



Allgemeine Revisions- und Treuhand AG

FINEQIA AG

VADUZ

REPORT OF THE INDEPENDENT AUDITOR

for the business year 2023





Allgemeine Revisions- und Treuhand AG

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Report of the independent auditor on the audit
of the financial statements to the board of directors of

FINEQIA AG, VADUZ

Opinion

According to your instructions, we have audited the financial statements of FINEQIA AG (company), which comprise the statement of financial position as at 31 December 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and the notes to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2023 and its financial performance for the year then ended in accordance with IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the provisions of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (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 11 in the financial statements, which indicates 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.

Responsibilities of the board of directors for the financial statements

The board of directors is responsible for the preparation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Allgemeine Revisions- und Treuhand AG

Report on other legal and regulatory requirements

Further confirmations pursuant to article 196 PGR

We further confirm that the financial statements comply with Liechtenstein law and the articles of incorporation.

Other Matters pursuant to the PGR

Given that more than the half of the capital is lost, we refer expressly to Art. 182e PGR where by the board of directors has to inform the general meeting about reorganisation measures.

Furthermore, we would like to draw your attention to Art. 1048 para 2 resp Art. 339 para 1 PGR. The rendering of accounts must be completed and the general meeting held within a term of 6 months calculated from the end of the year. This term has not been complied with.

Vaduz, 26 March 2025 /ab

AREVA GENERAL AUDITING
AND TRUST COMPANY LIMITED

Dr. M. Hemmerle
Certified Accountant
(Auditor in charge)

F. Schurti
Certified Accountant

Enclosures:

- financial statements (statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes)

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Statement of profit and loss and other comprehensive income

		2023	2022 ¹⁾
	Notes	USD	USD
EXPENSES			
Other operating expenses		-126'014	-99'085
OPERATING LOSS		-126'014	-99'085
Financial income		-	-
Financial expenses		-12'517	-
RESULT BEFORE INCOME TAX		-138'531	-99'085
Income tax expenses		-2'158	-1'945
NET LOSS		-140'689	-101'030
Other comprehensive income		-	-
TOTAL OTHER COMPREHENSIVE INCOME		-	-
¹⁾ restated, see Note 2			

Statement of financial position

ASSETS				
			2023	2022
	Notes		USD	USD
Cash and cash equivalents			1'238	-
CURRENT ASSETS			1'238	-
Accruals and deferred expenses			-	-
Other financial assets				
- Crypto-assets	12		60'000	60'000
- Related Parties	12		596'641	-
NON-CURRENT ASSETS			656'641	60'000
TOTAL ASSETS			657'879	60'000
LIABILITIES				
			2023	2022¹⁾
	Notes		USD	USD
Other liabilities				
- Third	13		13'584	908
- Related Parties	13		71'185	95'177
Financial Liabilities	13		6'189	-
Accruals and deferred income	13		2'139	3'945
CURRENT LIABILITIES			93'097	100'030
Other liabilities				
- Third	13		8'700	
Accruals and deferred income	13		6'500	1'000
Financial Liabilities	13		531'300	-
NON-CURRENT LIABILITIES			546'500	1'000
TOTAL LIABILITIES			639'597	101'030
Share capital	14		54'040	54'040
Share premium			205'960	5'960
Loss carried forward			-101'030	0
Net loss for the year			-140'689	-101'030
<i>Retained earnings</i>			-241'718	-101'030
TOTAL EQUITY			18'282	-41'030
TOTAL EQUITY AND LIABILITIES			657'879	60'000
¹⁾ restated, see Note 2				

Statement of changes in equity

	Share Capital	Share Premium	Retained Earnings	Total Equity
Balance as of 22 September 2022 ¹⁾	-	-	-	-
Movements:				
Addition due to contribution in kind	54'040	5'960	-	60'000
Loss for the year	-	-	-101'030	-101'030
Balance as of 31 December 2022	54'040	5'960	-101'030	-41'030
Balance as of 1 January 2023	54'040	5'960	-101'030	-41'030
Movements:				
Addition	-	200'000	-	200'000
Loss for the year	-	-	-140'689	-140'689
Balance as of 31 December 2023	54'040	205'960	-241'718	18'282
¹⁾ restated, see Note 2				

Fineqia AG, Vaduz, Principality of Liechtenstein, has been incorporated on 22 September 2022 by the Official Commercial Register information of the Principality of Liechtenstein.

The incorporation has been conducted by issuing CHF 50'000 (50'000 shares with a nominal value of CHF 1 each) due to a contribution in kind agreement dated 11 August 2022. The share capital has been issued by contributing 60'000 units of USD COIN (USDC).

The value of the contributed 60'000 units of USDC amounted at contribution date to USD 60'000. Accordingly, USD 54'040 have been issued by reflecting share capital and USD 5'960 have been issued by reflecting the share premium.

