Senn & Partner AG
Wirtschaftsprüfungs- und Treuhandgesellschaft

Report of the independent Auditor to the Board of Directors on the Management Report as of December 31, 2025

issuance.swiss AG
Zug

Senn & Partner AG
Wirtschaftsprüfungs- und Treuhandgesellschaft

INDEPENDENT AUDITOR'S REPORT

Report of the independent Auditor on the Reasonable Assurance Audit to the Board of Directors of

issuance.swiss AG, Zug

As independent auditor, we have been engaged by the Board of Directors to perform an audit in analogous application of § 317 section 2 of the German Commercial Code (Handelsgesetzbuch), to determine whether the management report 2025 is consistent with the annual financial statements as of December 31, 2025, and the findings of the audit and whether the management report as a whole provides a suitable view of the Companies position. In doing so, it must also be examined whether the opportunities and risks of future development are accurately presented. The audit of the management report pursuant to § 289 of the German Commercial Code (Content of the Management Report) have been considered.

The management report was prepared by the Board of Directors of issuance.swiss AG on the basis of the following criteria:

- The individual sections of the Management Report 2025 are consistent with the financial statements as of December 31, 2025
- The legal requirements for the preparation of the management report have been observed
- Overall, the management report provides an accurate picture of the situation of the company
- The opportunities and risks of future development are accurately presented

Responsibility of the Board of Directors

The Board of Directors is responsible for the management report for the year 2025 in accordance with the criteria mentioned above. This responsibility includes designing, implementing and maintaining appropriate internal control relevant to the management report that is free from material misstatement, whether due to fraud or error. Furthermore, the Board of Directors is responsible for the selection and application of the criteria.

Our Independence and Quality Assurance

We are independent of issuance.swiss AG in accordance with the independence guidelines of EXPERTsuisse and have complied with the professional standards and rules of professional conduct of EXPERTsuisse that is consistent with the international code of ethics for professional accountants. These requirements set out fundamental principles of professional conduct regarding integrity, objectivity, professional competence and due care, confidentiality and conduct worthy of the profession.

Our company applies ISQC-CH 1 and accordingly maintains a comprehensive quality assurance system with documented rules and measures for compliance with professional conduct requirements, professional standards and applicable statutory and other legal requirements.

Auditor's Responsibility

Our responsibility is to conduct an audit and express a reasonable assurance opinion on the management report 2024 based on the procedures we have performed and the evidence we have obtained. We conducted our audit in accordance with ISAE-CH 3000 (formerly: Swiss Auditing Standard 950) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform audit procedures to obtain reasonable assurance about whether the management report for the year 2025 is prepared, in all material respects, in accordance with the criteria mentioned above.

We performed audit procedures to obtain sufficient appropriate audit evidence, taking into account risk and materiality considerations. The procedures selected depend on the auditor's judgment.

We performed the following procedures:

- Reconciliation of the individual sections of the Management Report 2025 with the financial statements as of December 31, 2025, of issuance.swiss AG
- Examination of whether the legal requirements for the preparation of the management report 2025 of issuance.swiss AG have been complied with
- Examination of whether the Management Report 2025 of issuance.swiss AG gives a true and fair view of the overall position of the company
- Examination as to whether the opportunities and risks of the future development of issuance.swiss AG have been accurately presented in the Management Report 2025

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

Conclusion

In our opinion

- the Management Report 2025 of issuance.swiss AG is consistent with the financial statements 2025
- the legal requirements relating to the preparation of the management report 2025 of issuance.swiss AG have been complied with,
- on the whole the management report 2025 of issuance.swiss AG provides a suitable understanding of the Company's position, and
- the management report 2025 of issuance.swiss AG accurately presents the opportunities and risks of future development.

Restriction of Liability

Our work has been undertaken to enable us to express a reasonable assurance opinion on the Management Report 2025 to the Directors of issuance.swiss AG in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than issuance.swiss AG, for our work, for this report, or for the conclusion we have reached.

Report on Other Legal and Regulatory Requirements

Pursuant to § 114 of the German Securities Trading Act (Wertpapierhandelsgesetz), it is required that the auditor is registered in the register of the German "Wirtschaftsprüferkammer" or alternatively exempted from registration. In this respect, we confirm that we have obtained exemption for the registration as a third-country auditor dated July 15, 2025, from the German "Wirtschaftsprüferkammer".

Wetzikon, July 24, 2026

Senn & Partner AG
Wirtschaftsprüfungs- und Treuhandgesellschaft

Roger Donzé
Swiss certified public accountant
Licensed audit expert
Auditor in charge

Enclosure:
Management Report 2025

ISSUANCE.
Swiss AG

MANAGEMENT REPORT

for the year ended 31 December 2025

issuance.swiss AG · Registration Number CHE-340.510.964
Untere Roostmatt 8, 6300 Zug, Switzerland · LEI 5067000950889C27EM46

Go public with your investment ideas
on the global markets

MANAGEMENT REPORT

The Directors of issuance.swiss AG ("issuance.swiss" or "the Company") present the annual report and the audited financial statements for the year ended 31 December 2025.

Directors' responsibility statement

The Directors are responsible for preparing this Management Report and the financial statements in accordance with applicable law and regulations. Applicable company laws require the Directors to prepare financial statements for each financial period. Under the law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standards (IAS 1) require that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

Fundamentals of the Company

The Issuer was established (at a meeting of its founders) on January 26, 2023 under the name issuance.swiss AG and was incorporated and registered in Zug on February 24, 2023 as a stock corporation (Aktiengesellschaft) under article 620 et seq. of the Swiss Code of Obligations for an unlimited duration. As from that day, the Issuer is registered in the Commercial Register of the Canton of Zug, Switzerland, under the number CHE-340.510.964. The Company changed in May 2025 the registered office to Untere Roostmatt 8, 6300 Zug, Switzerland.

Since its establishment, issuance.swiss AG is a fully owned subsidiary of stakeholder.swiss Foundation, a foundation incorporated in Switzerland and registered at Untere Roostmatt 8, 6300 Zug.

The Board of Directors currently consists of three members, Damjan Cosic (Chairman), Pavel Izmaylov and Laurent Kssis. First two directors are executive directors.

As a special purpose vehicle for issuance of exchange traded products, the Company does not have employees or any other business activity.

The Company's Legal Entity Identifier (LEI) in its capacity as an issuer of exchange traded products ("ETPs") is 5067000950889C27EM46. The Company's websites are available at issuance.swiss.

issuance.swiss is a turn-key solution designed to facilitate the creation and launch of financial products across a wide range of assets, powered by the technical expertise and regulatory knowledge of an expert team, ensuring security and compliance throughout the process.

On May 13, 2023, the Company launched its first pure whitelable crypto ETPs on the BX Swiss Exchange for Crypto Finance AG, a part of the Deutsche Borse Group, and leading provider of institutional-grade investment portfolios, custody and brokerage for digital assets, for its two novel ETPs – CF Crypto Momentum ETP (CFMOM) and Crypto Web 3.0 ETP (CFWB3).

As at 31 December 2025, issuance.swiss offered 8 exchange-traded products available across Europe, in CHF, EUR and USD. Currently, 3 products have been closed in 2026 and remaining products are listed on the following exchanges: SIX Swiss Exchange, Deutsche Börse, Wiener Börse, BX Swiss and made available on a number of other Multilateral Trading Facilities ("MTFs").

The Issuer's exchange-traded products are issued and admitted to trading on the SIX Stock Exchange pursuant to a prospectus as amended from time to time. Products available and admitted to trading on regulated markets within the European Union are available pursuant to a prospectus as amended from time to time (the "EU Prospectus"). The EU Prospectus has been approved by the Liechtenstein Financial Markets Authority, in accordance with European Union Regulation (EU) 2017/1129. In addition, the Company has chosen Germany as its Home Member State pursuant to section 4 of the WpHG for the purposes of the EU Transparency Directive 2004/109/EG. With regard to the EU Transparency Directive, issuance.swiss AG is under supervision by the German Federal Financial Supervisory Authority (BaFin).

ECONOMIC REPORT

Economic framework conditions and outlook

Throughout 2025, the global macroeconomic environment remained fragile and highly uneven. Economic growth diverged meaningfully across regions, while persistent geopolitical tensions, elevated fiscal uncertainty, and an increasingly fragmented global trade landscape continued to weigh on business confidence and cross-border investment. Tariff measures introduced during the year added further pressure to global activity by increasing input costs, disrupting supply chains, and reinforcing a broader trend toward economic regionalization.

Despite these headwinds, the continued moderation of inflation provided an important counterbalance. As disinflation became more firmly established, several major central banks were able to begin or extend gradual monetary-easing cycles. Although policymakers remained cautious and highly dependent on incoming data, the shift away from restrictive monetary conditions contributed to an improvement in global liquidity toward the end of the year. This created a more supportive environment for risk assets, though the benefits were distributed less broadly than in previous cycles. Investors remained selective, favoring assets with strong fundamentals, durable demand, and clear institutional relevance.

