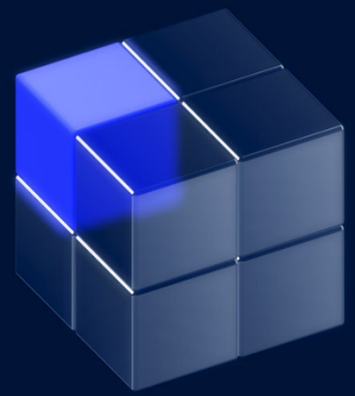
KINEO FINANCE

Interim Financial Report

30 June 2025





Interim condensed consolidated balance sheet

As of	Notes	30 June 2025 CHF Unaudited	31 December 2024 CHF
ASSETS			
Current assets			
Cash		4'632'667	2'752'826
Lease receivables, current	7, 8	29'476'328	26'948'380
Loans and other current financial assets	6, 8	19'260'559	15'271'297
Accounts receivable	8	31'877	131'684
Other current assets		259'582	253'249
Total current assets		*53'661'014*	*45'357'437*
Non-current assets			
Lease receivables, non-current	7, 8	41'462'152	45'136'544
Loans and other non-current financial assets	6, 8	6'450'697	5'204'568
Investments	8	5'771'527	5'274'876
Other financial assets at fair value through profit or loss	8	14'209'310	14'426'666
Property plant and equipment incl. right-of-use assets		1'197'137	1'143'711
Intangible assets		157'227	181'754
Deferred tax assets		-	78'240
Total non-current assets		*69'248'051*	*71'446'359*
Total assets		**122'909'065**	**116'803'796**

As of	Notes	30 June 2025 CHF Unaudited	31 December 2024 CHF
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payables		406'760	160'440
Accrued expenses		744'905	1'351'230
Borrowings, current	8	27'935'808	732'454
Lease liabilities, current	8	122'421	119'404
Other current liabilities		19'543	4'101
Total current liabilities		*29'229'437*	*2'367'630*
Non-current liabilities			
Borrowings, non-current	8	19'736'257	47'709'964
Lease liabilities, non-current	8	949'142	1'011'116
Net pension liabilities		413'076	645'540
Deferred tax liabilities		2'449'276	3'063'982
Total non-current liabilities		*23'547'751*	*52'430'601*
Total liabilities		**52'777'188**	**54'798'231**
Shareholders' equity			
Share capital	11	1'393'253	1'250'395
Capital reserves		59'585'551	47'853'473
Treasury shares		-500'010	-500'010
Other reserves		3'015'660	2'731'951
Retained earnings		14'035'801	13'418'575
Currency translation reserves		-7'398'379	-2'748'821
Total shareholders' equity		**70'131'878**	**62'005'564**
Total liabilities and shareholders' equity		**122'909'065**	**116'803'796**

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Interim condensed consolidated income statement

For the six-month period ended	Notes	30 June 2025 CHF Unaudited	30 June 2024 CHF Unaudited
Interest from finance leases and similar income	4	6'951'831	6'242'640
Interest expense on refinancing		-2'065'611	-2'295'059
Net income from financing business		**4'886'220**	**3'947'581**
Other operating income		360'922	370'468
Gross profit		**5'247'142**	**4'318'049**
Personnel expense		-3'051'534	-2'531'155
Other operating expense		-1'022'108	-1'027'551
Depreciation and amortisation		-127'211	-33'994
Total operating expense		**-4'200'854**	**-3'592'700**
Operating result		**1'046'288**	**725'348**
Gain/(loss) on investments and other financial assets at fair value (net)	5	-399'824	187'652
Other finance result (net)		1'582	-395'968
Profit/(loss) before tax		**648'046**	**517'032**
Income tax (expense)/benefit	10	-254'429	-398'825
Profit/(loss) for the period		**393'617**	**118'206**