In 2023, there has been issued a capital injection agreement with Fineqia International Inc. amounting to USD 200'000, recognized in the share premium.

Statement of cash flow

		2023	2022 ¹⁾
	Notes	USD	USD
Result		-140'689	-101'030
Changes in current liabilities		-6'932	100'030
Cash flow from operating activities - net		-147'621	-1'000
To investment activities			
Issuance of financial assets (including non-current accruals and changes due to unrealized foreign exchange gains/losses)		-396'641	-
Cash flows from investing activities - net		-396'641	-
From financing activities			
Proceeds from financial debts		531'300	-
Repayments of financial debts including change in non-current other liabilities		14'200	1'000
Cash flows from financing activities - net		545'500	1'000
Change in cash and cash equivalents net		1'238	-
Reconciliation of change in cash and cash equivalents			
Cash and cash equivalents as of 1 January		-	-
Cash and cash equivalents as of 31 December		1'238	-
Change in cash and cash equivalents		1'238	-
Supplementary information for financing and investment activities:			
Interest paid		-	-
Interest received		-	-
¹⁾ restated, see Note 2			

Notes to the financial statements

A – ACCOUNTING PRINCIPLES

1. General information

The name of the Company is Fineqia AG (Company).

The registered office of the Company is domiciliated at Seratio Treuunternehmen, Werdenbergerweg 11, 9490 Vaduz, Principality of Liechtenstein.

The objects for which the Company is established are especially referring to trading transactions in the area of cryptocurrencies.

Since the Company has been incorporated in 2022.

List of abbreviations

FA FVTPL	Financial assets measured at fair value through profit and loss
FA AC	Financial assets measured at amortised cost
FL FVTPL	Financial liabilities measured at fair value through profit and loss
FL AC	Financial liabilities measured at amortised cost

2. General principles and basis of preparation

The financial statements of Fineqia were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB).

The preparation of financial statements in accordance with IFRS requires the use of certain significant estimates and assumptions. It also requires management to exercise its judgement in the application of the Company's accounting policies. Areas requiring a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed.

The Company's financial statements may contain rounding differences.

In 2023, there has been made a restatement regarding the reporting year 2022 due to a prior year's error. There has been restated legal expenses amounting to USD 59'767.

Amendments to significant published standards effective in 2023

The accounting policies adopted in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2022, except for the adoption of the following material new standards, which the Company has implemented in 2023:

- Amendments to IAS 1, IAS 8, IAS 12 and Annual Improvements cycle 2018-2020

The implementation of above-mentioned changes had no impact on the Company's financial statements 2023.

Published standards that are not yet effective nor adopted early

The following IFRS and Interpretations published up to the end of 2023 are mandatory for annual periods beginning on or after 1 January 2024:

- Miscellaneous: Amendments to IFRS 2018-2020 (effective from: 1 January 2024)
- Amendments to IAS 1: Presentation of Financial Statements – Classification of Current and non-current liabilities (effective from: 1 January 2024);
- Amendments to IAS 1: Presentation of Financial Statements – Non-current liabilities with covenants (effective from: 1 January 2024);
- Amendments to IFRS 16: Lease Liability in a sale and leaseback (effective from: 1 January 2024);
- Amendments to IAS 7: Supplier Finance Arrangements (effective from: 1 January 2024);
- Amendments to IAS 21: Lack of exchangeability (effective from: 1 January 2024).

B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3. Significant accounting policies

These policies have been consistently applied to all the years presented, unless otherwise stated. The principal accounting policies applied in preparation of these financial statements are set out below, from notes 4 to 17.

4. Foreign currency translation

Functional and presentation currency

Items included in the accounting records are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are prepared in United States Dollar (USD).

Transactions and balances

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

The following foreign currency rates have been applied:

Currency	Unit	2023	2022
		Year-end rate	Year-end rate
CHF	1	1.1882	1.0808
EUR	1	1.1047	n/a
GBP	1	1.2748	n/a

5. Maturities

Assets realised or consumed within 12 months in the ordinary course of business are classified as current assets. All other assets are classified as non-current assets.

Liabilities to be redeemed in the ordinary course of business, falling due within 12 months from the balance sheet date are classified as current liabilities. All other liabilities are classified as non-current liabilities.

6. Financial Instruments

A financial instrument is a transaction that results in the creation of a financial asset for one party and simultaneously in the creation of a financial liability or equity instrument for the other party. Accounts receivable and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets are divided into the following three categories: (1) Financial assets measured at amortised cost (FA AC), (2) Financial assets measured at fair value through profit or loss (FA FVTPL), (3) Financial assets measured at fair value through other comprehensive income (FA FVTOCI). The classification depends on the company's business model for managing financial assets and on the contractual cash flows. Management determines the classification upon initial recognition.