This selectivity was particularly evident across digital asset markets. Performance dispersion between Bitcoin, Ethereum, and the broader altcoin universe widened over the course of the year, reflecting a more mature and increasingly differentiated market structure. Capital became concentrated in higher-quality assets with deeper liquidity, stronger network effects, clearer use cases, and more credible institutional backing. Bitcoin remained the principal beneficiary of this trend, while Ethereum continued to occupy a central position within the smart-contract economy. By contrast, many smaller and more speculative assets struggled to attract sustained capital, particularly where token economics, governance structures, or real-world utility remained unclear.

The growing divergence in performance also demonstrated that the digital asset market was becoming less dependent on broad, indiscriminate risk-on cycles. Investors increasingly evaluated protocols and tokens on the basis of revenue generation, user activity, network security, developer engagement, regulatory positioning, and the sustainability of their economic models. This evolution supported a gradual transition from purely narrative-driven speculation toward a more fundamentally anchored investment framework.

Regulatory developments remained broadly constructive throughout 2025 and represented another important source of institutional confidence. In the United Kingdom, the easing of restrictions on retail access helped broaden participation and encouraged further product development. In Europe, the implementation of the Markets in Crypto-Assets Regulation, or MiCA, provided a more harmonized framework for issuers, service providers, and investors. While compliance requirements increased, the greater degree of legal clarity supported institutional participation, encouraged cross-border product innovation, and reduced some of the uncertainty that had historically constrained market development.

The regulatory environment in the United States also shifted meaningfully. The passage of the GENIUS Act established a federal framework for stablecoins, providing greater clarity around issuance, reserve requirements, supervision, and consumer protection. This represented an important step toward integrating dollar-denominated stablecoins more fully into the regulated financial system. By year-end, the policy debate had increasingly moved from whether digital assets should be regulated to how the relevant frameworks should be implemented. Attention turned toward secondary-market oversight, custody, disclosures, exchange regulation, and broader market-structure reforms. This progression helped reduce regulatory uncertainty and created a more credible pathway for institutional adoption at scale.

From a fundamental perspective, Bitcoin continued to strengthen its position as the monetary anchor of the digital asset ecosystem. The network remained secure and resilient, supported by substantial mining infrastructure, global liquidity, and a highly decentralized settlement layer. Adoption expanded beyond publicly listed companies and investment managers to include growing sovereign and quasi-sovereign interest. This reinforced Bitcoin's emerging role as a scarce, globally accessible reserve asset and as a potential hedge against monetary debasement, fiscal instability, and geopolitical fragmentation.

At the same time, the broader blockchain ecosystem continued to develop beyond purely monetary applications. Stablecoins gained further traction as instruments for payments, remittances, collateral management, and access to U.S. dollar liquidity, particularly in markets with less efficient banking systems or volatile domestic currencies. Their increasing use demonstrated the practical value of blockchain-based financial infrastructure and strengthened the connection between digital assets and the traditional financial system.

Tokenization also advanced as a structural growth theme. Financial institutions continued to explore the issuance, settlement, and management of tokenized securities, funds, deposits, commodities, and real-world assets. These initiatives highlighted the potential for blockchain technology to reduce settlement times, improve transparency, increase collateral efficiency, and enable more programmable forms of ownership and transfer. Although adoption remained at an early stage, the growing involvement of banks, asset managers, payment companies, and market-infrastructure providers suggested that tokenization was evolving from a series of isolated pilot projects into a more durable component of financial-market modernization.

Infrastructure across the digital asset ecosystem also improved during the year. Institutional custody, trading, compliance, analytics, and risk-management capabilities continued to mature, lowering operational barriers for professional investors. Greater integration with traditional financial platforms made digital assets more accessible through familiar investment structures, while improvements in scalability and interoperability expanded the range of potential blockchain applications. Collectively, these developments enhanced the resilience and credibility of the asset class.

Short-term market dynamics nevertheless remained sensitive to shifts in global liquidity, interest-rate expectations, fiscal policy, and geopolitical developments. Digital assets continued to exhibit elevated volatility, and market performance remained vulnerable to abrupt changes in investor positioning and risk appetite. Regulatory implementation also presented challenges, as institutions and market participants adapted to new licensing, reporting, reserve, and compliance obligations across jurisdictions.

Even so, the underlying trajectory of the digital asset ecosystem continued to improve throughout 2025. Stronger market infrastructure, increasing regulatory clarity, expanding institutional participation, and the growth of real-world applications provided a solid foundation for long-term development. The market entered its next phase with a clearer distinction between speculative assets and networks capable of delivering sustained economic value.

As a result, the long-term investment case increasingly rested not on the expectation of uniform market appreciation, but on the continued institutionalization of the asset class and the adoption of blockchain-based financial infrastructure. In this environment, disciplined asset selection, regulatory awareness, liquidity management, and fundamental analysis remained essential. While macroeconomic and geopolitical uncertainty was likely to continue shaping short-term outcomes, the structural integration of digital assets into the global financial system appeared increasingly durable.

The Board of Directors remains optimistic in the face of global uncertainty. With ongoing regulatory advancements, sustained institutional interest, and expanding real-world use cases for tokenization and stablecoins, the crypto ecosystem is positioned for continued growth, innovation, and investor protection.

Business results of the Company

The Company recorded a loss for the year of USD 6.05 million, compared with a loss of USD 2.61 million in 2024. However, after recognizing a revaluation gain of USD 6.34 million on digital assets in other comprehensive income, the Company reported total comprehensive income of USD 283.3 thousand, compared with a total comprehensive loss of USD 32.1 thousand in 2024. Revenue increased to USD 1.03 million from USD 990.6 thousand in the prior year, primarily reflecting service fees generated from product issuance, administration, and lifecycle management.

Service fees remained the Company's principal source of revenue and were influenced by the volume of products issued, assets under management, and the administrative and investor fee arrangements applicable to the respective ETPs. In 2025, the Company generated revenue of USD 1,027.1 thousand, representing an increase of approximately 3.7% compared with USD 990.6 thousand in 2024. This amount represents gross revenue before administrative expenses, amortization, and other operating items.

Administrative expenses decreased to USD 766.4 thousand in 2025, compared with USD 975.2 thousand in 2024. These expenses comprised audit fees of USD 64.3 thousand (2024: USD 71.6 thousand), professional services of USD 18.3 thousand (2024: USD 187.7 thousand), and other operating expenses of USD 683.8 thousand (2024: USD 715.9 thousand). The Company also recognized amortization expense of USD 32.9 thousand on capitalized development costs, broadly unchanged from the prior year.

Due to the Company's SPV structure and the fully collateralized nature of its ETP products, movements in the value of the underlying digital assets are broadly matched by corresponding movements in the related financial liabilities. In 2025, the Company recognized a net fair value loss of USD 6.34 million on financial liabilities designated at fair value through profit or loss, compared with a loss of USD 2.57 million in 2024. This was offset in other comprehensive income by a corresponding revaluation gain of USD 6.34 million on the digital assets held, compared with a gain of USD 2.57 million in 2024. Accordingly, changes in digital asset prices affected the carrying values of the Company's assets and liabilities symmetrically and did not directly expose the Company to material net market risk.

The Company ended the year with digital assets valued at USD 12.99 million, compared with USD 19.79 million at the end of 2024. Financial liabilities associated with the issuance of digital assets amounted to the corresponding amount of USD 12.99 million, maintaining the intended asset-liability matching structure. Cash and cash equivalents stood at USD 32.3 thousand, down from USD 86.3 thousand in the prior year. Trade and other receivables increased to USD 867.9 thousand, while trade and other payables amounted to USD 667.0 thousand.

At 31 December 2025, the Company reported total equity of USD 321.5 thousand, compared with USD 38.2 thousand at the end of 2024. Although the Company incurred a statutory loss of USD 6.05 million, the offsetting revaluation gain on digital assets resulted in positive total comprehensive income of USD 283.3 thousand for the year.

The Company's financial performance remains dependent on fee income generated from assets under management and product activity, both of which are sensitive to digital asset prices and investor demand. The Board of Directors nevertheless remains positive about the Company's longer-term prospects, supported by its pipeline of potential mandates, the continued development of the regulated ETP market, and the Company's ability to provide issuance and lifecycle-management services. At the same time, the annual report notes that the Company's liquidity position and exposure to lower digital asset prices require special care from the management with regard to its cash flows.

Financial position of the Company

The Company's total assets decreased from USD 20.3 million as at 31 December 2024 to USD 14.0 million as at 31 December 2025. This decline primarily reflected the reduction in the carrying value of digital assets backing the Company's outstanding ETPs, together with net redemptions and disposals during the year. Digital assets accounted for USD 13.0 million of total assets at year-end, compared with USD 19.8 million in 2024. These assets were held with the Company's appointed custodians and served as collateral for the corresponding obligations to ETP holders. The related financial liabilities amounted to USD 13.0 million, thereby preserving the Company's fully matched and collateralized asset-liability structure.

