

Ichnos Sciences SA La Chaux-de-Fonds

Report of the Statutory Auditor
to the General Meeting of the Shareholders

Financial Statements for the year ended March 31, 2022



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Report of the Statutory Auditor

To the General Meeting of the Shareholders of
Ichnos Sciences SA, La Chaux-de-Fonds

Report of the Statutory Auditor on the Financial Statements

As statutory auditors, we have audited the accompanying financial statements of Ichnos Sciences SA, which comprise the balance sheet as at March 31, 2022, the income statement and notes for the year then ended.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the Company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements 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 entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended March 31, 2022 comply with Swiss law and the Company's articles of incorporation.



Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

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

We draw attention to the fact that half of the share capital and legal reserves are no longer covered (article 725 paragraph 1 CO).

We further draw your attention to the fact that the Board of Directors did not call for the ordinary general meeting of the shareholders within 6 months following the Company's financial year-end closing date for the year to March 31, 2021 as prescribed by article 699 paragraph 2 CO.

Grant Thornton SA

Mohamed Kadri
Audit Expert
Auditor in charge

Moritz Herbst

Enclosure:

- Financial statements (balance sheet, income statement, and notes)

Ichnos Sciences SA
La Chaux-de-Fonds, Switzerland

Balance sheet as at

31.03.2022

31.03.2021

Liabilities

(in Swiss francs)

Short-term liabilities

Accounts payable

33 010 991

44 389 018

due to third parties

3 849 347

14 956 903

due to group companies

29 161 644

7 273 821

due to shareholders

-

22 158 295

Other short-term liabilities

-

664

due to third parties

-

664

Short-term provisions and accrued expenses

7 320 205

1 755 394

Total short-term liabilities

40 331 196

46 145 076

Long-term liabilities

Long-term interest-bearing liabilities

-

54 422 640

due to shareholders

-

54 422 640

Total long-term liabilities

-

54 422 640

Shareholders' equity

Share capital

246 514 325

156 514 325

Legal capital reserves

48 366 303

48 366 303

Reserves from capital contribution

46 866 303

46 866 303

Other capital reserves

1 500 000

1 500 000

Accumulated deficit for the year

(221 469 580)

(139 788 697)

Accumulated losses brought forward

(139 788 697)

(75 946 358)

Profit / (Loss) for the year

(81 680 883)

(63 842 339)

Total shareholders' equity

73 411 048

65 091 931

Total liabilities and shareholders' equity

113 742 244

165 659 647

Ichnos Sciences SA
La Chaux-de-Fonds, Switzerland

Profit and loss statement for the financial year ended

31.03.2022

31.03.2021

(in Swiss francs)

Revenue from sales of goods and services	24 629 015	(1 626)
Gross profit	24 629 015	(1 626)
Staff expenses	(13 576 400)	(13 210 792)
Administrative expenses	(353 799)	(156 777)
Depreciation and valuation adjustments	(22 726 215)	(2 672 111)
Research and Development expenses	(59 733 521)	(67 409 175)
Other operating expenses	(5 508 662)	(2 828 685)
Operating expenses	<u>(101 898 596)</u>	<u>(86 277 540)</u>
Profit / (Loss) for the year before interest and taxes	(77 269 581)	(86 279 167)
Financial income	812 596	2 879 254
Financial expenses	(4 290 523)	(5 588 878)
Profit / (Loss) for the year before taxes	(80 747 508)	(88 988 791)
Non-operating income	38 646	133 807 723
Non-operating expenses	-	(108 581 318)
Profit / (Loss) for the year before taxes	(80 708 863)	(63 762 387)
Direct taxes	(972 020)	(79 953)
Profit / (Loss) for the year	(81 680 883)	(63 842 339)