global certificates. The pledging and transfer of intermediated securities is governed exclusively by the provisions of the Federal Act on Intermediated Securities.

Der Aktionär hat keinen Anspruch auf die Verbriefung seiner Mitgliedschaft in einem Wertpapier. Die Gesellschaft kann sodann als Bucheffekten ausgestaltete Namen-aktien aus dem entsprechenden Verwahrungssystem zurückziehen.

Artikel 5 – Zerlegung und Zusammenlegung von Aktien

Die Generalversammlung kann bei unverändert bleibendem Aktienkapital durch Statutenänderung Aktien in solche von grösserem Nennwert zusammenlegen, wobei letzteres der Zustimmung des Aktionärs bedarf.

Artikel 6 – Aktienbuch

Für die Namenaktien wird ein Aktienbuch geführt. Darin werden die Eigentümer oder Nutzniesser mit Namen und Vornamen, Wohnort, Adresse und Staatsangehörigkeit (bei juristischen Personen mit Sitz) sowie die Email-Adresse eingetragen.

Erwerber von Namenaktien werden auf Anzeige an die Gesellschaft hin als Aktionäre mit Stimmrecht im Aktienbuch eingetragen.

Im Verhältnis zur Gesellschaft wird als Aktionär oder als Nutzniesser nur anerkannt, wer im Aktienregister eingetragen ist.

Die Gesellschaft kann über die von ihr ausgegebenen Namenaktien und in Form von (Register-) Wertrechte ein elektronisches Buch (Wertrechtebuch) führen, in das die Anzahl und Stückelung der ausgegebenen Wertrechte sowie die Gläubiger eingetragen werden. Das Wertrechtbuch ist nicht öffentlich und kann auch als dezentrale Datenbank geführt werden.

Artikel 7 – Opting Out

Inhaber oder Erwerber von Namenaktien, die – sei dies direkt, indirekt oder in gemeinsamer Absprache mit Dritten – über mehr als 33 1/3% der Stimmrechte verfügen oder erwerben, sind nicht zu einem öffentlichen Kaufangebot gemäss Art. 135 und 163 des Finanzmarktinfrastukturgesetzes vom 19. Juni 2015 verpflichtet.

The shareholder has no right to certification of his membership in a security. The company may then withdraw registered shares structured as intermediated securities from the corresponding custody system.

Article 5 – Division and Merger of Shares

The General Meeting may, if the share capital remains unchanged, merge shares into shares with a higher nominal value by amending the Articles of Association, but the latter requires the consent of the shareholder.

Article 6 – Share register

A share register is kept for the registered shares. The owners or usufructuaries are entered in it with their first and last names, place of residence, address and nationality (in the case of legal entities with a registered office) as well as email addresses.

Purchasers of registered shares are entered in the share register with voting rights upon notification to the company

In relation to the Company, only those who are entered in the share register are recognized as shareholders or usufructuaries.

The Company may keep an electronic book of the registered shares in form of uncertificated securities and ledger-based securities it has issued (uncertificated securities book), in which the number and denomination of the uncertificated securities issued and the creditors are entered. The book-entry rights book is not public and may also be maintained as a decentralized database.

Article 7 – Opting Out

Holders or acquirers of registered shares who - whether directly, indirectly or in joint agreement with third parties - hold or acquire more than 33 1/3% of the voting rights are not obliged to make a public tender offer pursuant to Art. 135 and 163 of the Financial Market Infrastructure Act of June 19, 2015.

III. Organisation der Gesellschaft

A. Generalversammlung

Artikel 8 – Befugnisse

Oberstes Organ der Gesellschaft ist die Generalversammlung der Aktionäre. Ihr stehen folgende unübertragbare Befugnisse zu:

1. Festsetzung und Änderung der Statuten;
2. Jährlich gesonderte Wahl der Mitglieder des Verwaltungsrates, des Präsidiums des Verwaltungsrates, der Mitglieder des Vergütungsausschusses und des unabhängigen Stimmrechtsvertreters und der Revisionsstelle;
3. Genehmigung des Lageberichts, der Jahresrechnung sowie gegebenenfalls der Konzernrechnung sowie die Beschlussfassung über die Verwendung des Bilanzgewinnes, insbesondere die Festsetzung der Dividende und der Tantieme, die Beschlussfassung über die Rückzahlung der gesetzlichen Kapitalreserve, die Festsetzung der Zwischendividende und die Genehmigung des dafür erforderlichen Zwischenabschlusses, unter Beachtung von Art. 671 ff. OR;
4. Entlastung der Mitglieder des Verwaltungsrates und der Geschäftsleitung;
5. Genehmigung des Gesamtbetrages der Vergütung des Verwaltungsrates und der Geschäftsleitung;
6. Beschlussfassung über die Dekotierung der Beteiligungspapiere (Art. 698 OR) oder Auflösung der Gesellschaft (Art. 736 ff. OR);
7. Beschlussfassung über die Gegenstände, die der Generalversammlung durch das Gesetz oder die Statuten vorbehalten sind oder ihr vom Verwaltungsrat zum Entscheid vorgelegt werden.

Artikel 9 – Einberufung und Traktandierung

Die ordentliche Versammlung findet alljährlich innerhalb sechs Monaten nach Schluss des Geschäftsjahres statt, ausserordentliche Versammlungen werden je nach Bedürfnis einberufen.

III. Organization of the Company

A. General Meeting

Article 8 – Powers

The supreme body of the Company is the General Meeting of shareholders. It has the following non-transferable powers:

1. Determination and amendment of the Articles of Association;
2. Separate annual election of the members of the Board of Directors, the Chairman of the Board of Directors, the members of the Remuneration Committee and the independent proxy and the Auditors;
3. Approval of the management report, the annual financial statements and, if applicable, the consolidated financial statements, as well as the resolution on the use of the balance sheet profit, in particular the determination of the dividend and the bonus, the resolution on the repayment of the statutory capital reserve, the determination of the interim dividend and the approval of the interim financial statements required for this purpose, in compliance with Art. 671 ff. of the Swiss Code of Obligations. CO;
4. Discharge of the members of the Board of Directors and the Executive Board;
5. Approval of the total remuneration of the Board of Directors and the Executive Board;
6. Resolution on the delisting of the equity securities (Art. 698 CO) or dissolution of the Company (Art. 736 ff. CO);
7. Decision on the matters reserved for the General Meeting by law or the Articles of Association or submitted to it by the Board of Directors for a decision..

Article 9 – Convening and Agenda

The ordinary meeting shall be held annually within six months of the end of the financial year; extraordinary meetings shall be convened as required.

Die Einberufung zu einer Generalversammlung erfolgt durch einmalige Veröffentlichung der Einladung im Schweizerischen Handelsamtsblatt spätestens 20 Tage vor dem Versammlungstag. Dem im Aktienbuch eingetragenen Aktionären und Nutzniessern wird die Einladung per Brief oder Email zugestellt. Die Einberufung erfolgt durch den Verwaltungsrat, nötigenfalls durch die Revisionsstelle. Das Einberufungsrecht steht auch den Liquidatoren und den Vertretern der Anleihegläubiger zu.

Die Einberufung einer Generalversammlung kann auch von einem oder mehreren Aktionären, die zusammen mindestens 5 Prozent des Aktienkapitals oder der Stimmen vertreten, verlangt werden. In diesem Fall hat der Verwaltungsrat die Generalversammlung innert 6 Wochen einzuberufen. Im Weiteren können Aktionäre, die mindestens 0.5% des Aktienkapitals vertreten, die Traktandierung eines Verhandlungsgegenstandes verlangen. Die Traktandierung muss mindestens 45 Tage vor der Versammlung schriftlich unter Angabe des Verhandlungsgegenstandes und der Anträge des Aktionär angebracht werden.

In der Einberufung sind die Verhandlungsgegenstände sowie die Anträge des Verwaltungsrates und der Aktionäre bekanntzugeben, welche die Durchführung einer Generalversammlung oder die Traktandierung eines Verhandlungsgegenstandes verlangt haben.

Spätestens 20 Tage vor der ordentlichen Generalversammlung sind der Geschäftsbericht und der Revisionsbericht den Aktionären am Gesellschaftssitz zur Einsicht aufzulegen. Jeder Aktionär kann verlangen, dass ihm unverzüglich eine Ausfertigung dieser Unterlagen zugestellt wird. Die Aktionäre sind hierüber in der Einberufung zu unterrichten.

Über Anträge zu nicht gehörig angekündigten Verhandlungsgegenständen können keine Beschlüsse gefasst werden; ausgenommen sind Anträge auf Einberufung einer ausserordentlichen Generalversammlung, und auf Durchführung einer Sonderuntersuchung und auf Wahl einer Revisionsstelle infolge Begehrens eines Aktionärs.

Artikel 10 - Tagungsort und Art der Generalversammlung

General Meetings are convened by publishing a single invitation in the Swiss Official Gazette of Commerce at least 20 days before the day of the meeting. The invitation is sent by letter or email to the shareholders and usufructuaries entered in the share register. The meeting is convened by the Board of Directors, or if necessary by the Auditors. The liquidators and the representatives of the bondholders also have the right to convene.

The convening of a General Meeting can also be requested by one or more shareholders who together represent at least 5 percent of the share capital. In this case, the Board of Directors must convene the General Meeting within 6 weeks. Furthermore, shareholders representing at least 0.5% of the share capital may request that an item be placed on the agenda. Requests to add items to the agenda must be made in writing at least 45 days before the meeting, stating the item to be discussed and the shareholder's proposals.

The convening notice must state the items on the agenda and the proposals of the Board of Directors and the shareholders who have requested that a General Meeting be held or that an item be included on the agenda.

The annual report and the audit report must be made available to shareholders for inspection at the Company's headquarters no later than 20 days before the ordinary General Meeting. Each shareholder can request that a copy of these documents be sent to him immediately. The shareholders must be informed of this in the invitation.

No resolutions can be passed on motions relating to items for discussion that have not been properly announced; with the exception of motions to convene an extraordinary General Meeting, and to conduct a special investigation and on the election of an auditor at the request of a shareholder.

Article 10 - Venue and Type of General Meeting

Der Verwaltungsrat bestimmt den Tagungsort der Generalversammlung. Die Generalversammlung kann an verschiedenen Orten gleichzeitig durchgeführt werden (sog. multilokale Generalversammlung). Die Stimmen der Teilnehmer werden in diesem Fall unmittelbar in Bild und Ton an sämtliche Tagungsorte übertragen. Der Verwaltungsrat kann vorsehen, dass Aktionäre, die nicht am Ort bzw. an den Orten der Generalversammlung physisch anwesend sind, ihre Rechte auf elektronischem Weg ausüben können (sog. hybride Generalversammlung). Die Generalversammlung kann auch ausschliesslich mit elektronischen Mitteln und ohne Tagungsort durchgeführt werden (sog. virtuelle Generalversammlung).

Eine Generalversammlung kann mit elektronischen Mitteln ohne Tagungsort durchgeführt werden, wenn der Verwaltungsrat in der Einberufung einen unabhängigen Stimmrechtsvertreter bezeichnet.

Der Verwaltungsrat regelt die Verwendung elektronischer Mittel. Er stellt sicher, dass

- die Identität der Teilnehmer feststeht;
- die Stimmen in der Generalversammlung unmittelbar übertragen werden;
- jeder Teilnehmer Anträge stellen und sich an der Diskussion beteiligen kann; und
- das Abstimmungsergebnis nicht verfälscht werden kann.

Treten während der Generalversammlung technische Probleme auf, sodass die Generalversammlung nicht ordnungsgemäss durchgeführt werden kann, so muss sie wiederholt werden. Beschlüsse, welche die Generalversammlung vor dem Auftreten der technischen Probleme gefasst hat, bleiben gültig.

Artikel 11 – Universalversammlung

Die Eigentümer oder Vertreter sämtlicher Aktien können, falls kein Widerspruch erhoben wird, eine Generalversammlung ohne Einhaltung der für die Einberufung vorgeschriebenen Formvorschriften abhalten.

In dieser Versammlung kann über alle in den Geschäftskreis der Generalversammlung fallenden Gegenstände gültig verhandelt und

The Board of Directors determines the venue for the General Meeting. The General Meeting can be held at different locations simultaneously (so-called multi-local General Meeting). In this case, the participants' votes are transmitted directly in image and sound to all meeting locations. The Board of Directors can provide that shareholders who are not physically present at the location(s) of the General Meeting can exercise their rights electronically (so-called hybrid General Meeting). The General Meeting can also be held exclusively by electronic means and without a meeting location (so-called virtual General Meeting).

A General Meeting may be held by electronic means without a meeting venue if the Board of Directors designates an independent proxy in the notice convening the meeting.

The Board of Directors regulates the use of electronic means. It ensures that

- the identity of the participants is established;
- votes at the General Meeting are transmitted directly;
- every participant can submit motions and take part in the discussion; and
- the voting result cannot be falsified.

If technical problems arise during the General Meeting of Shareholders so that the General Meeting of Shareholders cannot be held properly, it must be repeated. Resolutions passed by the General Meeting before the technical problems occurred remain valid.

Article 11 – Universal Meeting

The owners or representatives of all shares may, unless objection is raised, hold a General Meeting without complying with the formal requirements for convening it.