The Company's equity increased to USD 321.5 thousand at 31 December 2025, compared with USD 38.2 thousand at 31 December 2024. Equity comprised USD 110.2 thousand of issued share capital, an accumulated loss of USD 8.70 million, and a revaluation reserve on digital assets of USD 8.91 million. During the year, the Company recorded a statutory loss of USD 6.05 million, compared with a loss of USD 2.61 million in 2024. This loss was offset in other comprehensive income by a corresponding USD 6.34 million revaluation gain on digital assets, resulting in total comprehensive income of USD 283.3 thousand for 2025, compared with a total comprehensive loss of USD 32.1 thousand in the prior year.

Cash and cash equivalents amounted to USD 32.3 thousand at 31 December 2025, down from USD 86.3 thousand at 31 December 2024. These balances were held in bank accounts and available to fund the Company's day-to-day operating requirements. As at the reporting date, all digital assets held by the Company were linked to its ETP obligations, and no digital assets were held outside this structure.

Trade and other receivables increased significantly to USD 867.9 thousand at 31 December 2025, compared with USD 327.1 thousand at 31 December 2024. The balance comprised USD 849.2 thousand of trade receivables and USD 18.7 thousand of other receivables. Other receivables included amounts relating to disputed administrator fees that remained recognized pending the outcome of ongoing discussions with the relevant service provider.

Although the Company reported positive total comprehensive income and a stronger equity position in 2025, its liquidity remained constrained. Cash balances declined during the year, while trade and other payables increased to USD 667.0 thousand, compared with USD 496.3 thousand in 2024. In addition, lower digital asset prices and reduced assets under management could adversely affect future fee income. Accordingly, the annual report identifies a material uncertainty related to the Company's ability to continue as a going concern.

Management has taken a number of mitigating actions in response. These include negotiating revised payment terms with creditors, entering into settlement arrangements to reduce and reschedule short-term obligations, pursuing potential institutional financing, and advancing a pipeline of new client mandates. The Board remains focused on strengthening liquidity, increasing assets under management, and expanding recurring fee income to support the Company's long-term financial stability and growth.

RISK REPORT

As a special purpose entity, the Company's sole objective and operational focus is the issuance of ETP products backed by digital assets and other qualifying instruments. Its main risks stem from maintaining this business model and the inherent volatility and uncertainties of the digital asset market.

Should interest in digital assets decline in the future, and the Company is unable to effectively respond or adjust its strategy, it may face challenges in sustaining its operations. This could negatively impact the value of its issued ETP products.

Credit risk

The Company ensures that it holds collateral equal to at least 100% of its liabilities to ETP holders. However, even with full collateralisation, the Issuer's credit standing can influence the market valuation of the ETP products. In the case of a default, insolvency, or bankruptcy, investors might not recover the full value tied to their entitlement in the underlying digital assets.

As the Issuer, the Company faces credit exposure to various counterparties involved in the issuance and operation of its ETPs. These counterparties include, but are not limited to, the Administrator, Wallet Provider, Custodians, Paying Agents, Market Makers, Authorised Participants, and Exchanges.

Accordingly, the Company is subject to several risks—such as credit, reputational, and settlement risks—arising from any failure by these parties to fulfill their obligations. Should such failures occur, they could significantly impact the Company's business operations and financial stability.

Regarding the safekeeping of assets, the Company is also exposed to the credit risk of depositary institutions that hold its cash and crypto assets. This refers to the possibility that a custodian may be unable to meet its obligations, such as returning assets when required. While the Company's crypto assets are kept in segregated accounts intended to safeguard them in the event of custodian insolvency, any such insolvency could delay access to these assets. During this time, investors might incur losses due to price fluctuations in the underlying digital assets.

Importantly, no entity—neither the depositaries nor the Company acting as ETP Issuer—bears responsibility for the loss of underlying assets, even with robust control systems in place. In the event of theft or similar events, any resulting losses are solely borne by the investor.

If the Company defaults, it may need to liquidate the collateral backing the ETPs to satisfy its obligations to investors. ETP holders have rights to the underlying digital assets or to the security interests managed by an independent collateral agent. Any proceeds from the sale of these assets will be distributed according to the priority of claims, with ETP investors ranked first. However, those proceeds might not be sufficient to cover all liabilities, meaning investors may face partial losses on their investments.

Management assessment: Medium

Regulatory risks

Regulatory developments

In 2025, crypto-assets and crypto exchange-traded notes (cETNs) continued their transition from relatively fragmented and lightly regulated instruments toward deeper integration within established financial markets. Authorities across the European Union, the United Kingdom, Switzerland, and the United States advanced regulatory frameworks designed to provide greater legal certainty, enhance investor protection, clarify the responsibilities of market participants, and strengthen market integrity.

These developments reflect a broader international trend toward bringing digital-asset activities within regulatory standards comparable to those applied to traditional financial services, while preserving sufficient flexibility to support technological and product innovation. Given the complexity and pace of regulatory change, the Company relies on the specialized legal and compliance capabilities of its most experienced team members, the Management considers this expertise to be an important risk-mitigation measure, helping ensure that the Company remains aligned with applicable laws, evolving supervisory expectations, and international best practices.

In the European Union, the Markets in Crypto-Assets Regulation (MiCA), which entered into force in stages from 2024, began to shape a more harmonized legal and supervisory framework across the European Economic Area. During 2025, the European Securities and Markets Authority (ESMA) published further reports, technical materials, and supervisory guidance intended to support the consistent implementation of MiCA. These materials addressed, among other matters, the authorization and supervision of crypto-asset service providers, investor-protection requirements, market-abuse controls, operational resilience, and regulatory reporting standards.[1]

At national level, the French Autorité des marchés financiers (AMF) adapted its regulatory doctrine concerning the marketing of complex financial instruments. Under specified conditions, certain debt securities linked to crypto-assets, including ETNs, may be marketed to non-professional investors.[2] In addition, Euronext announced the admission of cryptocurrency-linked ETNs to the professional segment of Borsa Italiana in late 2025, as part of its broader strategy to harmonize digital-asset product offerings across its European trading venues.[3]

The United Kingdom also made significant progress during the year. In October 2025, retail access to listed crypto investment products was expanded, allowing retail investors to access cETNs admitted to recognized UK investment exchanges, subject to the financial promotions regime and applicable consumer-protection safeguards.[4]

Alongside this development, the United Kingdom continued to advance a comprehensive domestic regulatory framework for crypto-assets, broadly comparable in scope to the European Union's MiCA regime. In December 2025, HM Treasury laid before Parliament the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2025.[5] Once finalized and brought into force, the regulations are expected to bring specified crypto-asset activities—including trading platforms, custody, stablecoin issuance, and related services—within the UK financial-services regulatory perimeter under the supervision of the Financial Conduct Authority (FCA).

The FCA also published a series of consultation papers setting out detailed proposals for the operation of the future regime.[6] The framework is expected to require firms conducting regulated crypto-asset activities to obtain full FCA authorization and comply with tailored conduct, prudential, governance, disclosure, and market-integrity requirements. The authorization gateway is expected to open in September 2026, with the broader regime currently expected to commence in October 2027.

Switzerland likewise continued to refine its regulatory approach. In October 2025, the Swiss Federal Council launched a consultation on proposed amendments to the Financial Institutions Act and related legislation, with the objective of establishing a clearer and more comprehensive framework for crypto-asset activities.[7] The proposals include two new licensing categories: a Payment Instrument Institution, intended to replace the existing fintech licence and cover activities such as stablecoin issuance, and a Crypto Institution licence for businesses providing custody, trading, and other crypto-related services.

The proposed reforms are intended to integrate digital-asset services more fully into Swiss financial-market law while balancing innovation, financial stability, market integrity, and consumer protection. They also seek to align Switzerland's domestic framework more closely with evolving international standards. Switzerland is also participating in the OECD Crypto-Asset Reporting Framework. Domestic reporting obligations are expected to apply from January 2027, with the first international exchanges of information anticipated thereafter. This framework is expected to enhance tax transparency and cross-border reporting in relation to crypto-asset transactions. In parallel, the Swiss Financial Market Supervisory Authority (FINMA) continued to provide supervisory guidance on the custody of crypto-assets and the treatment of crypto-based structured products under existing financial-market legislation.[8] These developments further reinforce Switzerland's position as a regulated and institutionally oriented jurisdiction for digital-asset services.