Interim condensed consolidated statement of comprehensive income

For the six-month period ended	Notes	30 June 2025 CHF Unaudited	30 June 2024 CHF Unaudited
Profit/(loss) for the period		393'617	118'206
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):			
Exchange differences on loans as part of a net investment in foreign operations		-4'585'491	2'090'765
Exchange differences on translation of foreign operations		-64'066	-43'236
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods		**-4'649'558**	**2'047'530**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):			
Remeasurement gain/(loss) on defined benefit plans		223'609	60'949
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		**223'609**	**60'949**
Other comprehensive income/(loss) for the period		**-4'425'949**	**2'108'478**
Total comprehensive income/loss) for the period		**-4'032'332**	**2'226'685**

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Interim condensed consolidated statement of cash flows

For the six-month period ended	Notes	30 June 2025	30 June 2024
		CHF Unaudited	CHF Unaudited
Operating activities			
Profit/(loss) before tax		648'046	517'032
Adjustments to reconcile profit before tax to net cash flows:			
Interest income from loans and factoring	4	-1'751'304	-1'209'604
Interest expense on refinancing		2'065'611	2'295'059
Depreciation, amortisation and impairment		127'211	33'994
Share-based payment expense	9	283'709	259'459
Other interest and foreign exchange valuation result		-47'856	388'595
Loss/(gain) on investments and other financial assets at fair value (net)	5	399'824	-187'652
Movements in net pension liabilities		24'686	-13'293
Working capital adjustments:			
Decrease/(increase) in lease receivables without investments in leases		5'301'669	7'236'184
Decrease/(increase) in loans and other financial assets without investments in loans		691'781	482'457
Decrease/(increase) in accounts receivables and other current assets		94'577	139'259
Increase/(decrease) in accounts payables, accrued expenses and other current liabilities		-326'671	-213'045
Interest received from loans and factoring		843'754	599'518
Other interest received		3'681	54'599
Interest paid on refinancing		-2'669'271	-2'873'209
Income tax paid		-216	-29'041
Net cash flows from operating activities before investments in leases, loans and factoring		**5'689'231**	**7'480'313**

For the six-month period ended	Notes	30 June 2025	30 June 2024
		CHF Unaudited	CHF Unaudited
Operating activities (continued)			
Investments in leases	7	-8'877'065	-12'051'023
Investments in loans	6	-4'186'651	-3'512'888
Investments in factoring	6	-1'577'734	-2'527'959
Net cash flows from/(used in) operating activities		**-8'952'219**	**-10'611'557**
Investing activities			
Purchase of property, plant and equipment		-144'214	-29'718
Purchase of intangible assets		-11'906	-29'004
Acquisition of investments		-714'375	-38'739
Net cash flows from/(used in) investing activities		**-870'495**	**-97'458**
Financing activities			
Proceeds from issuance of share capital		12'000'072	53'839
Cost of issuance of share capital		-125'137	-
Payment of principal portion of lease liabilities		-58'958	-
Net cash flows from/(used in) financing activities		**11'815'978**	**53'839**
Net increase/(decrease) in cash		1'993'264	-10'655'176
Net foreign exchange differences		-113'424	457'432
Cash as of 1 January		2'752'826	20'452'219
Cash as of 30 June		**4'632'667**	**10'254'475**



Interim condensed consolidated statement of changes in shareholders' equity

For the six-month period ended 30 June 2025	Notes	Share capital	Capital reserves	Treasury shares	Other reserves	Retained earnings	Currency translation reserves	Total shareholders' equity
		CHF Unaudited	CHF Unaudited	CHF Unaudited	CHF Unaudited	CHF Unaudited	CHF Unaudited	CHF Unaudited
As of 1 January		1'250'395	47'853'473	-500'010	2'731'951	13'418'575	-2'748'821	**62'005'564**
Profit/(loss) for the period		-	-	-	-	393'617	-	**393'617**
Other comprehensive income/(loss)		-	-	-	-	223'609	-4'649'558	**-4'425'949**
Total comprehensive income/(loss)		**-**	**-**	**-**	**-**	**617'226**	**-4'649'558**	**-4'032'332**
Issuance of share capital		142'858	11'857'214	-	-	-	-	**12'000'072**
Cost of issuance of share capital		-	-125'137	-	-	-	-	**-125'137**
Share based payments	9	-	-	-	283'709	-	-	**283'709**
As of 30 June		**1'393'253**	**59'585'551**	**-500'010**	**3'015'660**	**14'035'801**	**-7'398'379**	**70'131'878**