At this meeting, all matters falling within the scope of business of the General Meeting can be validly discussed and resolutions passed as

Beschluss gefasst werden, solange die Eigentümer oder Vertreter sämtlicher Aktien anwesend sind.

Artikel 12 – Vorsitz und Protokoll

Den Vorsitz in der Generalversammlung führt der Präsident, in dessen Verhinderungsfalle ein anderes vom Verwaltungsrat bestimmtes Mitglied desselben. Ist kein Mitglied des Verwaltungsrates anwesend, wählt die Generalversammlung einen Tagesvorsitzenden.

Der Vorsitzende bezeichnet den Protokollführer und die Stimmzähler, die nicht Aktionäre zu sein brauchen. Das Protokoll ist vom Vorsitzenden und vom Protokollführer zu unterzeichnen. Die Aktionäre sind berechtigt, das Protokoll einzusehen.

Artikel 13 – Stimmrecht und Vertretung

Um an der Generalversammlung teilnehmen zu können, muss der Aktionär an dem jeweils vom Verwaltungsrat bezeichneten Stichtag als Aktionär mit Stimmrecht im Aktienbuch der Gesellschaft eingetragen sein. Solche Aktionäre erhalten die Zugangsinformationen.

Die Aktionäre üben ihr Stimmrecht in der Generalversammlung nach Verhältnis des gesamten Nennwerts der ihnen gehörenden Aktien aus.

Ein Aktionär, der nicht persönlich an der Generalversammlung teilnimmt, kann sich durch einen Vertreter seiner Wahl mittels einer der Gesellschaft einzureichenden schriftlichen Vollmacht vertreten lassen. Vorbehalten bleibt die gesetzliche Vertretung.

Aktionäre können sich an Abstimmungen und Wahlen der Generalversammlung durch elektronische Fernabstimmung oder mittels Vollmacht oder Weisungen an den unabhängigen Stimmrechtsvertreter beteiligen.

Art. 14 Unabhängigen Stimmrechtsvertreter

Die Generalversammlung wählt jährlich den unabhängigen Stimmrechtsvertreter. Seine Amtsdauer endet mit dem Abschluss der nächsten ordentlichen Generalversammlung. Vorbehalten bleibt der vorherige Rücktritt. Abberufung durch die Generalversammlung ist auf das Ende der

long as the owners or representatives of all shares are present.

Article 12 – Chairman and Minutes

The General Meeting is chaired by the President, or in his absence by another member of the Board of Directors appointed by the Board of Directors. If no member of the Board of Directors is present, the General Meeting elects a chairman for the day.

The Chairman appoints the Secretary and the vote counters, who do not need to be shareholders. The minutes must be signed by the Chairman and the Secretary. Shareholders are entitled to inspect the minutes.

Article 13 – Voting Rights and Representation

In order to participate in the Annual General Meeting, the shareholder must be entered in the company's share register as a shareholder with voting rights on the relevant record date specified by the Board of Directors. Such shareholders receive the access information.

The shareholders exercise their voting rights at the General Meeting in proportion to the total nominal value of the shares they hold.

A shareholder who does not attend the Annual General Meeting in person may be represented by a proxy of his choice by means of a written authorization to be submitted to the Company. Statutory representation remains reserved.

Shareholders may participate in votes and elections at the Annual General Meeting by electronic remote voting or by authorizing or instructing the independent proxy.

Art. 14 Independent Proxy

The Annual General Meeting elects the independent proxy annually. His term of office ends at the end of the next Annual General Meeting. Prior resignation remains reserved. Dismissal by the General Meeting is possible at

betreffenden Generalversammlung möglich. Wiederwahl ist möglich.

Wählbar sind natürliche oder juristische Personen oder Personengesellschaften, bei welchen ihre Unabhängigkeit weder tatsächlich noch dem Anschein nach beeinträchtigt sein darf. Art. 728 Abs 2 bis 6 OR sind sinngemäss anwendbar.

Ist das Amt des unabhängigen Stimmrechtsvertreters vakant, so ernennt der Verwaltungsrat für die nächste Generalversammlung einen neuen unabhängigen Stimmrechtsvertreter.

Der Verwaltungsrat bestimmt die Einzelheiten über die Anforderungen an Vollmachten und Weisungen in Übereinstimmung mit den gesetzlichen Bestimmungen und gibt diese in der Einladung zur Generalversammlung bekannt.

Artikel 15 – Beschlussfassung

Die Generalversammlung fasst ihre Beschlüsse und vollzieht ihre Wahlen, soweit das Gesetz oder die Statuten es nicht anders bestimmen, mit der absoluten Mehrheit der vertretenen Aktienstimmen. Bei Stimmengleichheit gilt ein Antrag als abgelehnt.

Ein Beschluss der Generalversammlung, der mindestens zwei Drittel der vertretenen Stimmen und die absolute Mehrheit der vertretenen Aktiennennwerte auf sich vereinigt, ist erforderlich für:

1. Änderung des Gesellschaftszwecks;
2. Zusammenlegung von Aktien, soweit dafür nicht die Zustimmung aller betroffenen Aktionäre erforderlich ist;
3. Einführung und die Abschaffung von Stimmrechtsaktien;
4. Beschränkung der Übertragbarkeit von Namenaktien und die Aufhebung einer solche Beschränkung;
5. Einführung bedingtes Kapital oder eines Kapitalbands oder die Schaffung von Vorratskapital gemäss Art. 12 des Bankengesetzes vom 8. November 1934;
6. Umwandlung von Partizipationsscheinen in Aktien;

the end of the General Meeting in question. Re-election is possible.

Natural persons, legal entities or partnerships whose independence may not be impaired either in fact or in appearance are eligible for election. Art. 728 para. 2 to 6 CO apply mutatis mutandis.

If the office of the independent proxy is vacant, the Board of Directors shall appoint a new independent proxy for the next General Meeting.

The Board of Directors determines the details of the requirements for powers of attorney and instructions in accordance with the statutory provisions and announces these in the invitation to the Annual General Meeting.

Article 15 – Resolutions

The General Meeting shall pass its resolutions and conduct its elections, unless the law or the Articles of Association provide otherwise, with an absolute majority of the votes represented. In the event of a tie, a motion shall be deemed rejected.

A resolution of the General Meeting, which shall be passed by at least two thirds of the votes represented and an absolute majority of the nominal value of the shares represented, is required for:

1. Change of the Company's purpose;
2. Consolidation of shares, unless the approval of all shareholders concerned is required;
3. Introduction and abolishment of voting shares;
4. Restriction of the transferability of registered shares and the removal of such restrictions;
5. Introduction of conditional capital or a capital band or the creation of reserve capital in accordance with Art. 12 of the Banking Act of 8 November 1934;
6. Conversion of participation certificates into shares;
7. Capital increase from equity, against contributions in kind or for the purpose of

7. Kapitalerhöhung aus Eigenkapital, gegen Sacheinlage oder zwecks Sachübernahme und die Gewährung von besonderen Vorteilen;

8. Wechsel der Währung des Aktienkapitals;

9. Einführung des Stichentscheids des Vorsitzenden in der Generalversammlung;

10. Einführung einer Statutenbestimmung zur Durchführung der Generalversammlung im Ausland;

11. Dekotierung der Beteiligungspapiere der Gesellschaft;

12. Einschränkung oder Aufhebung des Bezugsrechtes;

13. Verlegung des Sitzes der Gesellschaft;

14. Auflösung der Gesellschaft.

15. Einführung einer statutarischen Schiedsklausel;

16. Verzicht auf die Bezeichnung eines unabhängigen Stimmrechtsvertreters für die Durchführung einer virtuellen Generalversammlung bei Gesellschaften, deren Aktien nicht an einer Börse kotiert sind.

Statutenbestimmungen, die für die Fassung bestimmter Beschlüsse grössere Mehrheiten als die vom Gesetz vorgeschriebenen festlegen, können nur mit dem erhöhten Mehr eingeführt und aufgehoben werden.

B. Verwaltungsrat und die Geschäftsleitung

Artikel 16 – Wahl und Zusammensetzung

Der Verwaltungsrat der Gesellschaft besteht aus mindestens drei und maximal fünf von der Generalversammlung gewählten Mitgliedern. Die Mitglieder des Verwaltungsrates werden einzeln jeweils für die Dauer von einem Jahr gewählt. Die Amtsdauer beginnt mit dem Tag ihrer Wahl und endet mit der darauffolgenden ordentlichen Generalversammlung. Vorbehalten bleiben vorheriger Rücktritt und die Abberufung. Neugewählte treten in die Amtsdauer derjenigen Mitglieder ein, die sie ersetzen. Wiederwahl ist möglich.

acquisition of assets and the granting of special advantages;

8. Change in the currency of the share capital;

9. Introduction of the Chairman's casting vote at the Annual General Meeting

10. introduction of a provision in the Articles of Association on holding the General Meeting abroad;

11. Delisting of the company's equity securities;

12. Restriction or cancellation of subscription rights;

13. Relocation of the Company's registered office;

14. Dissolution of the Company.

15. Introduction of a statutory arbitration clause;

16. Waiver of the appointment of an independent proxy for the holding of a virtual general meeting of shareholders for companies whose shares are not listed on a stock exchange.

Provisions of the Articles of Association which stipulate larger majorities than those required by law for the adoption of certain resolutions can only be introduced or repealed with an increased majority.

B. Board of Directors and the Management

Article 16 – Election and Composition

The Board of Directors of the Company shall consist of a minimum of three and a maximum of five members elected by the General Meeting. The members of the Board of Directors are elected individually for a term of one year. The term of office begins on the day of their election and ends with the following Ordinary General Meeting. Prior resignation and dismissal are reserved. Newly elected members enter into the term of office of the members they replace. Re-election is possible.

Die Generalversammlung wählt jährlich einzeln:

- Die Mitglieder des Verwaltungsrates;
- Den Präsidenten des Verwaltungsrates.

Vorbehaltlich der Befugnisse der Generalversammlung konstituiert sich der Verwaltungsrat selbst. Er bezeichnet einen Vizepräsidenten.

Artikel 17 – Sitzungen und Beschlussfassung

Beschlussfähigkeit, Beschlussfassung und Geschäftsordnung können in einem Organisationsreglement geregelt werden.

Über die Verhandlungen und Beschlüsse des Verwaltungsrates ist ein Protokoll zu führen. Das Protokoll ist vom Vorsitzenden und vom Sekretär des Verwaltungsrates zu unterzeichnen.

Bei der Beschlussfassung in Sitzungen des Verwaltungsrates hat der Vorsitzende den Stichentscheid.

Jedes Mitglied des Verwaltungsrates kann unter Angabe der Gründe vom Präsidenten die unverzügliche Einberufung einer Sitzung verlangen.

Beschlüsse können auch auf dem Wege der schriftlichen Zustimmung zu einem gestellten Antrag gefasst werden, sofern nicht ein Mitglied die mündliche Beratung verlangt.

Artikel 18 – Recht auf Auskunft und Einsicht

Jedes Mitglied des Verwaltungsrates kann Auskunft über alle Angelegenheiten der Gesellschaft verlangen

In den Sitzungen sind alle Mitglieder des Verwaltungsrates sowie die mit der Geschäftsführung betrauten Personen zur Auskunft verpflichtet.

Ausserhalb der Sitzungen kann jedes Mitglied von den mit der Geschäftsführung betrauten Personen Auskunft über den Geschäftsgang und, mit Ermächtigung des Präsidenten, auch über einzelne Geschäfte verlangen.

The Annual General Meeting elects one member per year:

- The members of the Board of Directors;
- The Chairman of the Board of Directors.

Subject to the powers of the General Meeting, the Board of Directors constitutes itself.

Article 17 – Meetings and Decision-Making

The quorum, decision-making and rules of procedure may be regulated in the organizational regulations.

Minutes must be kept of the discussions and resolutions of the Board of Directors. The minutes must be signed by the Chairman and the Secretary of the Board of Directors.

The Chairman has casting vote when making decisions at Board of Directors meetings.

Any member of the Board of Directors may request the Chairman to convene a meeting without delay, stating the reasons for doing so.

Decisions can also be made by means of written consent to a submitted motion, unless a member requests oral discussion.

Article 18 – Right to Information and Inspection

Any member of the Board of Directors can request information on all matters relating to the Company.

At meetings, all members of the Board of Directors and the persons entrusted with the management of the Company are obliged to provide information.

Outside of meetings, any member can request information from the persons entrusted with the management of the Company on the course of business and, with the authorization of the President, on individual transactions.

Soweit es für die Erfüllung einer Aufgabe erforderlich ist, kann jedes Mitglied dem Präsidenten beantragen, dass ihm Bücher und Akten vorgelegt werden.

Weist der Präsident ein Gesuch auf Auskunft, Anhörung oder Einsicht ab, so entscheidet der Verwaltungsrat.

Regelungen oder Beschlüsse des Verwaltungsrates, die das Recht auf Auskunft und Einsichtnahme der Verwaltungsräte erweitern, bleiben vorbehalten.

Artikel 19 – Aufgaben

Der Verwaltungsrat kann in allen Angelegenheiten Beschluss fassen, die nicht nach Gesetz oder Statuten der Generalversammlung zugeteilt sind. Er führt die Geschäfte der Gesellschaft, soweit er die Geschäftsführung nicht übertragen hat.