In the United States, the regulatory environment shifted toward greater coordination and the development of clearer market rules. The Securities and Exchange Commission and the Commodity Futures Trading Commission launched a joint initiative referred to as "Project Crypto," aimed at improving coordination between the two agencies and reducing inconsistencies in the treatment of digital assets.[9]

In July 2025, the GENIUS Act was signed into law, establishing a federal framework for the issuance and supervision of payment stablecoins. By contrast, consideration of the CLARITY Act, which is intended to clarify the respective regulatory responsibilities of the SEC and CFTC in relation to digital assets, was postponed.[10]

The SEC also established a dedicated Crypto Task Force focused on developing a clearer and more practical registration framework for digital-asset businesses.[11] This represented a shift away from an approach centered predominantly on enforcement actions and toward a framework based on rulemaking, registration, and regulatory engagement. During the year, the SEC dismissed or discontinued several crypto-related proceedings, reinforcing the perception that the United States was moving away from "regulation by enforcement."[12]

In addition, Staff Accounting Bulletin No. 121 was rescinded in early 2025. Its withdrawal gave banks and other regulated financial institutions greater flexibility in determining the accounting treatment of crypto-assets held on behalf of clients and reduced a significant obstacle to the expansion of institutional digital-asset custody services.

Overall, regulatory developments in 2025 supported the continued institutionalization of digital assets and cETNs. Although the timing, scope, and implementation of individual regimes remained subject to further rulemaking and supervisory interpretation, the direction of travel became increasingly clear: crypto-related products and services are being incorporated into established financial-market frameworks, with more defined standards for authorization, governance, disclosure, custody, investor protection, and market conduct.

Management assessment: High

Market risk

The value of the Company's issued products is largely shaped by factors such as current and anticipated market liquidity, broader macroeconomic and political events, and speculative trading trends. In 2025, the digital asset market continued to experience high volatility, driven by shifting monetary policy expectations, geopolitical instability, and significant interest rate uncertainty, all of which contributed to sharp price swings in cryptocurrencies.

At the same time, increased engagement from institutional investors, evolving asset allocation strategies by family offices, and mandates from major asset managers are enhancing the market outlook for niche issuers. Additionally, rising retail adoption and integration of digital assets into traditional financial platforms—such as the listing of crypto ETPs on regulated exchanges—are expanding distribution channels.

The Company is actively adapting to these trends by broadening its product range and strengthening its footprint in key markets. Despite this strategic positioning, the Board of Directors continues to view market risk as high, given the inherent volatility of the crypto sector and its significant influence on both revenue and product valuation.

Management assessment: High

Operational risk

Operational risks refer to potential losses the Company may face due to flawed or insufficient internal processes, human or system errors, or legal issues such as litigation.

Weaknesses in internal controls could impair the effectiveness of hedging strategies, potentially impacting the Company's financial performance and stability. Therefore, the Company's operations and overall financial health are exposed to operational risk. Nevertheless, the Company has implemented robust risk management procedures to mitigate these risks.

Management assessment: Low

Business risk

If the Company does not pass a compliance audit or is found to be in breach of existing regulations, newly implemented laws, or official directives—and if there are restrictions on crypto asset transfers or disruptions at approved exchanges—it may be unable to issue new securities. Such limitations could negatively impact the Company's performance and credit standing as an issuer. To address this, the Company has established appropriate risk control measures. The Company is strategically positioned to benefit from the increasing integration of digital assets into traditional portfolio structures.

Management assessment: Low

Risks Associated with Staking

Some crypto assets are eligible for staking, but they carry the risk of token loss due to penalties from events known as slashing. The main causes of slashing are system downtime and double-signing of transactions. When issuance.swiss receives staking rewards, it is also exposed to these risks. To manage this, issuance.swiss has developed a strong staking infrastructure and employs continuous monitoring to reduce operational risk. Additionally, the share of assets committed to staking is carefully controlled to minimize potential losses. To further protect against slashing incidents, issuance.swiss has secured partial insurance coverage.

Management assessment: Low

OPPORTUNITIES AND OUTLOOK

1. Market Opportunity: Institutional Adoption of Digital Assets

Digital assets are entering a new phase of institutional adoption. Major asset managers, banks, corporates, sovereign investors, and wealth platforms are increasingly treating Bitcoin and other digital assets as legitimate portfolio instruments rather than purely speculative exposures.

This shift is supported by improving regulation, institutional-grade custody, greater market liquidity, stablecoin adoption, tokenization of real-world assets, and the integration of blockchain infrastructure into traditional finance. Bitcoin is increasingly considered a potential reserve and diversification asset, while Ethereum, Solana, and other established networks support a growing range of financial applications.

For issuance.swiss AG, this institutionalization creates a substantial addressable market. Financial institutions seeking regulated access to digital assets require specialist issuance, governance, custody, administration, and distribution infrastructure. issuance.swiss is positioned to become a leading European partner for institutions entering this rapidly expanding asset class.

2. Market Opportunity: ETPs as the Primary Gateway to Digital Assets

Crypto ETPs are emerging as the preferred institutional vehicle for digital-asset exposure. They combine the economic benefits of digital assets with the familiar legal, operational, and distribution infrastructure of traditional securities.

Compared with direct ownership, offshore funds, exchange accounts, or corporate treasury structures, ETPs offer several important advantages:

- **Regulatory protection:** approved prospectuses, transparent disclosures, regulated counterparties, and established governance.
- **Ring-fenced collateral:** assets are held for the benefit of investors within dedicated issuance structures.
- **Institutional custody:** regulated custodians, cold-storage arrangements, multi-approval controls, and restricted lending.
- **Transparency:** regular disclosure of holdings, valuation methodology, fees, and investor entitlements.
- **Price integrity:** standardized valuation and market-making mechanisms support trading close to net asset value.
- **Efficient liquidity:** authorized participants and market makers consolidate fragmented crypto liquidity into exchange-traded products.

The global crypto-ETP market has expanded rapidly, driven by the success of Bitcoin and Ethereum products and increasing institutional allocation. Europe already has a developed but fragmented ETP landscape, creating an attractive opportunity for a specialist issuer capable of providing cross-border infrastructure, exchange access, and operational standardization.

As regulatory clarity improves, ETPs are likely to displace less efficient structures, including digital-asset treasury companies, as the enduring institutional solution for regulated digital-asset exposure.

3. Market Opportunity: Regulation as a Catalyst for ETP Adoption

The regulatory treatment of direct digital-asset holdings creates an additional structural advantage for ETPs. Under international banking standards, certain crypto exposures may attract a 1,250% risk weighting, making direct balance-sheet ownership highly capital-intensive for regulated banks.

Banks also face substantial custody, compliance, governance, reputational, and operational requirements when holding digital assets directly. Divergent implementation across jurisdictions further increases uncertainty and limits the commercial attractiveness of direct participation.

ETPs provide a practical alternative. Banks and other regulated institutions can offer clients digital-asset exposure through conventional securities accounts without directly holding the underlying assets on their own balance sheets. This makes ETPs one of the most efficient routes for institutional participation and creates a powerful long-term demand driver for issuance.swiss.

4. Market Opportunity: Growth of White-Label ETP Platforms

White-label platforms are becoming an increasingly important part of the European ETF and ETP industry. Asset managers want to launch exchange-traded products without building costly legal, regulatory, operational, and distribution infrastructure internally.

Traditional launches may require several million dollars, specialist teams, and up to two years of preparation. White-label platforms can reduce launch times to a matter of months while providing a turnkey combination of structuring, regulatory approval, administration, capital-markets support, and distribution.

The entry of major institutions such as Goldman Sachs, Citi, Waystone, and State Street confirms the strength of the infrastructure-as-a-service model. Demand is being driven by European managers entering the ETF market, U.S. issuers expanding into Europe, and investment firms seeking faster and more flexible product development.

This structural shift is especially relevant for digital assets, where speed, specialist expertise, and operational reliability are essential.

5. Competitive Position: Europe's Digital-Asset White-Label Platform

Despite rapid growth in white-label ETFs, the European market remains dominated by platforms designed for traditional equities, fixed income, and active investment strategies. There is no established, independent white-label platform offering a complete infrastructure specifically designed for digital-asset ETPs.

Digital-asset products require capabilities that conventional platforms generally do not provide, including:

- crypto-native custody and security;
- blockchain-based creation and redemption processes;
- digital-exchange liquidity and market-maker integration;
- specialist valuation and reconciliation systems;

- proof-of-reserve and collateral reporting;
- blockchain transaction monitoring;
- digital-asset regulatory and prospectus expertise; and
- tailored operational and technology controls.

These requirements create significant barriers to entry and explain why generalist platforms have not fully addressed the market.

issuance.swiss is positioned to fill this structural gap through an integrated white-label platform combining regulated issuance, crypto-native operations, institutional custody, transparent valuation, capital-markets support, and product distribution. As institutional demand grows, this specialist positioning provides the Company with a potentially substantial and defensible market opportunity.

6. Competitive Position: Target Client Segments

The issuance.swiss platform addresses four principal client groups:

Banks, Asset Managers, and Wealth Managers

These institutions face growing demand for digital-asset exposure but often lack the necessary custody, technology, and regulatory infrastructure. A branded white-label ETP enables them to enter the market rapidly, avoid direct balance-sheet exposure, retain client assets, and integrate digital assets into existing advisory and reporting systems.

Digital-Asset and Hedge Fund Managers

Managers with established crypto strategies can use an ETP to access regulated, exchange-listed distribution. This increases institutional credibility, broadens the potential investor base, supports scalable AUM growth, and allows the manager to focus on investment performance while outsourcing product operations.