For the six-month period ended 30 June 2024	Notes	Share capital	Capital reserves	Treasury shares	Other reserves	Retained earnings	Currency translation reserves	Total shareholders' equity
		CHF Unaudited	CHF Unaudited	CHF Unaudited	CHF Unaudited	CHF Unaudited	CHF Unaudited	CHF Unaudited
As of 1 January		1'233'068	47'817'495	-500'010	2'317'124	14'201'113	-4'741'356	**60'327'434**
Profit/(loss) for the period		-	-	-	-	118'206	-	**118'206**
Other comprehensive income/(loss)		-	-	-	-	60'949	2'047'530	**2'108'478**
Total comprehensive income/(loss)		**-**	**-**	**-**	**-**	**179'155**	**2'047'530**	**2'226'685**
Issuance of share capital		17'327	36'512					**53'839**
Share based payments	9		-	-	259'459	-	-	**259'459**
As of 30 June		**1'250'395**	**47'854'007**	**-500'010**	**2'576'583**	**14'380'268**	**-2'693'826**	**62'867'417**

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Notes to the interim condensed consolidated financial statements

1. Corporate information

The interim condensed consolidated financial statements of Kineo Finance AG and its subsidiaries (collectively, the Kineo Finance Group or the Group) for the period ended 30 June 2025 were authorised for issue by the Company's Board of Directors on 18 September 2025.

Kineo Finance AG (the Company or the parent) is a Swiss stock corporation ("Aktiengesellschaft") with its registered office at Rittergasse 22, Basel, Switzerland (CHE-176.996.149). The Kineo Finance Group has offices in Basel, Munich, London and San Francisco. The Group is active in the field of leasing and other forms of asset services of innovative machines and devices and other related equipment used or developed by innovative technology and equipment manufacturers. In addition, the Company is providing management and advisory services to the growth equity fund Kineo Capital I SCSp, Luxembourg.

2. Basis of preparation, changes in accounting policies and foreign currencies

2.1. Basis of preparation

The interim condensed consolidated financial statements of the Group have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of 31 December 2024.

2.2. New standards, interpretations and amendments adopted

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements as of 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The amendment of IAS 21 *The Effects of Changes in Foreign Exchange Rates* regarding lack of exchangeability of currencies applies for the first time in 2025 but does not have an impact on the interim condensed consolidated financial statements of the Group.

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2. Basis of preparation, changes in accounting policies and foreign currencies (*continued*)

2.3. Foreign currencies

Currency translation was based on the following exchange rates:

	Average rate		Closing rate		
	H1 2025	H1 2024	**30 June 2025**	31 December 2024	30 June 2024
	CHF	CHF	CHF	CHF	CHF
1 USD	0.86283	0.87968	0.79752	0.90596	0.89860
1 EUR	0.94135	0.95261	0.93470	0.94120	0.96305
1 GBP	1.10093	1.12522	1.09257	1.13510	1.13587

3. Capital Management

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to ensure a strong credit worthiness and capital ratio supporting its business and growth and securing its shareholders' investment.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the Group's long-term business plan. In the medium and long term, the Group strives to maintain an equity ratio of around 30% or higher.