Der Verwaltungsrat hat folgende unübertragbare und unentziehbare Aufgaben:

1. Oberleitung der Gesellschaft und die Erteilung der nötigen Weisungen;
2. Festlegung der Organisation;
3. Ausgestaltung des Rechnungswesens, der Finanzkontrolle sowie der Finanzplanung, sofern diese für die Führung der Gesellschaft notwendig ist;
4. Ernennung und Abberufung der mit der Geschäftsführung und der Vertretung betrauten Personen;
5. Oberaufsicht über die mit der Geschäftsführung betrauten Personen, namentlich im Hinblick auf die Befolgung der Gesetze, Statuten, Reglemente und Weisungen;
6. Erstellung des Geschäftsberichtes sowie die Vorbereitung der Generalversammlung und die Ausführung ihrer Beschlüsse;
7. Einreichung eines Gesuchs um Nachlassstundung und die Benachrichtigung des Gerichts im Falle der Überschuldung;
8. Erstellung des Vergütungsberichts;

To the extent that it is necessary for the performance of a task, any member can request that the President present books and files to him.

If the President rejects a request for information, a hearing or inspection, the Board of Directors decides.

Regulations or resolutions of the Board of Directors that extend the right of the members of the Board of Directors to information and inspection remain reserved.

Article 19 – Duties

The Board of Directors can decide on all matters that are not assigned to the General Meeting by law or the Articles of Association. It manages the Company's affairs unless it has delegated management.

The Board of Directors has the following non-transferable and inalienable duties:

1. Overall management of the Company and the issuing of necessary instructions;
2. Determination of the organization;
3. Design of accounting, financial control and financial planning, insofar as this is necessary for the management of the Company;
4. Appointment and dismissal of the persons entrusted with management and representation;
5. Overall supervision of the persons entrusted with the management of the Company, in particular regarding compliance with the laws, Articles of Association, regulations and instructions;
6. Preparation of the annual report as well as the preparation of the General Meeting and the implementation of its resolutions;
7. Submission of an application for debt restructuring moratorium and notification of the court in the event of over-indebtedness;
8. Preparation of a remuneration report;

9. Bestimmung des Verwaltungsratspräsidenten ad interim, von Vergütungsausschussmitgliedern ad interim oder des unabhängigen Stimmrechtsvertreters ad interim, jeweils für die Dauer bis zur nächsten ordentlichen Generalversammlung, bei entsprechenden unterjährig auftretenden Vakanzen.

Der Verwaltungsrat kann die Vorbereitung und die Ausführung seiner Beschlüsse oder die Überwachung von Geschäften Ausschüssen oder einzelnen Mitgliedern zuweisen. Er hat für eine angemessene Berichterstattung an seine Mitglieder zu sorgen.

Artikel 20 – Übertragung der Geschäftsführung und der Vertretung

Der Verwaltungsrat kann die Geschäftsführung nach Massgabe eines Organisationsreglementes ganz oder zum Teil an einzelne Mitglieder oder an Dritte übertragen.

Dieses Reglement ordnet die Geschäftsführung, bestimmt die hierfür erforderlichen Stellen, umschreibt deren Aufgaben und regelt insbesondere die Berichterstattung.

Soweit die Geschäftsführung nicht übertragen worden ist, steht sie allen Mitgliedern des Verwaltungsrates gesamthaft zu.

Der Verwaltungsrat kann die Vertretung einem oder mehreren Mitgliedern (Delegierte) oder Dritten (Direktoren) übertragen. Mindestens ein Mitglied des Verwaltungsrates muss zur Vertretung befugt sein.

9. Appointment of the Chairman of the Board of Directors ad interim, of members of the Remuneration Committee ad interim or of the independent proxy ad interim, in each case for the period until the next Annual General Meeting, in the event of vacancies occurring during the year.

The Board of Directors may assign the preparation and implementation of its resolutions or the monitoring of business to committees or individual members. It must ensure appropriate reporting to its members.

Article 20 – Transfer of Management and Representation

The Board of Directors may transfer management in whole or in part to individual members or to third parties in accordance with internal regulations.

These regulations regulate the management, determine the positions required for this, describe their tasks and, in particular, regulate reporting.

If management has not been delegated, it is the responsibility of all members of the Board of Directors.

The Board of Directors can delegate representation to one or more members (delegates) or third parties (directors). At least one member of the Board of Directors must be authorized to represent the Company.

C. Vergütungsausschuss

Artikel 21 – Wahl und Zusammensetzung

Die Generalversammlung wählt aus der Mitte des Verwaltungsrates jährlich je einzeln die Mitglieder des Vergütungsausschusses.

Der Vergütungsausschuss besteht aus mindestens zwei Mitgliedern, nicht jedoch aus allen Mitgliedern des Verwaltungsrates. Der Vergütungsausschuss konstituiert sich selbst.

Die Amtsdauer der Mitglieder des Vergütungsausschusses endet mit dem Abschluss der nächsten ordentlichen Generalversammlung. Vorbehalten bleiben vorherigen Rücktritt und die Abberufung. Neugewählte treten in die Amtsdauer derjenigen Mitglieder ein, die sie ersetzen. Ist der Vergütungsausschuss nicht vollständig besetzt, so kann der Verwaltungsrat für die verbleibende Amtsdauer die fehlenden Mitglieder ernennen. Wiederwahl ist möglich.

Artikel 22 – Aufgaben

Der Vergütungsausschuss hat vorbereitende Funktion und unterstützt den Verwaltungsrat bei der Erfüllung seiner Aufgaben im Bereich Vergütung, namentlich bei der Erstellung des Vergütungsberichts und der Vorbereitung der Abstimmung der Generalversammlung über die Vergütungen des Verwaltungsrates und der Geschäftsleitung.

Der Vergütungsausschuss unterbreitet dem Verwaltungsrat insbesondere einen Vorschlag betreffend die Gesamtbeträge der Vergütungen der Mitglieder des Verwaltungsrates und der Geschäftsleitung, welche der Genehmigung der Generalversammlung bedürfen.

Zudem kann der Verwaltungsrat dem Vergütungsausschuss einzelne Aufgaben zuweisen und weitere Einzelheiten der Aufgaben des Vergütungsausschusses in einem Reglement festhalten.

D. Gemeinsame Bestimmungen für Verwaltungsrat und Geschäftsleitung

Artikel 23 – Anzahl zulässiger Tätigkeiten

C. Remuneration Committee

Article 21 – Election and Composition

The Annual General Meeting elects the members of the Remuneration Committee from among the members of the Board of Directors on an annual basis.

The Remuneration Committee consists of at least two members, but not all members of the Board of Directors. The Remuneration Committee is self-constituting.

The term of office of the members of the Remuneration Committee ends at the end of the next ordinary General Meeting. This is subject to prior resignation and dismissal. Newly elected members enter into the term of office of the members they replace. If the Compensation Committee is not complete, the Board of Directors may appoint the missing members for the remaining term of office. Re-election is possible.

Article 22 – Duties

The Remuneration Committee has a preparatory function and supports the Board of Directors in fulfilling its duties in the area of remuneration, namely in preparing the remuneration report and preparing the vote at the General Meeting on the remuneration of the Board of Directors and the Executive Board.

In particular, the Remuneration Committee submits a proposal to the Board of Directors regarding the total amounts of remuneration for the members of the Board of Directors and the Executive Board, which require the approval of the General Meeting.

In addition, the Board of Directors may assign individual tasks to the Remuneration Committee and set out further details of the tasks of the Remuneration Committee in a regulation.

D. Common provisions for the Board of Directors and the Executive Board

Article 23 – Number of permitted activities

Kein Mitglied des Verwaltungsrates und der Geschäftsleitung kann mehr als 30 zusätzliche Mandate wahrnehmen, wovon nicht mehr als 5 in börsenkotierten Unternehmen.

Als Mandat gilt ein Mandat im obersten Leitungsorgan einer Rechtseinheit, die zur Eintragung ins Handelsregister oder in ein entsprechendes ausländisches Register verpflichtet ist. Mandate in verschiedenen Rechtseinheiten, die unter gemeinsamer Kontrolle stehen, gelten als ein Mandat.

Der Verwaltungsrat stellt in jedem Fall sicher, dass die Anzahl externer Mandate, die von Mitgliedern des Verwaltungsrates oder der Geschäftsleitung wahrgenommen werden, mit deren Einsatz, Verfügbarkeit, Leistungsvermögen und Unabhängigkeit, die für die Erfüllung deren Amtes als Mitglied des Verwaltungsrates bzw. der Geschäftsleitung erforderlich ist, vereinbar ist.

Artikel 24 – Grundsätze der Vergütung für Verwaltungsrat und Geschäftsleitung

Als Vergütung im Sinne dieser Statuten gelten sämtliche nicht aktivierbaren direkten oder indirekten Leistungen der Gesellschaft an die Mitglieder des Verwaltungsrates und der Geschäftsleitung, namentlich die Vergütungen gemäss den Gesetzes- und Verordnungsbestimmungen gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften.

Die Mitglieder des Verwaltungsrates erhalten eine fixe Vergütung in Geld, welche sich an der voraussichtlich anfallenden zeitlichen Belastung der einzelnen Verwaltungsräte, inklusive derer allfälliger Tätigkeiten im Vergütungsausschuss oder anderen Ausschüssen orientiert. Gegen Vorlage der entsprechenden Belege haben sie zudem Anspruch auf Ersatz der Auslagen, wobei Auslagenersatz nicht als Vergütung im vorstehenden Sinne gilt und von der Generalversammlung nicht zu genehmigen sind. Die Gesellschaft kann einen Auslagenersatz in Form von Pauschalspesen ausrichten.

No member of the Board of Directors and Executive Board may hold more than 30 additional mandates, of which no more than 5 may be in listed companies.

A mandate is a mandate in the supreme governing body of a legal entity that is obliged to be entered in the commercial register or in a corresponding foreign register. Mandates in various legal entities that are under joint control are deemed to be one mandate.

The Board of Directors ensures in all cases that the number of external mandates held by members of the Board of Directors or the Executive Board is compatible with their commitment, availability, performance and independence required for the performance of their duties as a member of the Board of Directors or the Executive Board.

Article 24 - Principles of Remuneration for the Board of Directors and Executive Board

Remuneration within the meaning of these Articles of Association includes all non-capitalizable direct or indirect payments made by the company to the members of the Board of Directors and the Executive Board, namely remuneration in accordance with the provisions of the law and regulations against excessive remuneration for listed companies limited by shares.

The members of the Board of Directors receive a fixed remuneration in cash, which is based on the expected time commitment of the individual members of the Board of Directors, including any activities on the Remuneration Committee or other committees. Upon presentation of the relevant receipts, they are also entitled to reimbursement of expenses, whereby reimbursement of expenses is not considered remuneration in the above sense and does not have to be approved by the General Meeting. The company may reimburse expenses in the form of allowances.

Die Mitglieder der Geschäftsleitung erhalten eine fixe Vergütung in Geld und können zusätzlich eine erfolgs- und leistungsabhängige Vergütung erhalten. Allfällige variable Vergütungen richten sich nach qualitativen und quantitativen Zielen. Für solche allfällige variable Vergütungen setzt der Verwaltungsrat die Ziele und entscheidet in welchem Umfang diese erreicht wurden. Der Betrag allfälliger variablen Vergütungen darf dabei nicht mehr als 50% der fixen Vergütung betragen. Die Mitglieder der Geschäftsleitung haben zudem Anspruch auf eine angemessene Entschädigung ihrer Auslagen.

Artikel 25 – Abstimmung über Vergütung

Der Verwaltungsrat beantragt jährlich, die Vergütung an die Mitglieder des Verwaltungsrates und der Geschäftsleitung zu genehmigen. Der Antrag des Verwaltungsrates beinhaltet je einen maximalen Gesamtbetrag für die fixe Vergütung an die Mitglieder des Verwaltungsrates und der Geschäftsleitung für das kommende Geschäftsjahr sowie für die variablen Vergütungen an die Mitglieder der Geschäftsleitung für das vergangene Geschäftsjahr.

Für den Fall, dass die Generalversammlung den maximalen Gesamtbetrag für die Vergütungen an die Mitglieder des Verwaltungsrates und/oder der Geschäftsleitung nicht genehmigt, ist der Verwaltungsrat berechtigt, an der gleichen Generalversammlung mehrfach neue Anträge zu stellen. Stellt der Verwaltungsrat keine neuen Anträge oder werden die gestellten Anträge nicht genehmigt, kann der Verwaltungsrat eine ausserordentliche Generalversammlung einberufen. Zudem kann der Verwaltungsrat der Generalversammlung im Fall der Nichtgenehmigung der Vergütung einen Antrag unterbreiten, einen Betrag für ausserordentliche Vergütungen für die Zeit bis zum Abschluss der ausserordentlichen Generalversammlung zu genehmigen.

The members of the Executive Management receive fixed remuneration in cash and may also receive performance-related remuneration. Any variable remuneration is based on qualitative and quantitative targets. The Board of Directors sets the targets for any such variable remuneration and decides the extent to which they have been achieved. The amount of any variable remuneration may not exceed 50% of the fixed remuneration. The members of the Executive Management are also entitled to appropriate reimbursement of their expenses.