The Company's financial assets include cash and cash equivalents (1), crypto-assets (2), loans/receivables presented in other financial assets (1).

Transaction costs directly attributable to the acquisition are also reported with respect to all financial assets not carried at fair value through profit or loss in subsequent periods.

The subsequent measurement of debt or non-equity instruments depends on the classification: (1) Assets held to collect contractual cash flows, for which these cash flows represent exclusively interest and principal payments, are measured at amortised cost. (2) Assets that do not meet the criteria of category 1 or 3 are classified as at fair value through profit or loss. (3) Assets held to collect contractual cash flows and to sell financial assets, where the cash flows are exclusively interest and principal payments, are measured at fair value through equity. Subsequent measurement of the equity instruments held is at fair value.

The Company's crypto-assets do not meet the criteria regarding the "hold-to-collect" or the "hold-to-collect and sell" business model. Additionally, the Company's crypto-assets does not meet the criteria of a derivative or those regarding an equity instrument.

Thus, it is measured at fair value through profit or loss.

There are no financial assets designated as at fair value through profit or loss (fair value option).

At each balance sheet date, financial assets that are not measured at fair value through profit and loss are assessed for expected credit losses. Indications that the creditworthiness of assets is impaired include difficulties, breaches of a contract and possible bankruptcy of the contracting party. Financial assets are written-off as soon as there is no reasonable expectation of recovery.

Financial liabilities are divided into the following two categories: (1) Financial liabilities measured at fair value through profit and loss (FL FVTPL), this category being further subdivided into financial liabilities classified as held for trading from the inception and those designated at fair value through profit and loss from inception and (2) financial liabilities measured at amortised cost (FL AC).

The Company's financial liabilities include other liabilities (2), accruals and deferred income (2), bank debt presented in financial liabilities (2) and convertible loans presented in financial liabilities (1).

The Company's convertible loans are to be measured at fair value through profit and loss due to their embedded call option.

Financial assets and financial liabilities are usually reported on a gross basis. They are only reported on a net basis if there is at present a right to off-set and an intent to settle on a net basis.

7. Fair value estimation of financial instruments

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets is the current bid price, for financial liabilities the current asking price.

Financial instruments measured at fair value are disclosed under the following hierarchy:

- Level 1 – quoted prices in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (derived from prices).
- Level 3 – unobservable market data.

The nominal value of other liabilities as well as accruals and deferred income is assumed to approximate their fair value.

8. Cash and cash equivalents

Cash and cash equivalents includes deposits held with banks.

9. Income Statement

- a) EBITDA shows earnings before financial results, depreciation and impairment on non-current assets;
- b) EBIT shows earnings before financial result.

10. Tax

The corporate tax rate refers to the existing taxation requirements in the Principality of Liechtenstein. A minimum tax is levied in the situation of net losses.

11. Significant accounting judgments, estimates and assumptions

There are no significant accounting judgements underlying in the measurement of the Company's assets and liabilities since the fair value of the presented crypto-assets is based on a quoted market price in a active market.

Going Concern

The statement of financial position has 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 operations for the foreseeable future. The ability of the Company to continue as a going concern is dependent upon Fineqia International Inc.'s ability to obtain financing on reasonable terms and to attain profitable operations and further fund operations of the Company. Although Fineqia International Inc. has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate additional financing in the future, in which case the Company may be unable to meet its obligations. In the event that the Company is unable to continue as a going concern, material adjustments may be required to the carrying value of assets and liabilities and the statement of financial position classifications used.

These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern. The statement of financial position does not contain the adjustments that would be necessary if the Company was unable to continue as a going concern.

C – EXPLANATIONS TO CERTAIN POSITIONS OF THE FINANCIAL STATEMENTS

12. Other financial assets

	31.12.2023	31.12.2022
Crypto-assets	60'000	60'000
Loans/receivables to related parties	596'641	-
Total	656'641	60'000

The Company's financial assets regarding crypto-assets represent 60'000 units of USDC which is a stablecoin that reflects the value of the US Dollar on a 1:1 basis.

The USDC market value is to be accessed online at any time.