As of	**30 June 2025**	31 December 2024
	CHF	CHF
Total shareholders' equity	70'131'878	62'005'564
Total assets	122'909'065	116'803'796
Equity ratio	**57.1%**	**53.1%**

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4. Interest from finance leases and similar income

For the six-month period ended	30 June 2025	30 June 2024
	CHF	CHF
Interest income finance lease	5’110’267	4’881’338
Interest income from loans	1’567’589	1’095’250
Interest income from factoring	183’715	114’354
Other income from lessees	84’260	-
Variable usage-dependent lease payments	6’000	151’699
Interest from finance leases and similar income	**6’951’831**	**6’242’640**

As part of the ordinary business activities the Group has granted loans to certain companies to finance their manufacturing process and procurement. In addition, the Group finances selected companies via its factoring solutions offered primarily in Germany. The interest on these financing solutions is presented within interest from finance leases and similar income as interest income from loans and interest income from factoring.

The following geographical break-down of the interest from finance leases and similar income is based on the country of the relevant operating Group company:

For the six-month period ended	30 June 2025	30 June 2024
	CHF	CHF
USA	2’760’581	2’303’064
Switzerland	2’440’147	2’479’107
Germany	1’751’103	1’460’469
	6’951’831	**6’242’640**

5. Gain/(loss) on investments and other financial assets at fair value (net)

For the six-month period ended	30 June 2025	30 June 2024
	CHF	CHF
Gain/(loss) on non-listed equity investments	-217’724	93’424
Gain/(loss) on equity kickers from finance leases	-182’100	94’227
Gain/(loss) on investments and other financial asset at fair value (net)	**-399’824**	**187’652**

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6. Loans and other financial assets

Set out below are the carrying amounts of loans and other financial assets (current and non-current) and the movements during the period:

For the six-month period ended	30 June 2025				30 June 2024			
	Loans	Factoring receivables	Other financial assets	Total	Loans	Factoring receivables	Other financial assets	Total
	CHF	CHF	CHF	CHF	CHF	CHF	CHF	CHF
At the beginning of the period	17'814'541	2'503'874	157'450	**20'475'865**	10'792'361	-	68'089	**10'860'450**
Granting of loans, investment into factoring receivables and other additions	4'186'651	6'221'452	-	**10'408'103**	3'512'888	4'573'192	-	**8'086'080**
Payments received	-1'256'660	-4'808'205	-52'400	**-6'117'265**	-1'012'091	-2'199'786	-	**-3'211'878**
Accretion of interest	1'567'589	183'715	1'188	**1'752'492**	1'095'250	114'354	-	**1'209'604**
Impairment loss of convertible loans	-	-	-	**-**	-	-	-	**-**
ECL charge of the period	-61'988	-	-	**-61'988**	-	-	-	**-**
Foreign exchange differences	-717'083	-28'573	-295	**-745'951**	271'799	88'790	571	**361'161**
At the end of the period	**21'533'050**	**4'072'264**	**105'943**	**25'711'257**	**14'660'208**	**2'576'549**	**68'660**	**17'305'417**
Thereof:								
Current	15'188'296	4'072'264	-	**19'260'559**	7'241'351	2'576'549	-	**9'817'900**
Non-current	6'344'755	-	105'943	**6'450'697**	7'418'857	-	68'660	**7'487'517**

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6. Loans and other financial assets *(continued)*

The following table shows the maturity of undiscounted payments from loans as per reporting date:

As of	30 June 2025	31 December 2024
	CHF	CHF
Up to 1 year	17'433'327	15'411'126
1 to 2 years	2'868'397	3'337'750
2 to 3 years	2'092'983	991'490
3 to 4 years	2'057'392	958'142
4 to 5 years	864'257	808'178
More than 5 years	49'670	-
Total undiscounted future contractual loan payments	**25'366'026**	**21'506'685**
Unearned (outstanding) interest income	-3'658'790	-3'579'943
Loans, gross	**21'707'237**	**17'926'72**
Allowance for expected credit losses	-174'189	-112'201
Loans	**21'533'050**	**17'814'541**

7. Lease receivables

Set out below are the carrying amounts of lease receivables and the movements during the period:

For the six-month period ended	30 June 2025	30 June 2024
	CHF	CHF
At the beginning of the period	72'084'923	59'397'705
Lease payments received	-10'380'745	-12'022'413
Additions (net investments in finance leases)	8'877'065	12'051'023
Accretion of interest	5'110'267	4'881'338
ECL charge of the period	-31'192	-95'108
Foreign exchange differences	-4'721'838	2'174'959
At the end of the period	**70'938'481**	**66'387'503**
Thereof:		
Current	29'476'328	22'270'540
Non-current	41'462'152	44'116'964

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7. Lease receivables (*continued*)

The following table shows the maturity of undiscounted future cash flows (lease payments) from finance leases as per reporting date:

As of	30 June 2025	31 December 2024
	CHF	CHF
Up to 1 year	38’273’022	36’380’487
1 to 2 years	23’465’150	25’283’962
2 to 3 years	14’669’188	17’201’012
3 to 4 years	9’587’090	8’992’596
4 to 5 years	3’543’304	3’939’394
More than 5 years	303’940	963’467
Total undiscounted future contractual lease payments	**89’841’696**	**92’760’917**
Unguaranteed residual values	-	-
Gross Investment	**89’841’696**	**92’760’917**
Unearned (outstanding) interest income	-17’450’265	-19’320’169
Net Investment	**72’391’430**	**73’440’748**
Allowance for expected credit losses	-1’452’949	-1’355’825
Lease receivables	**70’938’481**	**72’084’923**

The following geographical break-down of the lease receivables is based on the country of the relevant operating Group company:

As of	30 June 2025	31 December 2024
	CHF	CHF
Switzerland	6’313’622	6’857’746
Germany	4’877’069	5’216’126
USA	18’285’637	14’874’508
Lease receivables, current	**29’476’328**	**26’948’380**
Switzerland	11’646’161	11’442’017
Germany	13’290’758	11’930’222
USA	16’525’233	21’764’305
Lease receivables, non-current	**41’462’152**	**45’136’544**
Switzerland	17’959’783	18’299’763
Germany	18’167’827	17’146’348
USA	34’810’871	36’638’813
Lease receivables	**70’938’481**	**72’084’923**

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8. Financial assets and financial liabilities

8.1. Financial assets

As of	30 June 2025 CHF	31 December 2024 CHF
Financial assets at fair value through profit or loss		
Non-listed equity investments	5'771'527	5'274'876
Equity kickers from finance leases	14'209'310	14'426'666
	19'980'838	**19'701'541**
Financial assets at amortised cost (*)		
Lease receivables	70'938'481	72'084'923
Accounts receivables	31'877	131'687
Loans and other financial assets		
Loans	*21'533'050*	*17'814'541*
Factoring receivables, current	*4'072'264*	*2'503'874*
Other financial assets, non-current	*105'943*	*157'450*
	96'681'614	**92'692'475**
Total financial assets (**)	**116'662'452**	**112'394'016**
Thereof:		
Current	48'768'765	42'351'364
Non-current	67'893'687	70'042'652

(*): The carrying amounts approximately reflect fair values of the financial assets at amortised costs
(**): Financial assets, other than cash

8.2. Financial liabilities: Interest-bearing liabilities

As of	Interest rate	30 June 2025 CHF	31 December 2024 CHF
Interest bearing liabilities			
Lease liabilities (*Maturity: 2032)*	5%	1'071'563	1'130'520
Borrowings			
Bearer notes (Maturity: 2026)	*7% + EURIBOR*	*27'847'989*	*28'018'570*
Straight bond (Maturity: 2028)	*6.5%*	*19'824'075*	*20'423'847*
Total interest-bearing liabilities		**48'743'628**	**49'572'937**
Thereof:			
Current		28'058'229	851'857
Non-current		20'685'399	48'721'080

The straight bonds fair value as of 30 June 2025 as published by SIX Swiss Exchange was CHF 21'000'000 or 105.00% (31 December 2024: CHF 20'700'00 or 103.50%).