Article 25 - Vote on remuneration

The Board of Directors proposes annually that the remuneration of the members of the Board of Directors and the Executive Board be approved. The proposal of the Board of Directors includes a maximum total amount for the fixed remuneration of the members of the Board of Directors and the Executive Board for the coming financial year and for the variable remuneration of the members of the Executive Board for the past financial year. The proposal of the Board of Directors includes a maximum total amount for the fixed remuneration of the members of the Board of Directors and the Executive Management for the coming financial year and for the variable remuneration of the members of the Executive Management for the previous financial year.

In the event that the General Meeting of Shareholders does not approve the maximum total amount of remuneration for the members of the Board of Directors and/or the Executive Management, the Board of Directors is entitled to submit new proposals several times at the same General Meeting of Shareholders. If the Board of Directors does not submit any new proposals or if the proposals submitted are not approved, the Board of Directors may convene an Extraordinary General Meeting. In addition, if the remuneration is not approved, the Board of Directors may submit a proposal to the General Meeting to approve an amount for extraordinary remuneration for the period until the conclusion of the Extraordinary General Meeting.

Stellt sich im Laufe des Geschäftsjahres, für welches die Vergütung von der Generalversammlung genehmigt worden sind, heraus, dass die genehmigten Gesamtbeträge, voraussichtlich nicht ausreichen werden, um vertraglich vereinbarte Vergütungen zu bezahlen, kann der Verwaltungsrat, kann der Verwaltungsrat eine ausserordentliche Generalversammlung einberufen und ihr neue Anträge stellen oder die entsprechenden Fehlbeträge dennoch entrichten, unter Vorbehalt jedoch der Genehmigung durch die nächste ordentliche oder ausserordentliche Generalversammlung.

E. Revisionsstelle

Artikel 26 – Revision

Die Generalversammlung wählt eine Revisionsstelle.

Artikel 27 – Anforderungen an die Revisionsstelle

Als Revisionsstelle können eine oder mehrere natürliche oder juristische Personen oder Personengesellschaften gewählt werden.

Die Revisionsstelle muss ihren Wohnsitz, ihren Sitz oder eine eingetragene Zweigniederlassung in der Schweiz haben. Hat die Gesellschaft mehrere Revisionsstellen, so muss zumindest eine diese Voraussetzungen erfüllen.

Ist die Gesellschaft zur ordentlichen Revision verpflichtet, so muss die Generalversammlung als Revisionsstelle einen zugelassenen Revisionsexperten bzw. ein staatlich beaufsichtigtes Revisionsunternehmen nach den Vorschriften des Revisionsaufsichtsgesetzes vom 16. Dezember 2005 wählen.

Ist die Gesellschaft zur eingeschränkten Revision verpflichtet, so muss die Generalversammlung als Revisionsstelle einen zugelassenen Revisor nach den Vorschriften des Revisionsaufsichtsgesetzes vom 16. Dezember 2005 wählen. Vorbehalten bleibt der Verzicht auf die Wahl einer Revisionsstelle nach Artikel 19.

Die Revisionsstelle muss nach Art. 728 bzw. 729 OR unabhängig sein.

If, in the course of the financial year for which the remuneration has been approved by the General Meeting, it becomes apparent that the approved total amounts will probably not be sufficient to pay the contractually agreed remuneration, the Board of Directors may convene an Extraordinary General Meeting and submit new proposals or pay the corresponding shortfall, subject to approval by the next ordinary or Extraordinary General Meeting.

E. Auditors

Article 26 – Auditors

The General Meeting shall elect an Auditor.

Article 27 – Requirements for the Auditor

One or more natural or legal persons or partnerships may be elected as Auditors.

The Auditor must have its place of residence, registered office or a registered branch in Switzerland. If the Company has several Auditors, at least one must meet these requirements.

If the Company is required to carry out regular audits, the General Meeting must elect a licensed audit expert or a state-supervised auditing company as the Auditor in accordance with the provisions of the Audit Supervision Act of December 16, 2005.

If the Company is obliged to carry out a limited audit, the General Meeting must elect a licensed auditor as the Auditor in accordance with the provisions of the Audit Supervision Act of December 16, 2005. The option to forego the election of an Auditor in accordance with Article 19 remains reserved.

The Auditor must be independent in accordance with Article 728 or 729 of the Swiss Code of Obligations.

Die Revisionsstelle wird für ein Geschäftsjahr gewählt. Ihr Amt endet mit der Abnahme der letzten Jahresrechnung. Eine Wiederwahl ist möglich. Eine Abberufung ist nur aus wichtigen Gründen möglich.

IV. Rechnungsabschluss und Gewinnverteilung

Artikel 28 – Geschäftsjahr und Buchführung

Das Geschäftsjahr beginnt am 1. Januar und endet am 31. Dezember.

Die Jahresrechnung, bestehend aus Erfolgsrechnung, Bilanz und Anhang, ist gemäss den Vorschriften des Schweizerischen Obligationenrechts, insbesondere Art. 957 ff. OR, sowie nach den Grundsätzen der ordnungsgemässen Rechnungslegung aufzustellen.

Artikel 29 – Reserven und Gewinnverwendung

Aus dem Jahresgewinn ist zuerst die Zuweisung an die Reserven entsprechend den Vorschriften des Gesetzes vorzunehmen. Der Bilanzgewinn steht zur Verfügung der Generalversammlung, die ihn im Rahmen der gesetzlichen Auflagen (insbesondere Art. 671 ff. OR) nach freiem Ermessen verwenden kann.

Artikel 30 – Auflösung und Liquidation

Die Auflösung der Gesellschaft kann durch einen Beschluss der Generalversammlung, über den eine öffentliche Urkunde zu errichten ist, erfolgen.

Die Liquidation wird durch den Verwaltungsrat besorgt, falls sie nicht durch einen Beschluss der Generalversammlung an anderen Personen übertragen wird. Die Liquidation erfolgt gemäss Art. 742 ff. OR.

Das Vermögen der aufgelösten Gesellschaft wird nach Tilgung ihrer Schulden nach Massgabe der einbezahlten Beträge unter die Aktionäre verteilt.

The Auditor is elected for one financial year. Its term of office ends with the approval of the last annual financial statements. Re-election is possible. Dismissal is possible for important reasons.

IV. Closing of Accounts and Distribution of Profits

Article 28 – Financial Year and Accounting

The financial year begins on 1 January and ends on 31 December.

The annual financial statements, consisting of the income statement, balance sheet and notes, must be prepared in accordance with the provisions of the Swiss Code of Obligations, in particular Articles 957 et seq. of the Swiss Code of Obligations, and in accordance with the principles of proper accounting.

Article 29 – Reserves and Appropriation of Profits

The annual profit must first be allocated to reserves in accordance with the provisions of the law. The balance sheet profit is available to the General Meeting, which can use it at its own discretion within the framework of the legal requirements (in particular Art. 671 ff. OR).

Article 30 – Dissolution and Liquidation

The Company can be dissolved by a resolution of the General Meeting, which must be documented in a public deed.

The liquidation is carried out by the Board of Directors unless it is delegated to other persons by a resolution of the General Meeting. The liquidation takes place in accordance with Art. 742 ff. of the Swiss Code of Obligations.

The assets of the dissolved Company are distributed among the shareholders after its debts have been paid off, in proportion to the amounts paid in.

V. Benachrichtigung

**Artikel 31 – Mitteilungen und
Bekanntmachungen**

Mitteilungen an die Aktionäre erfolgen per Brief oder E-Mail an die im Aktienregister verzeichneten Adressen.

V. Notification

**Article 31 – Notifications and
Announcements**

Notifications to shareholders are sent by letter or email to the addresses recorded in the share register.

VI. Allgemeines

Artikel 32 - Sprache

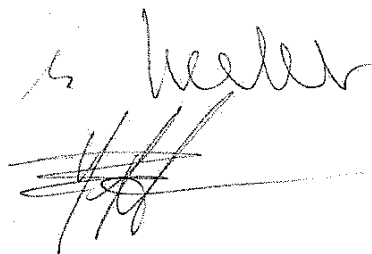
Von diesen Statuten existieren eine deutsche und eine englische Version. Die deutsche Fassung ist massgeblich.

VI. General

Article 32 - Language

A German and an English version exist of these articles of association. The German version shall prevail.

Küsnacht, 27. Mai 2025

A handwritten signature in black ink, appearing to read 'S. Heiler', with several horizontal strokes underneath.

APPENDIX IX – GLOSSARY OF THE FREQUENTLY USED DEFINED TERMS

2020 Management	2020 Management AG, Beethovenstrasse 11, 8002 Zurich, Phone: +41 58 255 27 30, Email: "info@20twenty.ch", UID: CHE-375.21.547, LEI: 9845000FT97CF3ABN779 – the major shareholder of the Issuer.
Approved Jurisdiction	Other EEA Member States and Switzerland where the approval of this Prospectus by the FMA allows a public offer of the Shares, to which a notification and/or for which an approval was obtained in accordance with the Prospectus Regulation and/or further applicable laws, rules and regulations for the purpose of making a public offer in such jurisdiction.
Audited IFRS Financial Statements for the Fiscal Year 2022	The audited IFRS financial statements of the Issuer as of 31 December 2022, with comparative figures for the year 2021.
Audited IFRS Consolidated Financial Statements for the Fiscal Year 2023	The audited financial statements of the Issuer as of and for the year ended 31 December 2023, with comparative figures as of and for the year ended 31 December 2022.
Audited IFRS Consolidated Financial Statements for the Fiscal Year 2024	The audited IFRS financial statements of the Issuer as of 31 December 2024, with comparative figures for the year 2023. The comparative period ending at 31.12.2023 has been restated.
BaFin	The Federal Financial Supervisory Authority, Graurheindorfer Str. 108, 53117 Bonn; Marie-Curie-Str. 24-28, 60439 Frankfurt; Germany.
Board of Directors	The board of directors of the Issuer consisting as of the Reference Date of the following persons: Mr. Walter Jucker (Chairman), Mr. Danish Nabil Khokhar and Ms. Irina Kotorova.
Chairman	Mr. Walter Jucker as the chairman of the Board of Directors of Zazoon AG.
CHF	Swiss franc, the legal tender of Switzerland
CO	Federal Act on the Amendment of the Swiss Civil Code (Part Five: The Code of Obligations) of 30 March 1911.
Company	Zazoon AG, with registered office at Beethovenstrasse 11 in CH-8002 Zurich, Switzerland, CHE-101.131.450, LEI 98450061058A7AFDB674, as Issuer of the Shares
DACH region	German speaking EU market (Germany, Austria, Luxembourg) and Switzerland (CH).
DCF	Discounted Cash Flow model

Directed selling efforts	Selling efforts as defined in Regulation S under the United States Securities Act of 1933
EEA	The European Economic Area.
EEA Member State	A Member State of the European Economic Area.
ESG	Environmental, social, and governance.
EUR	European euros, or euros, as the lawful currency introduced at the start of the third stage of the European economic and monetary union.
Financial Statements	<p>Issuer's consolidated financial statements consisting of:</p> <ul style="list-style-type: none"> - Unaudited IFRS Consolidated Financial Statements for the Period Ending 30 June 2025; - Audited IFRS Consolidated Financial Statements for the Fiscal Year 2024; - Audited IFRS Consolidated Financial Statements for the Fiscal Year 2023; - Audited IFRS Financial Statements for the Fiscal Year 2022; - Statutory Audited Annual Financial Statements in accordance with the Swiss Code of Obligations for the Fiscal Year 2024 - Unaudited Financial Statements in accordance with the Swiss Code of Obligations for the Period Ending 30 June 2025
FISA	Federal Act on Intermediated Securities of 3 October 2008.
FMA	Financial Market Authority Liechtenstein, Landstrasse 109, P.O. Box 279, 9490 Vaduz, Liechtenstein.
FMIA	Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of 19 June 2015.
GBP	British pounds, the lawful currency of the United Kingdom
General Meeting	The supreme body of the Issuer that adopts its resolutions and conducts its elections by an absolute majority of the votes represented, unless the law or the Articles of Association contain deviating provisions.
GRC	Governance, Risk, and Compliance
IAS 38	IAS 38 Intangible Assets – an International Financial Reporting Standard setting out the criteria for recognizing and measuring intangible assets and requiring disclosures about them
ICS	The internal control system(s)

IFRS	International Financial Reporting Standards
ISMS	Information Security Management System – one of the key modules comprising the Issuer's platform
Issuer	Zazoon AG, with registered office at Beethovenstrasse 11 in CH-8002 Zurich, Switzerland, CHE-101.131.450, LEI 98450061058A7AFDB674, as issuer of the Shares.
LEI	Legal entity identifier
Listing Rules	Listing Rules of the respective Trading Venue.
MyGRC	The Issuer's centralized platform for managing GRC with tools for risk assessment, internal controls, data protection, policy management, and third-party risk oversight
Non-Permissible Jurisdiction	A non-permissible country in which it would not be permissible to deliver or offer the Shares and where this Prospectus may not be sent to, as described in the section "RESTRICTIONS OF THE OFFER" on p. 15.
Notarized Articles of Association	Articles of Association of Zazoon AG dated 27 May 2025 (see section "APPENDIX VIII ", p. 169)
Offer	Sale Shares for the public offer to Liechtenstein, Switzerland and other Approved Jurisdictions.
Offer Period	Period from presumably 12 February 2026 to presumably 12 February 2027 when the Sale Shares will be publicly offered to investors in one of the Offer States.
Offer Price	The offer price determined by the Issuer's Board of Directors and communicated on the website of the Issuer: "www.zazoon.com".
Offer State	One of the following states where the investors, to whom 2020 Management AG made a public offer, have their respective seats or residences: Liechtenstein, Austria, Germany, Luxembourg and Switzerland.
Offeree	Each recipient of the Prospectus and each prospective purchaser of Shares.
Prospectus Regulation	Regulation (EU) 2017/1129
Prospectus	The present prospectus dated 12 February 2026 regarding the public offer of up to 2,000,000 Sale Shares to Liechtenstein, Switzerland and other Approved Jurisdictions.
Reference Date	Means 12 February 2026.