Crypto-Native Platforms

Exchanges, brokers, custodians, foundations, wallet providers, and trading firms can use ETPs to reach investors who cannot or prefer not to access crypto markets directly. A listed product provides regulatory credibility, new revenue channels, broader distribution, and stronger institutional brand recognition.

Wealth Managers and Specialist Investment Firms

Smaller wealth managers and hedge funds can offer simple or proprietary digital-asset strategies without building internal blockchain infrastructure. White-label products improve client retention, strengthen commercial positioning, and provide a low-overhead route to market.

The Company's identified pipeline comprises 47 opportunities representing potential AUM of approximately CHF 1-4 billion:

Segment	Pipeline	Opportunities
Crypto platforms	30%	14
Traditional banks	28%	13

Segment	Pipeline	Opportunities
Asset managers	19%	9
Trading firms	17%	8
Crypto banks	6%	3

This pipeline illustrates both the breadth of demand and the significant revenue potential available to issuance.swiss.

7. Operating Model: Full-Lifecycle ETP Infrastructure

The issuance.swiss operating model is built around three modular platforms covering the complete ETP lifecycle.

Regulated Issuer-as-a-Service

The issuer platform provides the legal, regulatory, and governance framework required to launch and maintain an ETP. Services include product structuring, prospectus preparation, regulatory approvals, exchange listings, risk oversight, compliance monitoring, and service-provider governance.

Operations and Administration

The operations platform manages the daily infrastructure of each product, including creation and redemption, NAV calculation, custody oversight, reconciliation, collateral management, reporting, settlement, market-maker coordination, and data management. Technology and automation support scalability, accuracy, and operational resilience.

Sales-as-a-Service

The commercial platform supports AUM growth through distribution, institutional coverage, product education, digital marketing, capital-markets engagement, investor support, and platform access. This allows clients to combine their own brand and investment strategy with an established sales and distribution capability.

Together, these components provide an integrated solution:

- the issuer platform establishes legal and regulatory legitimacy;
- the operations platform ensures efficient and reliable execution; and
- the sales platform drives investor adoption and product growth.

Clients may use the complete platform or select individual modules according to their internal capabilities.

8. Business Model and Growth Potential

issuance.swiss operates an infrastructure-as-a-service model that enables institutional clients to launch and manage regulated digital-asset ETPs without building their own issuance platform.

The model combines regulatory infrastructure, technology, operations, capital-markets coordination, and distribution support. Clients retain ownership of their brand and investment strategy while outsourcing the complex product infrastructure to issuance.swiss. This can reduce market-entry time from 12–24 months to approximately 3–6 months.

Recurring and Diversified Revenues

The business model includes six complementary revenue streams:

Revenue stream	Indicative economics	Nature
Setup fee	CHF 70,000	One-time
Platform fee	CHF 220,000 per year	Recurring
AUM fee	Up to 1.0% annually	Recurring
Sales services	CHF 96,000 per year	Recurring
Technology fee	CHF 12,000 per year	Recurring
Referral income	Variable	Partnership-based

Platform and service fees provide recurring baseline revenue, while AUM-linked fees create significant upside as products grow. Each additional product can be supported at relatively low marginal cost, creating strong operating leverage.

High Client Retention

Once an ETP is launched, its prospectus, custody relationships, exchange listings, valuation processes, market-maker arrangements, and reporting systems become embedded in the issuance.swiss platform. Transferring a product to another issuer would require substantial cost, regulatory work, and operational disruption. This creates high switching costs, long product lifecycles, and durable recurring revenue.

Scalable Economics

The platform is designed to operate with limited balance-sheet usage, outsourced specialist providers, and technology-enabled workflows. As the number of products and AUM increase, revenues can grow significantly faster than the operating cost base.

The Company's product model assumes a 30-month development period toward approximately CHF 100 million of AUM per successful product, below the CHF 200–300 million achieved by leading crypto ETPs. Even at this conservative level, a single successful product can generate substantial recurring AUM-based revenue.

Significant Market Potential

issuance.swiss operates at the intersection of several powerful structural trends:

- accelerating institutional adoption of digital assets;
- regulatory preference for exchange-traded structures;
- growing demand for white-label investment platforms;
- high barriers to direct crypto ownership by banks;

- increased entry of U.S. and European managers into digital assets; and
- the absence of a leading independent, crypto-specialist white-label ETP provider in Europe.

By addressing this gap with a complete, modular, and scalable platform, issuance.swiss has the potential to become a core infrastructure provider for the next generation of regulated digital-asset products.

The Management Board remains confident in the long-term trajectory of issuance.swiss AG and sees continued momentum as the Company capitalizes on its leadership in ETP-as-a-Service. We look forward to a strong year ahead.

issuance.swiss AG

20 July 2026, Zug, Switzerland

The Board of Directors

Pavel Izmaylov	**Damjan Cosic**	**Laurent Kssis**

COMPLIANCE STATEMENT

Balance sheet oath pursuant to sections 264 (2) sentence 3 and 289 (1) sentence 5 of the HGB

The Board of Directors of issuance.swiss AG (the 'Company') is responsible for preparing financial statements and Management Report of the Company.

These financial statements for 2025 were prepared according to the International Financial Reporting Standards (IFRS), which are published by the International Accounting Standards Board (IASB), London, and have been endorsed by the European Union.

We have established effective internal control in order to ensure that the Company's Management report and 2025 financial statements comply with applicable accounting rules and to ensure proper corporate reporting.

To the best of our knowledge, and in accordance with the applicable reporting rules, we assure the financial Statements of issuance.swiss AG give a true and fair view of the net assets, financial position and results of operations of the Company, and the Management report of the Company includes a fair review of the development and performance of the business as well as position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company and its business.

issuance.swiss AG

Zug, Switzerland, 20 July 2026

The Board of Directors

Pavel Izmaylov	**Damjan Cosic**	**Laurent Kssis**

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Senn & Partner AG
Wirtschaftsprüfungs- und Treuhandgesellschaft

Report of the independent Auditor

Financial Statements as of December 31, 2025

issuance.swiss AG
Zug

Senn & Partner AG

INDEPENDENT AUDITOR'S REPORT

Report of the independent Auditor
to the Board of Directors of

issuance.swiss AG, Zug

Opinion

As independent auditor, we have been engaged to audit the accompanying financial statements of issuance.swiss AG, which comprise the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the cash flow statement and the notes to the financial statements including a summary of the accounting policy for the year ended December 31, 2025.

In our opinion, the accompanying financial statements as of December 31, 2025, give a true and fair view of the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with Swiss Standards on Auditing (SA-CH) and International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession 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) 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 2.2.1 in the financial statements, which indicates that the Company suffers currently from the declining digital asset market. As stated in Note 2.2.1, these events or conditions, along with other matters as set forth in Note 2.2.1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Board of Directors' Responsibility for the financial statements

The Board of Directors is responsible for the preparation of the financial statements, which give a true and fair view in accordance with IFRS, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 financial statements. A further description of our responsibilities for the audit of the 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.

Wetzikon, July 20, 2026

Senn & Partner AG
Wirtschaftsprüfungs- und Treuhandgesellschaft

Roger Donzé
Swiss certified public accountant
Licensed audit expert
Auditor in charge

Enclosure:
Financial statements as of December 31, 2025

STATEMENT OF FINANCIAL POSITION

Figures in USD · as at 31 December

Statement of Financial Position	Notes	2025	2024
Assets			
Non-current assets			
Intangible assets	4	88,268	121,166
Current assets			
Trade and other receivables	5	867,942	327,075
Digital assets	6	12,990,905	19,788,233
Cash and cash equivalents	7	32,341	86,292
Total current assets		13,891,188	20,201,600
Total assets		13,979,456	20,322,766
Equity and liabilities			
Issued capital	8	110,170	110,170
Accumulated loss		(8,700,399)	(2,646,660)
Revaluation reserve on digital assets		8,911,770	2,574,696
Total equity		321,541	38,206
Liabilities — current			
Trade and other payables	9	667,010	496,326
Financial liabilities in connection with the Issuance of Digital Assets	10	12,990,905	19,788,234
Total current liabilities		13,657,915	20,284,560
Total equity and liabilities		13,979,456	20,322,766

STATEMENT OF COMPREHENSIVE INCOME

Figures in USD · for the year ended 31 December

Statement of Comprehensive Income	Notes	2025	2024
Revenue	11	1,027,110	990,597
Administrative expenses	12	(766,398)	(975,209)
Amortisation		(32,898)	(32,897)
Net (loss)/gain on financial liabilities designated at fair value through profit or loss		(6,337,074)	(2,574,696)
Loss from operating activities		(6,109,260)	(2,592,205)
Net foreign exchange differences		55,521	(14,611)
Loss for the year		(6,053,739)	(2,606,816)
Other comprehensive income net of tax			
Items that will not be reclassified to profit or loss:			
Revaluation (loss)/gain on digital assets		6,337,074	2,574,696
Total other comprehensive income net of tax		6,337,074	2,574,696
Total comprehensive income		283,335	(32,120)