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8. Financial assets and financial liabilities *(continued)*

8.3. Credit risk exposure

Set out below is the information about the credit risk exposure on the Group's lease receivables and loans as of 30 June 2025 under the three stages model:

Internal classification	Corresponding classification external rating agency	Exposure at default				Weighted average loss rate	Expected credit loss				Total carrying amount
		Non-credit impaired		Credit impaired	Total		Non-credit impaired		Credit impaired	Total	
		Stage 1	Stage 2	Stage 3			Stage 1	Stage 2	Stage 3		
		CHF	CHF	CHF	CHF		CHF	CHF	CHF	CHF	CHF
B1-B3: good / performing	A3 to Ba1	24'712'690	-	-	**24'712'690**	0.1%	-25'408	-	-	**-25'408**	**24'687'282**
C1-C3: adequate	Ba2 to B1	42'749'759	-	-	**42'749'759**	0.6%	-274'123	-	-	**-274'123**	**42'475'636**
D1-D3: close monitoring	B2 to Caa1	1'109'362	10'732'785	-	**11'842'148**	2.3%	-25'702	-248'659	-	**-274'361**	**11'567'786**
Defaulted	–	-	-	14'794'074	**14'794'074**	7.1%	-	-	-1'053'246	**-1'053'246**	**13'740'828**
Total		**68'571'811**	**10'732'785**	**14'794'074**	**94'098'670**	**1.73%**	**-325'233**	**-248'659**	**-1'053'246**	**-1'627'138**	**92'471'531**
Thereof:											
Lease receivables					**72'391'430**					**1'452'949**	**70'938'481**
Loans					**21'707'237**					**174'189**	**21'533'050**

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8. Financial assets and financial liabilities *(continued)*

8.3. Credit risk *exposure (continued)*

Set out below is the information about the credit risk exposure on the Group's lease receivables and loans as of 31 December 2024 under the three stages model:

Internal classification	Corresponding classification external rating agency	Exposure at default				Weighted average loss rate	Expected credit loss				Total carrying amount
		Non-credit impaired		Credit impaired	Total		Non-credit impaired		Credit impaired	Total	
		Stage 1	Stage 2	Stage 3			Stage 1	Stage 2	Stage 3		
		CHF	CHF	CHF	**CHF**		CHF	CHF	CHF	**CHF**	**CHF**
B1-B3: good / performing	A3 to Ba1	29'871'916	-	-	**29'871'916**	0.1%	-29'199	-	-	**-29'199**	**29'842'717**
C1-C3: adequate	Ba2 to B1	42'528'549	-	-	**42'528'549**	0.6%	-272'250	-	-	**-272'250**	**42'256'299**
D1-D3: close monitoring	B2 to Caa1	965'156	1'797'996	-	**2'763'152**	2.5%	-24'359	-45'379	-	**-69'739**	**2'693'413**
Defaulted	–	-	-	16'203'873	**16'203'873**	6.8%	-	-	-1'096'838	**-1'096'838**	**15'107'034**
Total		**73'365'621**	**1'797'996**	**16'203'873**	**91'367'490**	**1.6%**	**-325'808**	**-45'379**	**-1'096'838**	**-1'468'026**	**89'899'464**
Thereof:											
Lease receivables					**73'440'748**					**-1'355'825**	**72'084'923**
Loans					**17'926'742**					**-112'201**	**17'814'541**

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8. Financial assets and financial liabilities *(continued)*

8.4. Fair value measurement

The significant unobservable input of the fair value measurement of these financial assets is the underlying valuation and thus the relevant share price in the most recent financing round of these investees.