Regulation S	Regulation S under the United States Securities Act of 1933.
Remuneration Committee	The remuneration committee of the Issuer with a preparatory and supporting functions that consists of Mr. Nabil Khokhar and Ms. Irina Kotorova (chairwoman).
SaaS	Software as a Service
Sale Shares	Up to 2,000,000 existing registered shares of the Issuer with a par value of CHF 0.10 each with a full dividend entitlement as of 1 January 2026
Securities Act	United States Securities Act of 1933, as amended.
Selling Shareholder	2020 Management AG, Zurich, Switzerland holding 20'831'047 Shares
Shares	Up to 30,380,950 registered shares of the Issuer issued by the Issuer with a par value of CHF 0.10 with ISIN CH1163569887
SOGC	Swiss Official Gazette of Commerce
Statutory Audited Annual Financial Statements in accordance with the Swiss Code of Obligations for the Fiscal Year 2024	Annual financial statements of the Issuer in accordance with the Swiss Code of Obligations, as of 31 December 2024, with comparative figures for the year 2023.
Summary	The summary of the Prospectus constituting a summary within Art. 7 of the Prospectus Regulation and serving as an introduction to the Prospectus.
Trading Venue	A Regulated Market (as defined in Article 4 para 1 item 21 MiFID II), a Multilateral Trading Facility or MTF (as defined in Article 4 para 1 item 22 MiFID II), an Organized Trading Facility or OTF (as defined in Article 4 para 1 item 23 MiFID II) or any other trading venue where the Issuer might intend to file a motion for the shares to be listed on.
Unaudited Annual Financial Statements in accordance with the Swiss Code of Obligations for the Period Ending 30 June 2025	Annual financial statements of the Issuer in accordance with the Swiss Code of Obligations, as of 30 June 2025, with comparative figures for the year 2024.
Unaudited IFRS Consolidated Financial Statements for the Period Ending 30 June 2025	The unaudited IFRS financial statements of the Issuer as of 30 June 2025, with comparative figures for the year 2024

U.S. Person(s)	U.S. persons as defined in Regulation S under the Securities Act of 1933
USD	U.S. dollar as the lawful currency of the United States of America.
Valuation Report	Valuation of the Issuer conducted using a combination of methodologies to ensure a balanced and well-supported estimate of its value, engaging an external valuation company, Brandon Valorisation, 64, rue Tiquetonne F-75002 Paris.
VegüV/ORAb	The Ordinance against Excessive Compensation at Listed Companies which entered into force on 1 January 2014

REFERENCES TO OBLIGATORY ITEMS IN A PROSPECTUS FOR EQUITY SECURITIES

Annex 10

SECTION/ITEM	DESCRIPTION	REFERENCE IN THE PROSPECTUS
SECTION 1	PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL	
Item 1.1	Identify all persons responsible for the information or any parts of it, given in the registration document with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; in the case of legal persons indicate the name and registered office.	<p>"Explanations regarding the content of the Prospectus", p. 67</p> <p>"Responsibility Statement", item 2.1, p. 40</p>
Item 1.2	<p>A declaration by those responsible for the registration document that to the best of their knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import.</p> <p>Where applicable, a declaration by those responsible for certain parts of the registration document that, to the best of their knowledge, the information contained in those parts of the registration document for which they are responsible is in accordance with the facts and that those parts of the registration document make no omission likely to affect their import.</p>	<p>"Explanations regarding the content of the Prospectus", p. 67</p> <p>"IMPORTANT NOTICE TO INVESTORS", p. 4</p> <p>"Responsibility Statement", item 2.1, p. 40</p>
Item 1.3	<p>Where a statement or report attributed to a person as an expert, is included in the registration document, provide the following details for that person:</p> <p>(a) name;</p> <p>(b) business address;</p> <p>(c) qualifications;</p> <p>(d) material interest if any in the issuer.</p> <p>If the statement or report has been produced at the issuer's request, state that such statement or report has been included in the registration document with the consent of the person who has authorized the contents of that part of the registration document for the purpose of the prospectus.</p>	<p>"Valuation of the Shares, item 4.11. p. 63,</p> <p>in particular "Brandon Valorisation", item 4.11. p. 63</p> <p>"Who is the Issuer of the securities?", item 2.1 of the Summary, p. 10</p> <p>"Audit Company", item 3.5, p. 53</p> <p>"FORWARD-LOOKING STATEMENTS AND MARKET DATA", p.4</p>

		<p>“Capitalization”, from section “PRESENTATION OF FINANCIAL INFORMATION”, p. 23</p> <p>“Accounting”, item 3.14, p. 59</p>
Item 1.4	<p>Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.</p>	<p>“Valuation of the Shares”, item 4.11., p. 63</p> <p>in particular “Brandon Valorisation”, item 4.11., p. 63</p> <p>“Audit Company”, item 3.5, p. 53</p>
Item 1.5	<p>A statement that:</p> <p>(a) the [registration document/prospectus] has been approved by the [name of the competent authority], as competent authority under Regulation (EU) 2017/1129;</p> <p>(b) the [name of competent authority] only approves this [registration document/prospectus] as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;</p> <p>(c) such approval should not be considered as an endorsement of the issuer that is the subject of this [registration document/prospectus].</p>	<p>“IMPORTANT NOTICE TO INVESTORS”, p. 2</p> <p>“The identity and contact details of the competent authority approving the Prospectus, date of approval of the prospectus”, item 1. of the Summary, p. 9</p>
SECTION 2	STATUTORY AUDITORS	
Item 2.1	<p>Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).</p>	<p>“Information on the General Meeting, Board of Directors, Auditors and Other Governing Bodies”, item 3.5., p. 49</p> <p>“Who is the Issuer of the securities?” Item 2.1. of the Summary, p. 10.</p>
Item 2.2	<p>If auditors have resigned, been removed or have not been re-appointed during the period covered by the historical financial information, indicate details if material.</p>	<p>“Who is the Issuer of the securities?”, item 2.1. of the summary, p. 10</p>
SECTION 3	RISK FACTORS	

Item 3.1	<p>A description of the material risks that are specific to the issuer, in a limited number of categories, in a section headed 'Risk Factors'.</p> <p>In each category, the most material risks, in the assessment undertaken by the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence shall be set out first. The risks shall be corroborated by the content of the registration document.</p>	"RISK FACTORS", item 1., p. 25 et seq
SECTION 4	INFORMATION ABOUT THE ISSUER	
Item 4.1	The legal and commercial name of the issuer.	"Legal Basis", item 3.1., p. 48
Item 4.2	The place of registration of the issuer, its registration number and legal entity identifier (LEI).	"The identity and contact details of the Issuer, including its legal entity identifier (LEI)", item 1. of the Summary, p. 9
Item 4.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite.	"Legal Basis", item 3.1., p. 48
Item 4.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.	<p>"Legal Basis", item 3.1., p. 48</p> <p>"The identity and contact details of the Issuer, including its legal entity identifier (LEI)", item 1. of the Summary, p. 9</p>
SECTION 5	BUSINESS OVERVIEW	
Item 5.1	Principal activities	
Item 5.1.1	A description of, and key factors relating to, the nature of the issuer's operations and its principal activities, stating the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information;	<p>"Products of the ", item 2.2.2., p. 42</p> <p>"Markets", item 2.3., p. 43</p> <p>"Overview and Strategy", item 2.2., p. 40</p>

Item 5.1.2	An indication of any significant new products and/or services that have been introduced and, to the extent the development of new products or services has been publicly disclosed, give the status of their development.	N/A, as no such products and/or services exist.
Item 5.2	Principal markets A description of the principal markets in which the issuer competes, including a breakdown of total revenues by operating segment and geographic market for each financial year for the period covered by the historical financial information.	"Markets", item 2.3., p. 43
Item 5.3	The important events in the development of the issuer's business.	"History of the ", item 2.5., p. 44 "Significant Changes since the Balance Sheet Date", item 3.15., p. 59
Item 5.4	Strategy and objectives A description of the issuer's business strategy and objectives, both financial and non-financial (if any). This description shall take into account the issuer's future challenges and prospects.	"Corporate Goals / Business Prospects", item 2.8., p. 46 "Valuation of the Shares", item 4.11. p. 63
Item 5.5	If material to the issuer's business or profitability, summary information regarding the extent to which the issuer is dependent, on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes.	Financial Contracts: "1.2.9" items 1.2.9. p. 30 "1.2.14", item 1.2.14 p. 33 Commercial Contracts (Management Services): "1.2.16" item 1.2.16 p. 34 "1.2.17" item 1.2.17 p. 34 All other are N/A
Item 5.6	The basis for any statements made by the issuer regarding its competitive position.	"FORWARD-LOOKING STATEMENTS AND MARKET DATA", p.3
Item 5.7	Investments	
Item 5.7.1	A description, (including the amount) of the issuer's material investments for each financial year for the period covered by the historical financial information up to the date of the registration document.	"Investments", item 2.10., p. 47

Item 5.7.2	A description of any material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external).	N/A, as no material investments exist at the point of this prospectus.
Item 5.7.3	Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.	N/A, as no joint ventures or such undertakings exist
Item 5.7.4	A description of any environmental issues that may affect the issuer's utilization of the tangible fixed assets.	N/A, as no noteworthy tangible assets exist. The issuer is a software company and uses cloud services to host.
SECTION 6	ORGANISATIONAL STRUCTURE	
Item 6.1	If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organizational structure if this helps to clarify the structure.	"Structure and Management Organization", item 2.4., p. 43
Item 6.2	A list of the issuer's significant subsidiaries, including name, country of incorporation or residence, the proportion of ownership interest held and, if different, the proportion of voting power held.	"Structure and Management Organization", item 2.4., p. 43
SECTION 7	OPERATING AND FINANCIAL REVIEW	
Item 7.1	Financial conditions	
Item 7.1.1	<p>To the extent not covered elsewhere in the registration document and to the extent necessary for an understanding of the issuer's business as a whole, a fair review of the development and performance of the issuer's business and of its position for each year and interim period for which historical financial information is required, including the causes of material changes.</p> <p>The review shall be a balanced and comprehensive analysis of the development and performance of the issuer's business and of its position, consistent with the size and complexity of the business.</p> <p>To the extent necessary for an understanding of the issuer's development, performance or position, the analysis shall include both financial and, where appropriate, non-financial Key Performance Indicators relevant to the particular business. The analysis shall, where appropriate, include references to, and additional explanations of, amounts reported in the annual financial statements.</p>	"PRESENTATION OF FINANCIAL INFORMATION", p. 18 et seq.
Item 7.1.2	To the extent not covered elsewhere in the registration document and to the extent necessary for an understanding of the issuer's business as a whole, the review shall also give an indication of:	(a) "Valuation of the Shares", item 4.11., p. 63

	<p>(a) the issuer's likely future development;</p> <p>(b) activities in the field of research and development.</p> <p>The requirements set out in item 7.1 may be satisfied by the inclusion of the management report referred to in Articles 19 and 29 of Directive 2013/34/EU of the European Parliament and of the Council.</p>	<p>(b) "Overview and Strategy", item 2.2., p. 40; "Investments", item 2.10., p. 47</p>
Item 7.2	Operating results	
Item 7.2.1	Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer's income from operations and indicate the extent to which income was so affected.	N/A, no such events exist
Item 7.2.2	Where the historical financial information discloses material changes in net sales or revenues, provide a narrative discussion of the reasons for such changes.	"PRESENTATION OF FINANCIAL INFORMATION", p. 21 et seq.
SECTION 8	CAPITAL RESOURCES	
Item 8.1	Information concerning the issuer's capital resources (both short term and long term).	"PRESENTATION OF FINANCIAL INFORMATION", p. 18 et seq.
Item 8.2	An explanation of the sources and amounts of and a narrative description of the issuer's cash flows.	<p>"PRESENTATION OF FINANCIAL INFORMATION", p. 18 et seq.</p> <p>"Valuation of the Shares", item 4.11., p. 63</p>
Item 8.3	Information on the borrowing requirements and funding structure of the issuer.	<p>"Financials' Risk", item 1.2.9., p. 30</p> <p>"2020 Management AG", item 2.9., p. 46</p>
Item 8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	N/A, as no such restrictions exist.
Item 8.5	Information regarding the anticipated sources of funds needed to fulfil commitments referred to in item 5.7.2	N/A, as no anticipated resources of funds are needed.
SECTION 9	REGULATORY ENVIRONMENT	