The ageing analysis for loans/receivables is as follows as of 31 December 2023:

	Gross amount	thereof not impaired
Not yet due	596'641	596'641
Due	-	-
Total	596'641	596'641

13. Financial instruments

The contractually agreed undiscounted interest payments and repayments of the non-derivative financial liabilities are as follows as of 31 December 2023:

Non-derivative financial instruments	Book value	Contractual cash flows	Up to 6 months	7 to 12 months	between 1 and 2 years	between 2 and 5 years	after 5 years
Other liabilities	93'469	93'469	16'062	68'707	8'700	-	-
Financial liabilities	537'489	537'489	6'189	-	-	531'300	-
Accruals and deferred income	8'639	8'639	-	2'139	6'500	-	-
Total	639'597	639'597	22'251	70'846	15'200	531'300	-

The contractually agreed undiscounted interest payments and repayments of the non-derivative financial liabilities are as follows as of 31 December 2022¹⁾:

Non-derivative financial instruments	Book value	Contractual cash flows	Up to 6 months	7 to 12 months	between 1 and 2 years	between 2 and 5 years	after 5 years
Other liabilities	96'085	96'085	36'318	59'767	-	-	-
Accruals and deferred income	4'945	4'945	2'000	1'945	1'000	-	-
Total	101'030	101'030	38'318	61'712	1'000	-	-

¹⁾ restated, see Note 2.

Financial Statements of Fineqia AG
31 December 2023

The relation between the relevant balance sheet items and the measurement categories in accordance with IFRS 9 and the disclosure of fair values of financial instruments is as follows as of 31 December 2023:

	FA FVTPL	FA AC	FL FVTPL	FL AC	Book value	Fair value
Cash and cash equivalents		1'238			1'238	1'238
Other financial assets	60'000	596'641			656'641	656'641
Assets	60'000	597'879			657'879	657'879
Other liabilities				93'469	93'469	93'469
Financial liabilities			531'300	6'189	537'489	537'489
Accruals and deferred income				8'639	8'639	8'639
Liabilities			531'300	108'297	639'597	639'597

The relation between the relevant balance sheet items and the measurement categories in accordance with IFRS 9 and the disclosure of fair values of financial instruments is as follows as of 31 December 2022 ¹⁾:

	FA FVTPL	FL AC	Book value	Fair value
Other financial assets	60'000		60'000	60'000
Assets	60'000		60'000	60'000
Other liabilities		96'085	96'085	96'085
Accruals and deferred income		4'945	4'945	4'945
Liabilities		101'030	101'030	101'030

¹⁾ restated, see Note 2.

Abbreviations in the header of this tables are explained in note 6.

14. Share capital

The Company has 50'000 outstanding registered shares amounting to a value of CHF 1. This results in a share capital of USD 54'040.

The paid-in share capital amounts to USD 54'040 and is a result of the contribution in kind agreement dated 11 August 2022.

15. Financial risk management

Risk management principles

Overall, no potential risks have been identified in the business year, which could lead to material adjustments of net assets, the financial position and the result of operations.

The principal goal of risk management activities is to minimise financial risks to the continued existence (liquidity and default risk). Risk minimisation does not mean to completely eliminate but rather to control financial risks in an economically useful manner within an identified framework.

Credit default risk

Credit risks arise from the possibility that the counterparty of a transaction might not be able or willing to meet its obligations. The credit risk in relation to other financial assets is controlled by the management.

Liquidity risk

The liquidity risk arises from the fact that the Company might not be in a position to obtain the funds required to meet the obligations assumed in connection with financial instruments on the relevant due dates. The cash, financing and redemption are managed and controlled by the management.

Market risk

- Currency risk

Due to the Company's focus there are currency risks based on exchange rate fluctuations of various currencies. In the case of the Company, these currencies mainly relate to CHF, EUR and GBP.

A 5% increase (decrease) of the CHF/EUR/GBP against USD would have the following effect on the Company's earnings as of the balance sheet date 31 December 2023:

Currency risk simulation	CHF/USD
Possible change	5%
Impact of an increase on earnings	3'717
Impact of a decrease on earnings	-3'717

Currency risk simulation	EUR/USD
Possible change	5%
Impact of an increase on earnings	3'044
Impact of a decrease on earnings	-3'044

Currency risk simulation	GBP/USD
Possible change	5%
Impact of an increase on earnings	956
Impact of a decrease on earnings	-956

A 5% increase (decrease) of the CHF/EUR against USD would have the following effect on the Company's earnings as of the balance sheet date 31 December 2022:

Currency risk simulation	CHF/USD
Possible change	5%
Impact of an increase on earnings	1'816
Impact of a decrease on earnings	-1'816

Currency risk simulation	EUR/USD
Possible change	5%
Impact of an increase on earnings	2'888
Impact of a decrease on earnings	-2'888

- Interest rate risk

Interest rate risks arise from interest rate fluctuations which can cause changes in interest income and expenses relating to interest-bearing assets and liabilities.

The Company does not have assets or liabilities with a variable interest rate. Therefore, no further sensitivity analysis is presented hereafter.

16. Events after the balance sheet date

No events occurred between the balance sheet date and the date of this report which could have a significant influence on the 2023 financial statements.

17. Related party transactions

For the related party transactions reference is made to the balance sheet where these transactions/positions are stated.

The transactions during the reporting year were performed at arm's length.