STATEMENT OF CHANGES IN EQUITY

Figures in USD

	Issued capital	Revaluation reserve on digital assets	Accumulated loss	Total
Balance at 1 January 2024	110,170	–	(39,844)	70,326
Loss for the year	–	–	(2,606,816)	(2,606,816)
Other comprehensive income	–	2,574,696	–	2,574,696
Total comprehensive income for the year	–	2,574,696	(2,606,816)	(32,120)
Balance at 31 December 2024	110,170	2,574,696	(2,646,660)	38,206
Balance at 1 January 2025	110,170	2,574,696	(2,646,660)	38,206
Loss for the year	–	–	(6,053,739)	(6,053,739)
Other comprehensive income	–	6,337,074	–	6,337,074
Total comprehensive income for the year	–	6,337,074	(6,053,739)	283,335
Balance at 31 December 2025	110,170	8,911,770	(8,700,399)	321,541

STATEMENT OF CASH FLOWS

Figures in USD · for the year ended 31 December

Statement of Cash Flows	Note	2025	2024
Cash flows used in operations			
Profit / (loss) for the year		283,335	(32,120)
Adjustments to reconcile profit / (loss)			
Net fair value decrease/(increase) on digital assets		(6,337,074)	(2,574,696)
Net decrease/(increase) on financial liabilities designated at fair value through profit or loss		6,337,074	2,574,696
Adjustments for increase in trade accounts receivable		(624,514)	(106,926)
Adjustments for decrease / (increase) in other operating receivables		83,647	(49,251)
Adjustments for increase in trade accounts payable		356,950	226,082
Adjustments for decrease in other operating payables		(186,265)	(106,282)
Adjustments for depreciation and amortisation expense		32,898	32,897
Total adjustments to reconcile profit / (loss)		(337,284)	(3,480)
Net cash flows used in operations		(53,949)	(35,600)
Net foreign exchange differences		55,521	(14,611)
Net cash flows from / (used in) operating activities		1,572	(50,211)
Net increase / (decrease) in cash and cash equivalents before effect of exchange rate changes		1,572	(50,211)
Net foreign exchange differences		(55,523)	14,611
Net decrease in cash and cash equivalents		(53,951)	(35,600)
Cash and cash equivalents at beginning of the year		86,292	121,892
Cash and cash equivalents at end of the year	7	32,341	86,292

ACCOUNTING POLICIES

1. General information

The Company was incorporated and registered in Untere Roostmatt 8, 6300 Zug, Switzerland on 24 February 2023, as an Aktiengesellschaft, a corporation limited by shares, under the Swiss Code of Obligations. The Company has been established for an indefinite duration. The Company established a program (the "Program") under which the Company may, from time to time and subject to compliance with all applicable laws and regulations, issue Exchange Traded Products and non Exchange Traded Products (the "Products"). The Company may issue securities (the "Securities") for the Products.

2. Basis of preparation

(a) Statement of Compliance

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the following: financial liabilities designated at fair value through profit or loss are measured at fair value; and digital assets at fair value measured in accordance with the revaluation model under IAS 38 (intangible assets).

(c) Functional and presentation currency

The financial statements are presented in United States Dollar (USD), being the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The issued share capital of the Company is denominated in CHF. All amounts have been rounded to the nearest whole number, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

2.1 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information: (1) Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7); (2) Annual Improvements to IFRS Accounting Standards – Volume 11; (3) Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7).

The amendments will be effective for annual reporting periods beginning on or after 1 January 2027: (1) IFRS 18 Presentation and Disclosure in Financial Statements; (2) Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28); (3) IFRS 19 Subsidiaries without Public Accountability: Disclosures (as amended in August 2025); (4) Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21).

The amendments will be effective for annual reporting periods beginning on or after 1 January 2029: (1) IFRS 20 Regulatory Assets and Regulatory Liabilities.

The Company is currently assessing the impact of these new and amended standards and interpretations and does not expect them to have a material effect on its financial statements, except for IFRS 18, the impact of which is still being evaluated.

2.2 Critical accounting estimates and assumptions

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

2.2.1 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for a period of at least twelve months from the date of authorization of these financial statements.

Financial position and business model

The Company's business model is the issuance of exchange-traded products ("ETPs") backed by digital assets. The digital assets held by the Company (USD 12,990,905 as at 31 December 2025) are held to back its obligations under the ETPs issued (USD 12,990,905) on a matched basis. Movements in digital asset prices therefore affect the carrying amounts of the Company's assets and liabilities symmetrically and do not directly expose the Company to material market risk. This is reflected in the results for the year: the loss for the year of USD 6,053,739 arises principally from the fair value movement on financial liabilities designated at fair value through profit or loss (USD 6,337,074), which is offset by a corresponding revaluation gain on digital assets recognized in other comprehensive income, resulting in total comprehensive income for the year of USD 283,335.

The Company's principal exposures are of an operational nature. As at 31 December 2025, the Company had total equity of USD 321,541, held no cash and cash equivalents and had a bank balance of USD 32,341. Trade and other payables amounted to USD 667,010. Revenue for the year of USD 1,027,110, which is primarily derived from fees linked to assets under management, only marginally exceeded administrative expenses of USD 766,398.

The Company's ability to continue as a going concern is therefore dependent on the level of its fee income, which is sensitive to digital asset prices and assets under management, and on its ability to fund its operating cost base and meet its obligations to creditors as they fall due.

Market developments

Digital asset markets in 2025 were characterized by accelerating institutional adoption, with net inflows into crypto exchange-traded funds of approximately USD 23 billion during the year and the enactment of stablecoin legislation in the United States. Bitcoin reached an all-time high of over USD 126,000 in October 2025 before declining later in the year, closing 2025 approximately 30% below that peak.

Since the reporting date, digital asset markets have weakened considerably. Bitcoin began 2026 above USD 93,000 but declined to approximately USD 60,000 by the end of June 2026, reaching a 21-month low, driven primarily by macroeconomic factors, including uncertainty regarding US monetary policy, and sustained outflows from US spot Bitcoin ETFs, which recorded USD 4.5 billion of withdrawals in June 2026 alone. These post-balance-sheet developments reduce the fair value of both the Company's digital assets and its ETP liabilities on a broadly offsetting basis and are treated as a non-adjusting event after the reporting period. However, a sustained decline in digital asset prices and assets under management would reduce the Company's fee income and could adversely affect its ability to cover its operating costs.

Management's assessment and mitigating actions

In response to the Company's current liquidity position, management has taken and is pursuing a number of measures. Management has entered into negotiations with certain creditors to extend payment terms and has concluded settlement agreements with others, thereby reducing and rescheduling the Company's short-term obligations. In addition, to address the Company's current liquidity needs, management is in discussions for financial backing from institutional partners regarding a potential capital investment in the Company.

We have the most experienced team of ETP veterans in the market (led by Laurent Kssis, ex-21shares/Hashdex/XBTO), with a strong pipeline of around $1 billion AuM, many deals expected to mature over the next 24 to 36 months.

We have a specific focus and extensive Swiss and European listing coverage for AMC and ETP markets. From this standpoint, we see many synergies with structured product solutions at Lynk/iCapital, because ETPs allow regulated institutions, such as banks to grow assets AuM for their clients while keeping them off-balance sheet, without impacting their regulatory capital requirements or compliance policies.

The off-balance sheet capabilities are particularly attractive for assets like commodities/crypto ETPs (thanks to high regulatory capital reserve requirements), which have been gaining significant momentum in recent months, with many new institutional players entering the space. Recent developments from firms like ABN AMRO, AMUNDI and BNP Paribas highlight the scale of the opportunity and unique market timing.

We also see great potential in bridging US ETF issuers to Europe, where the market growth momentum is much stronger, such as GSR looking to penetrate the European markets.

Management remains positive about the Company's prospects, supported by its pipeline of new clients, which is expected to increase assets under management and, consequently, the Company's fee income. Management has prepared cash flow forecasts for a period of at least twelve months from the date of authorisation of these financial statements, incorporating the expected timing of new client mandates, the renegotiated and settled creditor positions, and scenarios in which digital asset prices remain at or below the levels observed in the first half of 2026.

3. Significant Accounting Policies

(a) Income and Expenses

Income and expenses are accounted for on an accrual basis.

Service Revenue

Originators will be charged an annual administration fee for the services of the Company regarding issuance assistance and life cycle management of the Products.

Investor Fees Revenue

Investors will be charged a fee in respect of the Products in the amount specified in the relevant Final Terms (the "Investor Fee"). The rate will be set out in the relevant Final Terms, and is applied to the Collateral on a daily basis, each following calendar day after the issue date (including holidays and weekends) until redemption.

The Investor Fee is paid from the Collateral, thus affecting the Collateral calculation for the subsequent trading day. Because the Collateral forms the basis for determining the value of each Security, the aggregate effect of the Investor Fee will increase or decrease in a manner directly proportional to the value of each Security and the amount of Securities.