Item 9.1	A description of the regulatory environment that the issuer operates in and that may materially affect its business, together with information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	"Compliance Risk", item 1.2.10., p. 31 "Liability and Litigation Risks", item 1.2.11., p. 32
SECTION 10	TREND INFORMATION	
Item 10.1	A description of: (a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the registration document; (b) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the registration document, or provide an appropriate negative statement.	"Current Global Market", item 2.2.1., p. 40 "Sales and Client Acquisition Risks", item 1.2.6., p. 29 "PRESENTATION OF FINANCIAL INFORMATION", p. 18
Item 10.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	N/A, no such events are known to the Issuer.
SECTION 11	PROFIT FORECASTS OR ESTIMATES	
Item 11.1	Where an issuer has published a profit forecast or a profit estimate (which is still outstanding and valid) that forecast or estimate shall be included in the registration document. If a profit forecast or profit estimate has been published and is still outstanding, but no longer valid, then provide a statement to that effect and an explanation of why such forecast or estimate is no longer valid. Such an invalid forecast or estimate is not subject to the requirements in items 11.2 and 11.3.	"Valuation of the Shares", item 4.11., p. 63 "Sales and Client Acquisition Risks", item 1.2.6., p. 29 "Valuation Risk", item 1.3.2., p. 39
Item 11.2	Where an issuer chooses to include a new profit forecast or a new profit estimate, or a previously published profit forecast or a previously published profit estimate pursuant to item 11.1, the profit forecast or estimate shall be clear and unambiguous and contain a statement setting out the principal assumptions upon which the issuer has based its forecast, or estimate. The forecast or estimate shall comply with the following principles: (a) there must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; (b) the assumptions must be reasonable, readily understandable by investors, specific and precise and not relate to the general accuracy of the estimates underlying the	"Valuation of the Shares" item 4.11., p. 63 "Valuation Risk", item 1.3.2., p. 39

	<p>forecast;</p> <p>(c) in the case of a forecast, the assumptions shall draw the investor's attention to those uncertain factors which could materially change the outcome of the forecast.</p>	
q.	<p>The prospectus shall include a statement that the profit forecast or estimate has been compiled and prepared on a basis which is both:</p> <p>(a) comparable with the historical financial information;</p> <p>(b) consistent with the issuer's accounting policies.</p>	<p>"Valuation of the Shares", item 4.11., p. 63</p>
SECTION 12	ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT	
Item 12.1	<p>Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer:</p> <p>a) members of the administrative, management or supervisory bodies;</p> <p>b) partners with unlimited liability, in the case of a limited partnership with a share capital;</p> <p>(c) founders, if the issuer has been established for fewer than five years;</p> <p>(d) any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business.</p> <p>Details of the nature of any family relationship between any of the persons referred to in points (a) to (d).</p> <p>In the case of each member of the administrative, management or supervisory bodies of the issuer and of each person referred to in points (b) and (d) of the first subparagraph, details of that person's relevant management expertise and experience and the following information:</p> <p>(a) the names of all companies and partnerships where those persons have been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, indicating whether or not the individual is still a member of the administrative, management or supervisory bodies or partner. It is not necessary to list all the subsidiaries of an issuer of which the person is also a member of the administrative, management or supervisory bodies;</p> <p>(b) details of any convictions in relation to fraudulent offences for at least the previous five years;</p> <p>(c) details of any bankruptcies, receiverships, liquidations or companies put into administration in respect of those persons described in points (a) and (d) of the first subparagraph who acted in one or more of those capacities for at least the previous five years;</p> <p>(d) details of any official public incrimination and/or sanctions involving such persons by statutory or regulatory authorities (including designated professional bodies) and whether they have ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.</p>	<p>"Information on the General Meeting, Board of Directors, Auditors and Other Governing Bodies", item 3.5., p. 49 et seq.</p>

	If there is no such information required to be disclosed, a statement to that effect is to be made.	
Item 12.2	<p>Administrative, management and supervisory bodies and senior management conflicts of interests</p> <p>Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 12.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.</p> <p>Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to in item 12.1 was selected as a member of the administrative, management or supervisory bodies or member of senior management.</p> <p>Details of any restrictions agreed by the persons referred to in item 12.1 on the disposal within a certain period of time of their holdings in the issuer's securities.</p>	<p>"Conflicts of Interest", item 2.3. of the Summary, p. 11</p> <p>"Conflicts of Interest Risk", item 1.2.2, p. 27</p>
SECTION 13	REMUNERATION AND BENEFITS	
	In relation to the last full financial year for those persons referred to in points (a) and (d) of the first subparagraph of item 12.1:	
Item 13.1	<p>The amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to such persons by the issuer and its subsidiaries for services in all capacities to the issuer and its subsidiaries by any person.</p> <p>That information must be provided on an individual basis unless individual disclosure is not required in the issuer's home country and is not otherwise publicly disclosed by the issuer.</p>	<p>"Remuneration of the Board of Directors", item 3.5., p. 52</p> <p>"Equity-based Compensation for Board of Directors and Employees", item 3.5., p. 53</p>
Item 13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits.	N/A, as the Issuer has no own employees (only its subsidiaries). The subsidiaries do not have such amounts set aside or accrued as of the date of this prospectus.
SECTION 14	BOARD PRACTICES	
	In relation to the issuer's last completed financial year, and unless otherwise specified, with respect to those persons referred to in point (a) of the first subparagraph of item 12.1.	
Item 14.1	Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office.	"Information on the General Meeting, Board of Directors, Auditors and Other

		Governing Bodies”, item 3.5., p. 49 et seq.
Item 14.2	Information about members of the administrative, management or supervisory bodies’ service contracts with the issuer or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate statement to the effect that no such benefits exist.	“Information on the General Meeting, Board of Directors, Auditors and Other Governing Bodies”, item 3.5., p. 49 et seq.
Item 14.3	Information about the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.	“Remuneration Committee”, item 3.5., p. 52 There is no audit committee.
Item 14.4	A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer. In the event that the issuer does not comply with such a regime, a statement to that effect must be included together with an explanation regarding why the issuer does not comply with such regime.	“Litigation and Compliance”, item 3.16., p. 59
Item 14.5	Potential material impacts on the corporate governance, including future changes in the board and committees composition (in so far as this has been already decided by the board and/or shareholders meeting).	N/A, as no such decisions have been made.
SECTION 15	EMPLOYEES	
Item 15.1	Either the number of employees at the end of the period or the average for each financial year for the period covered by the historical financial information up to the date of the registration document (and changes in such numbers, if material) and, if possible and material, a breakdown of persons employed by main category of activity and geographic location. If the issuer employs a significant number of temporary employees, include disclosure of the number of temporary employees on average during the most recent financial year.	“Key Personnel”, item 2.3. of the Summary, p. 11 “Personnel Risk”, item 1.2.16 p. 34
Item 15.2	Shareholdings and stock options With respect to each person referred to in points (a) and (d) of the first subparagraph of item 12.1 provide information as to their share ownership and any options over such shares in the issuer as of the most recent practicable date.	“Equity-based Compensation for Board of Directors and Employees”, item 3.5., p. 53
Item 15.3	Description of any arrangements for involving the employees in the capital of the issuer.	N/A, as no such arrangements exist.
SECTION 16	MAJOR SHAREHOLDERS	
Item 16.1	In so far as is known to the issuer, the name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's	“Significant Shareholders”, item 3.12., p. 57

	national law, together with the amount of each such person's interest, as at the date of the registration document or, if there are no such persons, an appropriate statement to that effect that no such person exists.	
Item 16.2	Whether the issuer's major shareholders have different voting rights, or an appropriate statement to the effect that no such voting rights exist.	"Capital and Voting Rights", item 3.8., p. 54
Item 16.3	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.	<p>"Conflicts of Interest", item 2.3. of the Summary, p. 11</p> <p>"Conflicts of Interest Risk", item 1.2.2, p. 27</p> <p>"Concentration of Ownership Risk", item 3.4. of the Summary, p. 13</p> <p>"Concentration Risk", item 1.2.5., p. 28</p>
Item 16.4	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	N/A, as no such arrangements exist.
SECTION 17	RELATED PARTY TRANSACTIONS	
Item 17.1	<p>Details of related party transactions (which for these purposes are those set out in the Standards adopted in accordance with the Regulation (EC) No 1606/2002 of the European Parliament and of the Council), that the issuer has entered into during the period covered by the historical financial information and up to the date of the registration document, must be disclosed in accordance with the respective standard adopted under Regulation (EC) No 1606/2002 if applicable.</p> <p>If such standards do not apply to the issuer the following information must be disclosed:</p> <p>(a) the nature and extent of any transactions which are, as a single transaction or in their entirety, material to the issuer. Where such related party transactions are not concluded at arm's length provide an explanation of why these transactions were not concluded at arm's length. In the case of outstanding loans including guarantees of any kind indicate the amount outstanding;</p> <p>(b) the amount or the percentage to which related party transactions form part of the turnover of the issuer.</p>	<p>N/A, but related parties transactions are disclosed in:</p> <p>"Management-Transactions", item 3.11., p. 56; and</p> <p>"Key Contractual Partners", item 2.9., p. 46.</p>
SECTION 18	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
Item 18.1	Historical financial information	
Item 18.1.1	Audited historical financial information covering the latest three financial years (or such shorter period as the issuer has been in operation) and the audit report in respect of	<p>"APPENDIX III ", p. 76</p> <p>"APPENDIX IV ", p. 104</p>

	each year.	"APPENDIX V ", p. 128
Item 18.1.2	<p>Change of accounting reference date</p> <p>If the issuer has changed its accounting reference date during the period for which historical financial information is required, the audited historical information shall cover at least 36 months, or the entire period for which the issuer has been in operation, whichever is shorter.</p>	N/A
Item 18.1.3	<p>Accounting standards</p> <p>The financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002.</p> <p>If Regulation (EC) No 1606/2002 is not applicable, the financial information must be prepared in accordance with:</p> <p>(a) a Member State's national accounting standards for issuers from the EEA, as required by Directive 2013/34/EU;</p> <p>(b) a third country's national accounting standards equivalent to Regulation (EC) No 1606/2002 for third country issuers. If such third country's national accounting standards are not equivalent to Regulation (EC) No 1606/2002 the financial statements shall be restated in compliance with that Regulation.</p>	"PRESENTATION OF FINANCIAL INFORMATION", p. 18
Item 18.1.4	<p>Change of accounting framework</p> <p>The last audited historical financial information, containing comparative information for the previous year, must be presented and prepared in a form consistent with the accounting standards framework that will be adopted in the issuer's next published annual financial statements having regard to accounting standards and policies and legislation applicable to such annual financial statements.</p> <p>Changes within the accounting framework applicable to an issuer do not require the audited financial statements to be restated solely for the purposes of the prospectus. However, if the issuer intends to adopt a new accounting standards framework in its next published financial statements, at least one complete set of financial statements (as defined by IAS 1 Presentation of Financial Statements as set out in Regulation (EC) No 1606/2002), including comparatives, must be presented in a form consistent with that which will be adopted in the issuer's next published annual financial statements, having regard to accounting standards and policies and legislation applicable to such annual financial statements.</p>	N/A
Item 18.1.5	<p>Where the audited financial information is prepared according to national accounting standards, it must include at least the following:</p> <p>(a) the balance sheet; (b) the income statement;</p> <p>(c) a statement showing either all changes in equity or changes in equity other than those arising from capital transactions with owners and distributions to owners;</p> <p>(d) the cash flow statement;</p> <p>(e) the accounting policies and explanatory notes.</p>	<p>"APPENDIX VI ", p. 148</p> <p>Under the Swiss Codew of Obligations, a cash flow statement is not required to be prepared under certain circumstances (which Zazoon A met). As such, none was constructed using the Swiss Code of</p>

		Obligations accounting standards.
Item 18.1.6	<p>Consolidated financial statements</p> <p>If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document.</p>	<p>"APPENDIX III ", p. 76</p> <p>"APPENDIX IV ", p. 104</p> <p>"APPENDIX V ", p. 128</p>
Item 18.1.7	<p>Age of financial information</p> <p>The balance sheet date of the last year of audited financial information may not be older than one of the following:</p> <p>(a) 18 months from the date of the registration document if the issuer includes audited interim financial statements in the registration document;</p> <p>(b) 16 months from the date of the registration document if the issuer includes unaudited interim financial statements in the registration document.</p>	<p>"APPENDIX II ", p. 71</p> <p>"APPENDIX III ", p. 76</p> <p>"APPENDIX IV ", p. 104</p> <p>"APPENDIX V ", p. 128</p> <p>"APPENDIX VI ", p. 148</p> <p>"Appendix VII ", p. 166</p>
Item 18.2	Interim and other financial information	
Item 18.2.1	<p>If the issuer has published quarterly or half-yearly financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half-yearly financial information has been audited or reviewed, the audit or review report must also be included. If the quarterly or half-yearly financial information is not audited or has not been reviewed, state that fact.</p> <p>If the registration document is dated more than nine months after the date of the last audited financial statements, it must contain interim financial information, which may be unaudited (in which case that fact must be stated) covering at least the first six months of the financial year.</p> <p>Interim financial information prepared in accordance with the requirements of Regulation (EC) No 1606/2002.</p> <p>For issuers not subject to Regulation (EC) No 1606/2002, the interim financial information must include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the year's end balance sheet in accordance with the applicable financial reporting framework.</p>	<p>Unaudited IFRS Financial Statements as at 30.06.2025 "APPENDIX II ", p. 71</p>
Item 18.3	Auditing of historical annual financial information	
Item 18.3.1	<p>The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with the Directive 2014/56/EU of the European Parliament and Council (*) and Regulation (EU) No 537/2014 of the European Parliament and of the Council (+).</p> <p>Where Directive 2014/56/EU and Regulation (EU) No 537/2014 do not apply:</p> <p>(a) the historical annual financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard;</p>	<p>"APPENDIX III ", p. 76</p> <p>"APPENDIX IV ", p. 104</p> <p>"APPENDIX V ", p. 128</p> <p>"APPENDIX VI ", p. 148</p>

	(b) If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full and the reasons given.	
Item 18.3.2	Indication of other information in the registration document that has been audited by the auditors.	N/A, as no such documents exist.
Item 18.3.3	Where financial information in the registration document is not extracted from the issuer's audited financial statements state the source of the information and state that the information is not audited.	"Capitalization and Indebtedness", item 3.13., p. 57
Item 18.4	Pro forma financial information	
Item 18.4.1	<p>In the case of a significant gross change, a description of how the transaction might have affected the assets, liabilities and earnings of the issuer, had the transaction been undertaken at the commencement of the period being reported on or at the date reported.</p> <p>This requirement will normally be satisfied by the inclusion of pro forma financial information. This pro forma financial information is to be presented as set out in Annex 20 and must include the information indicated therein.</p> <p>Pro forma financial information must be accompanied by a report prepared by independent accountants or auditors.</p>	N/A, as there is no significant gross change. Thus, no such information is included in the prospectus.
Item 18.5	Dividend policy	
Item 18.5.1	A description of the issuer's policy on dividend distributions and any restrictions thereon. If the issuer has no such policy, include an appropriate negative statement.	"Dividends", item 3.7., p. 53
Item 18.5.2	The amount of the dividend per share for each financial year for the period covered by the historical financial information adjusted, where the number of shares in the issuer has changed, to make it comparable.	"Dividends", item 3.7., p. 53
Item 18.6	Legal and arbitration proceedings	
Item 18.6.1	Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	<p>"Liability and Litigation Risks", item 1.2.11., p. 32</p> <p>"Litigation and Compliance", item 3.16., p. 59</p>
Item 18.7	Significant change in the issuer's financial position	
Item 18.7.1	A description of any significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial statements or interim financial information have been published, or provide an appropriate negative statement.	"Significant Changes since the Balance Sheet Date", item 3.15., p. 59

SECTION 19	ADDITIONAL INFORMATION	
Item 19.1	<p>Share capital</p> <p>The information in items 19.1.1 to 19.1.7 in the historical financial information as of the date of the most recent balance sheet:</p>	
Item 19.1.1	<p>The amount of issued capital, and for each class of share capital:</p> <p>(a) the total of the issuer's authorized share capital;</p> <p>(b) the number of shares issued and fully paid and issued but not fully paid;</p> <p>(c) the par value per share, or that the shares have no par value; and</p> <p>(d) a reconciliation of the number of shares outstanding at the beginning and end of the year.</p> <p>If more than 10 % of capital has been paid for with assets other than cash within the period covered by the historical financial information, state that fact.</p>	"Share Capital", item 3.8., p. 54
Item 19.1.2	If there are shares not representing capital, state the number and main characteristics of such shares.	N/A, as the shares represent capital.
Item 19.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer.	N/A, as the issuer holds no treasury shares.
Item 19.1.4	The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription.	N/A, as there are no convertible securities, exchangeable securities or securities with warrants.
Item 19.1.5	Information about and terms of any acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the capital.	N/A, as no acquisition rights nor obligations over authorized capital nor undertaking to increase the capital exist.
Item 19.1.6	Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate.	N/A, as no capital of any member of the group is under option or agreed conditionally.
Item 19.1.7	A history of share capital, highlighting information about any changes, for the period covered by the historical financial information.	<p>"History of the ", item 2.5., p. 44</p> <p>"Share Capital", item 3.8., p. 54</p>
Item 19.2	Memorandum and Articles of Association	

Item 19.2.1	The register and the entry number therein, if applicable, and a brief description of the issuer's objects and purposes and where they can be found in the up-to-date memorandum and articles of association.	<p>"Legal Basis, Purpose, Articles, item 3.1. et seq., p.48</p> <p>"APPENDIX I ", p. 68</p> <p>"Appendix VII ", Articles of Association, p. 169"</p>
Item 19.2.2	Where there is more than one class of existing shares, a description of the rights, preferences and restrictions attaching to each class.	N/A, as only one class of shares exist.
Item 19.2.3	A brief description of any provision of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer.	<p>"APPENDIX VIII ", Articles of Association, p. 169</p> <p>"Articles of Association", item 3.4., p. 48</p>
SECTION 20	MATERIAL CONTRACTS	
Item 20.1	<p>A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the issuer or any member of the group is a party, for the two years immediately preceding publication of the registration document.</p> <p>A summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the group which contains any provision under which any member of the group has any obligation or entitlement which is material to the group as at the date of the registration document.</p>	<p>"Key Contractual Partners", item 2.9., p. 46</p>
SECTION 21	DOCUMENTS AVAILABLE	
Item 21.1	<p>A statement that for the term of the registration document the following documents, where applicable, can be inspected:</p> <p>(a) the up-to-date memorandum and articles of association of the issuer;</p> <p>(b) all reports, letters, and other documents, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the registration document.</p> <p>An indication of the website on which the documents may be inspected.</p>	<p>"IMPORTANT NOTICE TO INVESTORS", p. 2, p. 4</p> <p>"ARTICLES OF ASSOCIATION", item 3.4., p. 49</p> <p>Note: upon request at the office of the issuer</p>

Annex 11

SECTION/ITEM	DESCRIPTION	REFERENCE IN THE PROSPECTUS
SECTION 1	PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL	
Item 1.1	Identify all persons responsible for the information or any parts of it, given in the securities note with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; in the case of legal persons indicate the name and registered office.	"Explanations regarding the content of the Prospectus", p. 67
Item 1.2	A declaration by those responsible for the securities note that to the best of their knowledge, the information contained in the securities note is in accordance with the facts and that the securities note makes no omission likely to affect its import. Where applicable, a declaration by those responsible for certain parts of the securities note that, to the best of their knowledge, the information contained in those parts of the securities note for which they are responsible is in accordance with the facts and that those parts of the securities note make no omission likely to affect their import.	"Explanations regarding the content of the Prospectus", p. 67 "Responsibility Statement", item 2.1., p. 40 "IMPORTANT NOTICE TO INVESTORS", p. 3
Item 1.3	Where a statement or report attributed to a person as an expert, is included in the securities note, provide the following in relation to that person: (a) name; (b) business address; (c) qualifications; (d) material interest, if any, in the issuer. If the statement or report has been produced at the issuer's request, state that such statement or report has been included in the securities note with the consent of the person who has authorized the contents of that part of the securities note for the purpose of the prospectus.	"Valuation of the Shares", item 4.11., p. 63, in particular "Brandon Valorisation", item 4.11., p. 63
Item 1.4	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.	"IMPORTANT NOTICE TO INVESTORS", p. 4
Item 1.5	A statement that: (a) this [securities note/prospectus] has been approved by the name of competent	"IMPORTANT NOTICE TO INVESTORS", p. 2

	<p>authority], as competent authority under Regulation (EU) 2017/1129;</p> <p>b) the [name of competent authority] only approves this [securities note/prospectus] as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;</p> <p>(c) such approval should not be considered as an endorsement of [the quality of the securities that are the subject of this [securities note/prospectus];</p> <p>d) investors should make their own assessment as to the suitability of investing in the securities.</p>	<p>“The identity and contact details of the competent authority approving the Prospectus, date of approval of the prospectus”, item 1. of the Summary, p. 9</p>
SECTION 2	RISK FACTORS	
Item 2.1	<p>A description of the material risks that are specific to the securities being offered and/or admitted to trading in a limited number of categories, in a section headed ‘Risk Factors’. 21.6.2019 Official Journal of the European Union L 166/95 EN In each category the most material risks, in the assessment of the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the securities and the probability of their occurrence, shall be set out first. The risks shall be corroborated by the content of the securities note.</p>	<p>“RISK FACTORS”, item 1., p. 25 et seq</p>
SECTION 3	ESSENTIAL INFORMATION	
Item 3.1	<p>Working capital statement</p> <p>Statement by the issuer that, in its opinion, the working capital is sufficient for the issuer’s present requirements or, if not, how it proposes to provide the additional working capital needed.</p>	<p>“History of the ”, item 2.5., p. 44</p> <p>“Revenue / Financials”, item 2.7., p. 45</p>
Item 3.2	<p>Capitalization and indebtedness</p> <p>A statement of capitalization and indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) as of a date no earlier than 90 days prior to the date of the document. The term ‘indebtedness’ also includes indirect and contingent indebtedness.</p> <p>In the case of material changes in the capitalization and indebtedness position of the issuer within the 90 day period, additional information shall be given through the presentation of a narrative description of such changes or through the updating of those figures.</p>	<p>“Capitalization and Indebtedness”, item 3.13., p. 57</p>
Item 3.3	<p>Interest of natural and legal persons involved in the issue/offer</p> <p>A description of any interest, including a conflict of interest that is material to the issue/offer, detailing the persons involved and the nature of the interest.</p>	<p>“Conflicts of Interest”, item 2.3. of the Summary, p. 11</p> <p>“Conflicts of Interest Risk”, item 1.2.2, p. 27</p> <p>“Why is this Prospectus being produced?”, item 4.1.1 of the Summary, p. 14</p>

Item 3.4	<p>Reasons for the offer and use of proceeds</p> <p>Reasons for the offer and, where applicable, the estimated net amount of the proceeds broken into each principal intended use and presented in order of priority of such uses. If the issuer is aware that the anticipated proceeds will not be sufficient to fund all the proposed uses, then state the amount and sources of other funds needed. Details must be also given with regard to the use of the proceeds, in particular when they are being used to acquire assets, other than in the ordinary course of business, to finance announced acquisitions of other business, or to discharge, reduce or retire indebtedness.</p>	<p>“What are the key risks that are specific to the Issuer?” P. 11</p>
SECTION 4	INFORMATION CONCERNING THE SECURITIES TO BE OFFERED/ADMITTED TO TRADING	
Item 4.1	A description of the type and the class of the securities being offered and/or admitted to trading, including the international security identification number ('ISIN').	<p>“Security Number / ISIN / Ticker”, item 4.7., p. 62</p>
Item 4.2	Legislation under which the securities have been created.	<p>“Description of the Shares”, item 3.8., p. 54</p>
Item 4.3	An indication whether the securities are in registered form or bearer form and whether the securities are in certificated form or book-entry form. In the latter case, name and address of the entity in charge of keeping the records.	<p>“Description of the Shares”, item 3.8., p. 54</p> <p>“Security Number / ISIN / Ticker” item 4.7., p. 62</p> <p>“Structure as Global Certificate and Intermediated Securities”, item 4.5., p. 62</p>
Item 4.4	Currency of the securities issue.	<p>“Description of the Shares”, item 3.8., p. 54</p> <p>“Security Number / ISIN / Ticker”, item 4.7., p. 62</p>
Item 4.5	<p>A description of the rights attached to the securities, including any limitations of those rights and procedure for the exercise of those rights:</p> <p>(a) dividend rights: (i) fixed date(s) on which entitlement arises; (ii) time limit after which entitlement to dividend lapses and an indication of the person in whose favour the lapse operates; (iii) dividend restrictions and procedures for non-resident holders; (iv) rate of dividend or method of its calculation, periodicity and cumulative or non-cumulative nature of payments; L 166/96 Official Journal of the European Union 21.6.2019 EN</p> <p>(b) voting rights;</p> <p>(c) pre-emption rights in offers for subscription of securities of the same class;</p>	<p>“Dividends”, item 3.7., p. 53</p> <p>“Capital and Voting Rights”, item 3.8., p. 54</p> <p>“Description of the Shares”, item 3.8., p. 54</p>

	<p>(d) right to share in the issuer's profits;</p> <p>(e) rights to share in any surplus in the event of liquidation;</p> <p>(f) redemption provisions;</p> <p>(g) conversion provisions.</p>	
Item 4.6	In the case of new issues, a statement of the resolutions, authorizations and approvals by virtue of which the securities have been or will be created and/or issued.	N/A, as no new issues.
Item 4.7	In the case of new issues, the expected issue date of the securities.	N/A, as no new issues.
Item 4.8	A description of any restrictions on the transferability of the securities.	"Restrictions on Transferability and Tradability", item 4.6. p. 62
Item 4.9	Statement on the existence of any national legislation on takeovers applicable to the issuer which may frustrate such takeovers if any. A brief description of the shareholders' rights and obligations in case of mandatory takeover bids and/or squeeze-out or sell-out rules in relation to the securities.	"Public Tender - Opting-Out", item 3.9., p. 56
Item 4.10	An indication of public takeover bids by third parties in respect of the issuer's equity, which have occurred during the last financial year and the current financial year. The price or exchange terms attaching to such offers and the outcome thereof must be stated.	N/A, as no public takeover bids have taken place.
Item 4.11	A warning that the tax legislation of the investor's Member State and of the issuer's country of incorporation may have an impact on the income received from the securities. Information on the taxation treatment of the securities where the proposed investment attracts a tax regime specific to that type of investment.	"Why is this Prospectus being produced?", item. 4.1.1 of the Summary, p. 14
Item 4.12	Where applicable, the potential impact on the investment in the event of resolution under Directive 2014/59/EU of the European Parliament and of the Council.	N/A, Directive 2014/59/EU is not applicable.
Item 4.13	If different from the issuer, the identity and contact details of the offeror of the securities and/or the person asking for admission to trading, including the legal entity identifier ('LEI') where the offeror has legal personality.	"Under which conditions and timetable can investors invest in this security?", item 4.1. of the Summary, p. 14
SECTION 5	TERMS AND CONDITIONS OF THE OFFER OF SECURITIES TO THE PUBLIC	
Item 5.1	Conditions, offer statistics, expected timetable and action required to apply for the offer.	
Item 5.1.1	Conditions to which the offer is subject.	"IMPORTANT NOTICE TO INVESTORS, p. 2 et seq.