(b) Cash and Cash Equivalents

Cash and cash equivalents includes cash held at bank which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its capital. There are no restrictions on cash and cash equivalents. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

(c) Share Capital

Share capital is issued in CHF.

(d) Trade and other receivables

Other receivables do not carry any interest, are short-term in nature and have been reviewed for any evidence of impairment. Other receivables are accounted at amortised cost.

(e) Trade and other payables

Other payables are accounted at amortised cost.

(f) Financial Instruments – Financial liabilities

Classification

The Company classifies its Financial Liabilities in connection with the Issuance of Digital Assets as financial liabilities at fair value through profit or loss on initial recognition.

The exchange quoted price of the Financial Liabilities in connection with the Issuance of Digital Assets is determined by reference to the underlying digital assets. Changes in the fair value of the Financial Liabilities in connection with the Issuance of Digital Assets are recognised in the statement of comprehensive income. The Financial Liabilities in connection with the Issuance of Digital Assets have been designated as at fair value through profit or loss in order to eliminate an accounting mismatch, that would otherwise arise with the underlying digital assets, enabling both the Financial Liabilities in connection with the Issuance of Digital Assets and the underlying digital assets to be measured at fair value with gains or losses on both being recognised in the statement of comprehensive income.

Initial recognition

All financial liabilities (including financial liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company issues Financial Liabilities in connection with the Issuance of Digital Assets to offer investors means of gaining market exposure to digital assets. Each Product has a continuous issue and redemption process, under which additional Financial Liabilities in connection with the Issuance of Digital Assets may be issued by the Company to Authorized Participants and Financial Liabilities in connection with the Issuance of Digital Assets may be redeemed by the Company from the Authorized Participants on a daily basis on any business day. The value of an investor's entitlement for the Financial Liabilities in connection with the Issuance of Digital Assets equals the aggregate value of assets held as Collateral for the relevant Product converted into the currency in which the issues and redemptions will be settled divided by the number of outstanding Financial Liabilities in connection with the Issuance of Digital Assets for the Product.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Subsequent measurement

After initial measurement, the Company measures financial liabilities which are classified as at fair value through profit or loss at their fair value. Subsequent changes in the fair value of financial liabilities designated at fair value through profit or loss are recognised directly in the statement of comprehensive income.

Fair value measurement principles

The fair value of the Financial Liabilities in connection with the Issuance of Digital Assets is determined by reference to the underlying digital assets. Changes in the fair value of the Financial Liabilities in connection with the Issuance of Digital Assets are recognised in the statement of comprehensive income. The Financial Liabilities in connection with the Issuance of Digital Assets are valued using valuation techniques, as detailed in the fair value hierarchy note to the financial statements.

Net changes in fair value of financial liabilities designated at fair value through profit or loss

Net changes in fair value of financial liabilities designated at fair value through profit or loss relates to Scytale, CFMOM, CFWB3, Sermont Financial Liabilities in connection with the Issuance of Digital Assets issued and includes all realised and unrealised fair value changes.

(g) Digital assets

The Company holds digital assets (representing the underlyings in the products from Matrix Port, Scytale and Sermort) equal to the amount due to holders of Digital Financial Liabilities in connection with the Issuance of Digital Assets solely for the purposes of meeting its obligations under the terms of the Financial Liabilities in connection with the Issuance of Digital Assets.

The Digital Assets represent intangible assets as defined in IAS 38. The Board of directors have determined to account for digital assets at fair value (as permitted by the remeasurement model in IAS 38) on the basis there is an active market for the transfer and sale of the digital assets that the Company holds. The digital assets are held to provide the security holders with the exposure to changes in the fair value of digital assets and therefore the Board of directors consider that carrying the digital assets at fair value reflects the objectives and the purpose of holding the asset.

Fair value measurement principles

Digital assets held in custody are measured at fair value using either custodian price fixing values or index pricing linked to the products as an input where applicable.

Net changes in fair value of digital assets

Net changes in fair value of digital assets relates to movement in prices of the digital assets and includes all realised and unrealised fair value changes.

(i) Issue and redemption

Upon initial recognition and the receipt of digital assets, they are recorded at fair value using the Quoted Price. Upon redemption of Financial Liabilities In connection with the Issuance of Digital Assets and the transfer out of digital assets, the attributable cost shall be calculated in accordance with the average cost methodology, and the overall cost reduced accordingly to represent the de-recognition of the digital assets. Any previously recognised gains on the digital assets de-recognised as a result of the transfer are reclassified to retained earnings.

(ii) Subsequent measurement

An increase in fair value is recorded first through profit or loss in respect of any previous losses below the original cost recognised being reversed, with any further gains being recognised in the statement of comprehensive income. A decrease in fair value is recorded first through profit or loss in respect of any previous gains recognised being reversed, with any further loss being recognised in the statement of comprehensive income.

(h) Segment Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). The Company currently operates in a single operating segment.

(i) Foreign currency transaction

Transactions in foreign currencies are translated to the reporting currency at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the reporting currency at the beginning of the financial period, adjusted for effective interest and payments during the financial period, and the amortised cost in foreign currency translated at the exchange rate at the end of the financial period.

The accounts at year-end are prepared in USD. The company translates its statement of comprehensive income at yearly average rate into USD. Equity items are valued at historical rate. The balance sheet is translated by the year-end rate into USD. The Company is applying foreign exchange rates published by the European Central Bank.

(j) Statement of cash flows

The indirect method has been applied in the preparation of the statement of cash flows.

(k) Intangible fixed Assets

Development of the Program

Costs incurred for the development of ETP products relate to costs such as product design, development of Base Prospectus, review of the Base Prospectus by SIX Exchange and set-up services. Development costs are capitalised considering that the products have been developed and put on the market. These assets, by its nature, do not have an identifiable market on which the intangible assets could be recovered.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation. Amortisation of the program is recognised on a straight-line basis over its estimated useful life, being 5 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

Figures in USD

4. Intangible assets

Reconciliation of changes in intangible assets	2025	2024
Cost	175,709	175,709
Accumulated amortisation	(87,441)	(54,543)
Closing Balance at 31 December	88,268	121,166

Intangible assets is made up of capitalised development costs and is amortised over 5 years.

5. Trade and other receivables

Trade and other receivables comprise	2025	2024
Trade receivables	849,232	224,718
Other receivables	18,710	102,357
Total trade and other receivables	867,942	327,075

Disputed Administrator Fees

During the preparation of the annual financial statements for the year ended 31 December 2024, Apex, as the appointed Administrator of the Company, issued invoices totaling EUR 1,035,000. Management reviewed the validity and accuracy of these invoices and, based on its analysis, concluded that the invoices were incorrectly raised. As a result, management has disputing the fees charged by Apex. At 31 December 2025, the disputed amount has been reduced to EUR 120,000. Management continues to reject the validity of the remaining claim and discussions with Apex are ongoing.

At the reporting date, payment of these invoices is still considered unlikely. However, as no credit notes have been received from Apex, the disputed amount has remained to be included under "Other receivables" in the statement of financial position.

Management will continue to monitor the situation and will reassess the accounting treatment if and when the dispute is resolved or further information becomes available. The Company does not expect a material impact on its financial position or performance as a result of this dispute.

6. Digital assets

6.1 Digital assets comprise the following balances:

Digital assets	2025	2024
Investments: Matrix Port (CFMOM)	497,869	3,552,899
Investments: Matrix Port (CFWB3)	167,805	783,029
Investments: Matrix Port (Scytale)	864,977	3,921,024
Investments: Sermont (DABI)	1,322,407	1,322,966
Investments: Figment	–	1,347,712
Investments: Hemmca Capital	880,676	1,098,320
Investments: Alpha Swiss	9,022,992	7,301,385
Investment: Liqwid (CASL)	234,179	460,898

Digital assets	2025	2024
Total digital assets	12,990,905	19,788,233

6.2 Movements in value of digital assets:

Movements in value of digital assets	2025	2024
At the beginning of the year	19,788,233	7,938,866
Additions and disposals	(460,230)	9,274,672
Net movement in fair value	(6,337,098)	2,574,695
At the end of the year	12,990,905	19,788,233

7. Cash and cash equivalents

Cash included in current assets	2025	2024
Balances with banks	32,341	86,292

8. Issued capital

Authorised and issued share capital	2025	2024
Authorised: 100 Ordinary shares of CHF 1,000 each	110,170	110,170
Issued: 100 Ordinary shares with a par value of CHF 1,000 each	110,170	110,170

9. Trade and other payables

Trade and other payables comprise	2025	2024
Trade payables	667,294	310,345
Other payables	(284)	185,981
Total trade and other payables	667,010	496,326

10. Financial liabilities

Financial liabilities in connection with the Issuance of Digital Assets	2025	2024
CFMOM	497,869	3,552,899
CFWB3	167,805	783,029
Scytale	864,977	3,921,024
Sermont	1,322,407	1,322,966
Figment	–	1,347,712
Hemmca	880,676	1,098,320
AlphaSwiss	9,022,992	7,301,386
Liqwid	234,179	460,898
Total financial liabilities	12,990,905	19,788,234

Movements in value of Financial Liabilities	2025	2024
At the beginning of the year	19,788,234	7,884,284
Additions and disposals	(9,372,022)	9,329,255
Net movement in fair value	2,574,694	2,574,695
At the end of the year	12,990,905	19,788,234

11. Revenue

Revenue comprises	2025	2024
Service Revenue	1,027,110	990,597

12. Operating expenses

Operating expenses comprise	2025	2024
Audit Fees	64,290	71,612
Other Operating Expenses	683,830	715,856
Professional Services	18,278	187,741
Total operating expenses	766,398	975,209

The auditor of the Company did not receive any fees from the Company other than those related to the audit.