		<p>“General Information about the Offer”, item 4.1., p. 61</p> <p>“Offer Period, Price and Settlement”, item 4.2., p. 61</p>
Item 5.1.2	<p>Total amount of the issue/offer, distinguishing the securities offered for sale and those offered for subscription; if the amount is not fixed, an indication of the maximum amount of securities to be offered (if available) and a description of the arrangements and the time period for announcing to the public the definitive amount of the offer. Where the maximum amount of securities cannot be provided in the prospectus, the prospectus shall specify that acceptances of the purchase or subscription of securities may be withdrawn for not less than two working days after the amount of securities to be offered to the public has been filed.</p>	<p>“General Information about the Offer”, item 4.1., p. 61</p> <p>See also p. 1</p>
Item 5.1.3	<p>The time period, including any possible amendments, during which the offer will be open and description of the application process.</p>	<p>“Offer Period, Price and Settlement”, item 4.2., p. 61</p> <p>“General Information about the Offer”, item 4.1., p. 61</p>
Item 5.1.4	<p>An indication of when, and under which circumstances, the offer may be revoked or suspended and whether revocation can occur after dealing has begun.</p>	<p>“Offer Period, Price and Settlement”, item 4.2., p. 61</p>
Item 5.1.5	<p>A description of any possibility to reduce subscriptions and the manner for refunding amounts paid in excess by applicants.</p>	<p>N/A, most likely no oversubscribed offer.</p>
Item 5.1.6	<p>Details of the minimum and/or maximum amount of application (whether in number of securities or aggregate amount to invest).</p>	<p>N/A, no minimum and/or maximum amount.</p>
Item 5.1.7	<p>An indication of the period during which an application may be withdrawn, provided that investors are allowed to withdraw their subscription.</p>	<p>N/A, no withdrawal foreseen.</p>
Item 5.1.8	<p>Method and time limits for paying up the securities and for delivery of the securities.</p>	<p>“Offer Period, Price and Settlement”, item 4.2., p. 61</p>
Item 5.1.9	<p>A full description of the manner and date in which results of the offer are to be made public.</p>	<p>“Under which conditions and timetable can investors invest in this security?”, item 4.1. of the Summary, p. 14</p>

		"Offer Period, Price and Settlement", item 4.2., p. 61
Item 5.1.10	The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.	N/A, as no such procedures exist.
Item 5.2	Plan of distribution and allotment.	
Item 5.2.1	The various categories of potential investors to which the securities are offered. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.	N/A, as there is no tranche reserved for any category of investors.
Item 5.2.2	To the extent known to the issuer, an indication of whether major shareholders or members of the issuer's management, supervisory or administrative bodies intend to subscribe in the offer, or whether any person intends to subscribe for more than five per cent of the offer.	N/A, as the offer is made by the majority shareholder. No further information is available.
Item 5.2.3	<p>Pre-allotment Disclosure:</p> <p>(a) the division into tranches of the offer including the institutional, retail and issuer's employee tranches and any other tranches;</p> <p>(b) the conditions under which the claw-back may be used, the maximum size of such claw-back and any applicable minimum percentages for individual tranches;</p> <p>(c) the allotment method or methods to be used for the retail and issuer's employee tranche in the event of an over-subscription of these tranches;</p> <p>(d) a description of any pre-determined preferential treatment to be accorded to certain classes of investors or certain affinity groups (including friends and family programmes) in the allotment, the percentage of the offer reserved for such preferential treatment and the criteria for inclusion in such classes or groups;</p> <p>(e) whether the treatment of subscriptions or bids to subscribe in the allotment may be determined on the basis of which firm they are made through or by;</p> <p>(f) a target minimum individual allotment if any within the retail tranche;</p> <p>(g) the conditions for the closing of the offer as well as the date on which the offer may be closed at the earliest;</p> <p>(h) whether or not multiple subscriptions are admitted, and where they are not, how any multiple subscriptions will be handled.</p>	N/A, as no pre-allotments exist.
Item 5.2.4	Process for notifying applicants of the amount allotted and an indication whether dealing may begin before notification is made.	N/A, as no such allotments are made.
Item 5.3	Pricing	

Item 5.3.1	<p>An indication of the price at which the securities will be offered and the amount of any expenses and taxes charged to the subscriber or purchaser.</p> <p>If the price is not known, then pursuant to Article 17 of Regulation (EU) 2017/1129 indicate either:</p> <p>(a) the maximum price as far as it is available;</p> <p>(b) the valuation methods and criteria, and/or conditions, in accordance with which the final offer price has been or will be determined and an explanation of any valuation methods used.</p> <p>Where neither point (a) nor (b) can be provided in the securities note, the securities note shall specify that acceptances of the purchase or subscription of securities may be withdrawn up to two working days after the final offer price of securities to be offered to the public has been filed.</p>	<p>“Valuation of the Shares”, item 4.11., p. 63</p> <p>“Why is this Prospectus being produced?”, item 4.1.1 of the Summary, p. 14</p>
Item 5.3.2	<p>Process for the disclosure of the offer price.</p>	<p>“Offer Period, Price and Settlement”, item 4.2., p. 61</p> <p>See also p. 1</p>
Item 5.3.3	<p>If the issuer’s equity holders have pre-emptive purchase rights and this right is restricted or withdrawn, an indication of the basis for the issue price if the issue is for cash, together with the reasons for and beneficiaries of such restriction or withdrawal.</p>	<p>N/A, public offer of major shareholder.</p>
Item 5.3.4	<p>Where there is or could be a material disparity between the public offer price and the effective cash cost to members of the administrative, management or supervisory bodies or senior management, or affiliated persons, of securities acquired by them in transactions during the past year, or which they have the right to acquire, include a comparison of the public contribution in the proposed public offer and the effective cash contributions of such persons.</p>	<p>“What are the key risks that are specific to the Issuer”, item 2.3. of the Summary, p. 11</p> <p>“Conflicts of Interest”, item 2.3. of the Summary, p. 11</p> <p>“Conflicts of Interest Risk”, item 1.2.2, p. 27</p>
Item 5.4	Placing and underwriting	
Item 5.4.1	<p>Name and address of the coordinator(s) of the global offer and of single parts of the offer and, to the extent known to the issuer or to the offeror, of the placers in the various countries where the offer takes place.</p>	<p>N/A, as no such persons or organizations exist.</p>
Item 5.4.2	<p>Name and address of any paying agents and depository agents in each country.</p>	<p>“Paying Agent”, item 4.4., p. 61</p>
Item 5.4.3	<p>Name and address of the entities agreeing to underwrite the issue on a firm commitment basis, and name and address of the entities agreeing to place the issue without a firm commitment or under best ‘efforts’ arrangements. Indication of the material features of the agreements, including the quotas. Where not all of the issue is underwritten, a statement of the portion not covered. Indication of the overall amount</p>	<p>N/A, as no such entities involved.</p>

	of the underwriting commission and of the placing commission.	
Item 5.4.4	When the underwriting agreement has been or will be reached.	N/A, as no underwriting agreement exists.
SECTION 6	ADMISSION TO TRADING AND DEALING ARRANGEMENTS	
Item 6.1	An indication as to whether the securities offered are or will be the object of an application for admission to trading, with a view to their distribution in a regulated market or third country market, SME Growth Market or MTF with an indication of the markets in question. This circumstance must be set out, without creating the impression that the admission to trading will necessarily be approved. If known, the earliest dates on which the securities will be admitted to trading.	<p>“IMPORTANT NOTICE TO INVESTORS, p. 2</p> <p>“Listing”, item 4.3., p. 61</p> <p>“Where will the securities be traded?”, item 3.2. of the Summary, p. 12</p>
Item 6.2	All the regulated markets, third country markets, SME Growth Market or MTFs on which, to the knowledge of the issuer, securities of the same class of the securities to be offered or admitted to trading are already admitted to trading.	N/A, as this has not been established yet.
Item 6.3	If simultaneously or almost simultaneously with the application for the admission of the securities to a regulated market, securities of the same class are subscribed for or placed privately or if securities of other classes are created for public or private placing, give details of the nature of such operations and of the number, characteristics and price of the securities to which they relate.	<p>“Listing”, item 4.3., p. 61</p> <p>“Where will the securities be traded?”, item 3.2. of the Summary, p. 12</p>
Item 6.4	In case of an admission to trading on a regulated market, details of the entities which have given a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and a description of the main terms of their commitment.	“No Market Maker”, item 4.10., p. 62
Item 6.5	Details of any stabilisation in line with items 6.5.1 to 6.6 in case of an admission to trading on a regulated market, third country market, SME Growth Market or MTF, where an issuer or a selling shareholder has granted an over-allotment option or it is otherwise proposed that price stabilising activities may be entered into in connection with an offer:	
Item 6.5.1	The fact that stabilisation may be undertaken, that there is no assurance that it will be undertaken and that it may be stopped at any time;	N/A, as no stabilization is to be undertaken by the issuer.
Item 6.5.1.1	The fact that stabilisation transactions aim at supporting the market price of the securities during the stabilisation period;	N/A, as no stabilization is to be undertaken by the issuer.

Item 6.5.2	The beginning and the end of the period during which stabilisation may occur;	N/A, as no stabilization is to be undertaken by the issuer.
Item 6.5.3	The identity of the stabilisation manager for each relevant jurisdiction unless this is not known at the time of publication;	N/A, as no stabilization is to be undertaken by the issuer.
Item 6.5.4	The fact that stabilisation transactions may result in a market price that is higher than would otherwise prevail;	N/A, as no stabilization is to be undertaken by the issuer.
Item 6.5.5	The place where the stabilisation may be undertaken including, where relevant, the name of the trading venue(s).	N/A, as no stabilization is to be undertaken by the issuer.
Item 6.6	Over-allotment and 'green shoe': In case of an admission to trading on a regulated market, SME Growth Market or an MTF: (a) the existence and size of any over-allotment facility and/or 'green shoe'; (b) the existence period of the over-allotment facility and/or 'green shoe'; (c) any conditions for the use of the over-allotment facility or exercise of the 'green shoe'.	N/A, as the prospectus primarily refers to a public offer.
SECTION 7	SELLING SECURITIES HOLDERS	
Item 7.1	Name and business address of the person or entity offering to sell the securities, the nature of any position office or other material relationship that the selling persons has had within the past three years with the issuer or any of its predecessors or affiliates.	"Under which conditions and timetable can investors invest in this security?", item 4.1. of the Summary, p. 14
Item 7.2	The number and class of securities being offered by each of the selling security holders.	"Under which conditions and timetable can investors invest in this security?", item 4.1. of the Summary, p. 14 "Key information on the securities", item 3 of the Summary, p. 12 "General Information about the Offer", item 4.1, p. 61
Item 7.3	Where a major shareholder is selling the securities, the size of its shareholding both before and immediately after the issuance.	"INFORMATION ABOUT THE OFFER

		AND THE SHARES", , item 4., p. 61
Item 7.4	In relation to lock-up agreements, provide details of the following: (a) the parties involved; (b) the content and exceptions of the agreement; (c) an indication of the period of the lock up.	N/A, as no lock-up arrangement exists.
SECTION 8	EXPENSE OF THE ISSUE/OFFER	
Item 8.1	The total net proceeds and an estimate of the total expenses of the issue/offer.	"Why is this Prospectus being produced?", item 4.1.1 of the Summary, p. 14
SECTION 9	DILUTION	
Item 9.1	A comparison of: (a) participation in share capital and voting rights for existing shareholders before and after the capital increase resulting from the public offer, with the assumption that existing shareholders do not subscribe for the new shares; (b) the net asset value per share as of the date of the latest balance sheet before the public offer (selling offer and/or capital increase) and the offering price per share within that public offer.	N/A, as no dilution event exists.
Item 9.2	Where existing shareholders will be diluted regardless of whether they subscribe for their entitlement, because a part of the relevant share issue is reserved only for certain investors (e.g. an institutional placing coupled with an offer to shareholders), an indication of the dilution existing shareholders will experience shall also be presented on the basis that they do take up their entitlement (in addition to the situation in item 9.1 where they do not).	N/A, as no dilution event exists.
SECTION 10	ADDITIONAL INFORMATION	
Item 10.1	If advisors connected with an issue are referred to in the Securities Note, a statement of the capacity in which the advisors have acted.	N/A, as no advisor is connected.
Item 10.2	An indication of other information in the securities note which has been audited or reviewed by statutory auditors and where auditors have produced a report. Reproduction of the report or, with permission of the competent authority, a summary of the report.	N/A, as no such information exists.