Contingent liabilities and contingent assets

The Company had no commitments or contingencies as at 31 December 2025.

13. Subsequent Events

There are no significant events after financial period end up to the date of signing this report that require disclosure and/or adjustment to the financial statements.

14. Employee numbers and costs

The Company has 0 (2024: 0) employees as at 31 December 2025.

15. Financial risk management

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks from its use of financial instruments: (a) Operational Risk; (b) Credit Risk; (c) Market Risk; and (d) Liquidity Risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital.

a) Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risk arises from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in the preceding paragraphs. Accounting and VAT tax compliance functions are outsourced.

b) Credit Risk

Credit/Counterparty risk refers to the risk that the Custodian will default on its contractual obligations resulting in the Company being unable to make payment of amounts due to the Securityholders. Accordingly, the Company and the Securityholders are exposed to the creditworthiness of the Custodian.

Although the digital asset is held by the Custodian in segregated accounts, which are intended to be protected in the event of insolvency of the Custodian, the insolvency of the Custodian or the Security Agent may result in delayed access to the digital asset. In such a situation, investors may face a loss due to asset price fluctuation and therefore bear a credit risk of the Security Agent and the Custodian. No party, including the Security Agent, Custodian, or the Company is liable for the loss of the Underlying(s) held as digital asset. In the case of loss of the Underlying(s), e.g. due to fraud, theft, cyber-attacks and/or any analogous or similar event, the liability belongs solely to the investor.

Bitgo, Bank Frick, Scrypt AG have been engaged as Custodians. As at 31 December, the Custodians are not rated. The maximum exposure to the credit risk at the reporting dates equal the carrying amounts as presented in the balance sheet. There were no credit default events during the financial period ended 31 December.

c) Market Risk

Market risk is the risk that changes in market prices of the digital assets will affect the Company's income or the value of its holdings of financial instruments. The Securityholders are exposed to the market risk of the assets portfolio. Market risk embodies the potential for both gains and losses and price risk.

Interest rate risk

Interest rate risk is the risk that the fair value of the Securities will fluctuate because of changes in market interest rates. Changes in exchange rates and interest rates may have a positive or negative impact on the price, demand, production costs, direct investment costs of the collaterals and the returns from investments in the collaterals are therefore influenced by and may be correlated to these factors. The Company has deemed the effect of these valuation fluctuations insignificant. As a result, the Company is not subject to significant interest rate risk. The Products also do not bear interest.

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk is the risk which arises due to the assets and liabilities of the Company held in foreign currencies, which will be affected by fluctuations in foreign exchange rates. The Company issued Securities in USD and invested in digital asset denominated in USD. The Company mitigates its exposure to currency mainly by matching the foreign currency assets with foreign currency liabilities.

The following significant exchange rates have been applied at the financial period end:

Closing rate	2025	2024
USD:CHF	0.793	0.903
USD:GBP	0.742	0.796

Closing rate	2025	2024
USD:EUR	0.851	0.966

Sensitivity analysis

Any change in exchange rates would not have a significant effect on the Company's comprehensive income statement or equity. The impact of any change in the exchange rates on the digital assets relating to any Series is offset by the foreign exchange rate changes on the Securities issued under the Series and will be borne by the Security holders.

d) Market Risk — Price Risk

Price risk is the risk that the fair value of digital assets or financial liabilities will fluctuate because of changes in market prices whether those changes are caused by factors specific to the collaterals, the individual Securities or its issuer, or factors affecting similar assets or Securities traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the Company and market prices of its investments.

Securityholders are exposed to market risk arising from market price of the Securities and from the holding of digital assets. The movements in the prices of these holdings result in movements in the performance of the Securities. The value of Securities will be affected by movements in the market price of the digital assets to which a particular Series is linked.

The market price of each Series of ETP Securities will be affected by a number of factors, including, but not limited to: (i) the value and volatility of the digital assets referenced by the relevant Series of Securities; (ii) the value and volatility of digital assets in general; (iii) market perception, interest rates, yield and foreign exchange rates; (iv) the creditworthiness of, among others, the Custodian, the Administrator, the Registrar, and the Authorised Participants; and (v) liquidity in the ETP Securities on the secondary market.

The Company does not consider market risk to be a significant risk to the Company as any fluctuation in the value of the digital assets will ultimately be borne by the Securityholders of the relevant Series. The Series offer investors instant, easily-accessible and flexible exposure to the movement in spot prices of the relevant digital assets. Each Series' performance is correlated to the performance of the digital assets invested into. The correlation of the Series' performance against this is a metric monitored by key management personnel.

e) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another digital asset and thus, the Company will not be able to meet its financial obligations as they fall due. Liquidity risk in a limited recourse vehicle is managed, where possible, by having the same maturity profile of financial liabilities and related digital assets.

The Company's obligation to the Securityholders is limited to the net proceeds upon realisation of the asset of the Series and should the net proceeds be insufficient to make all payments due in respect of a particular Series of Securities, the other assets of the Company are not contractually required to be made available to meet payment and the deficit is instead borne by the Securityholders according to the priority of payments mentioned in the agreements.

The Company does not have a significant exposure to liquidity risk due to the subscriptions and redemptions of the digital assets that backs such Securities are primarily non-cash transactions of the Company as they are carried out in-kind.

Liquidity in digital assets is significantly lower than other major currencies, such as U.S. Dollars, Euros or Japanese Yen, as well as certain stocks, bonds and structured products. As such, there is a greater possibility of market moving events such as a single large sale effecting the global market. Furthermore, liquidity crunches may also occur as a result of lower overall liquidity. In this case, it may be difficult or impossible to buy or sell underlying digital assets, resulting in a significant loss of value. This risk increases significantly as the market capitalization and liquidity of a digital asset declines and, accordingly, may be a more important risk for assets with lower market capitalization.

The following are the earliest contractual maturities of financial liabilities as at 31 December 2025:

	Carrying amount	Gross contractual cashflow	Less than one year	One to five years	More than five years
Financial liabilities designated at fair value through profit or loss*	12,990,905	12,990,905	12,990,905	–	–
Other payables	667,010	667,010	667,010	–	–
Total	13,657,915	13,657,915	13,657,915	–	–

The following are the earliest contractual maturities of financial liabilities as at 31 December 2024:

	Carrying amount	Gross contractual cashflow	Less than one year	One to five years	More than five years
Financial liabilities designated at fair value through profit or loss*	19,788,233	19,788,233	19,788,233	–	–
Other payables	496,326	496,326	496,326	–	–
Total	20,284,559	20,284,559	20,284,559	–	–

f) Fair Values

The fair value of a digital asset and financial liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying amounts of all the Company's digital assets and financial liabilities at the reporting date approximated their fair values.

The Company's digital assets and financial liabilities carried at fair value are analysed below by valuation method. The different levels have been defined as follows:

Level 1: Quoted market price in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair value hierarchy as at 31 December 2025 (USD)

	Level 1	Level 2	Level 3	Total
Investment: Crypto Finance (MOM)	497,869	–	–	497,869
Investment: Crypto Finance (WB3)	167,805	–	–	167,805
Investment: Scytale	–	864,977	–	864,977
Investment: Sermont	–	1,322,407	–	1,322,407
Investment: Figment	–	–	–	–
Investment: Hemmca	–	880,676	–	880,676
Investment: AlphaSwiss	–	9,022,992	–	9,022,992
Investment: Liqwid	234,179	–	–	234,179
Total	899,853	12,091,052	–	12,990,905

Fair value hierarchy as at 31 December 2024 (USD)

	Level 1	Level 2	Level 3	Total
Investment: Crypto Finance (MOM)	3,552,899	–	–	3,552,899
Investment: Crypto Finance (WB3)	783,029	–	–	783,029
Investment: Scytale	3,921,024	–	–	3,921,024
Investment: Sermont	1,322,966	–	–	1,322,966
Investment: Figment	1,347,712	–	–	1,347,712
Investment: Hemmca	1,098,320	–	–	1,098,320
Investment: AlphaSwiss	7,301,385	–	–	7,301,385
Investment: Liqwid	460,898	–	–	460,898
Total	19,788,233	–	–	19,788,233