Set out below is the fair value measurement hierarchy for assets measured at fair value as of 30 June 2025 and 31 December 2024, respectively:

As of	30 June 2025				31 December 2024			
	Fair value measurement using			Carrying amount	Fair value measurement using			Carrying amount
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	CHF	CHF	CHF	CHF	CHF	CHF	CHF	CHF
Assets measured at fair value								
Non-listed equity investments	-	-	5'771'527	**5'771'527**	-	-	5'274'876	**5'274'876**
Equity kickers from finance leases	-	-	14'209'310	**14'209'310**	-	-	14'426'666	**14'426'666**
	-	**-**	**19'980'838**	**19'980'838**	**-**	**-**	**19'701'542**	**19'701'542**

There were no transfers of financial assets between the three levels of the fair value hierarchy during the periods.

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8. Financial assets and financial liabilities *(continued)*

8.4. Fair value measurement *(continued)*

Reconciliation of fair value measurement of non-listed equity investments, equity kickers from finance leases and warrants:

For the six-month period ended	30 June 2025			30 June 2024		
	Non-listed equity investments	Equity kickers on finance leases	Total	Non-listed equity investments	Equity kickers on finance leases	Total
	CHF	CHF	**CHF**	CHF	CHF	**CHF**
At the beginning of the period	5'274'876	14'426'666	**19'701'542**	6'255'306	13'982'477	**20'237'783**
Remeasurement in statement of profit or loss during the period	-217'724	-182'100	**-399'824**	93'424	94'227	**187'652**
Purchases	714'375	-	**714'375**	38'736	-	**38'736**
Sales	-	-	**-**	-	-	**-**
Currency translation adjustments	-	-35'255	**-35'255**	14'244	-	**14'244**
At the end of the period	**5'771'527**	**14'209'310**	**19'980'838**	**6'401'711**	**14'076'704**	**20'478'414**

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9. Share-based payments

For the six months ended 30 June 2025 and 30 June 2024, respectively, the Group has granted stock options to some of its employees according to its stock option plan (SOP2019).

The fair value of the stock options has been determined at the grant date based on the calculated share price of the Company's last capital increase using the Black-Scholes model.

The following tables list number of stock options and the inputs to the models used:

Nature of arrangement	Grant of stock options	
Grant date	18.02. / 18.03.2025	09.02.2024
Number of options granted	10'453	9'872
Exercise price (CHF)	5.00	5.00
Share price at date of grant (CHF)	49.00	49.00
Vesting period (years)	3 to 4	3 to 4
Expected volatility (%)	25%	25%
Expected option life at grant date (years)	10	10
Risk-free interest rate p.a. (%)	0.48% / 0.72%	0.90%
Expected dividend	Zero	Zero
Estimated fair value of option at grant date (CHF)	44.24 / 44.35	44.43
Expiry date	31.12.2034 / 31.03.2035	31.12.2033 / 31.03.2034

The following table illustrates the weighted average remaining contractual life of all options outstanding:

As of	30 June 2025	31 December 2024
Weighted average remaining contractual life (years)	6.86	6.86

The expenses for share-based compensation recognised in the income statement within personnel expense is as follows:

For the six-month period ended	30 June 2025	30 June 2024
	CHF	CHF
Share-based payments	283'709	259'459

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10. Income tax

The major components of income tax expense for the periods ended 30 June 2025 and 30 June 2024 are:

For the six-month period ended	30 June 2025 CHF	30 June 2024 CHF
Current income tax		
Current income tax charge	-173	-
Deferred tax		
Relating to origination and reversal of temporary differences	323'496	576'825
Relating to origination and reversal of tax losses carried forward	-577'752	-975'651
Income tax (expense)/benefit recognized in the income statement	**-254'429**	**-398'825**
Deferred tax related to items recognised in OCI during in the year		
Remeasurement (gain)/loss on actuarial gains and losses	-33'541	-9'142
Relating to exchange differences on loans as part of a net investment in foreign operations	687'824	141'153
Deferred tax charged to OCI	**654'282**	**132'011**

11. Share capital

Share capital

The share capital in the amount of CHF 1'393'253 (31 December 2024: CHF 1'250'395) consists of 1'393'253 (31 December 2024: CHF 1'250'395) registered shares at par value of CHF 1.00 each. The share capital is fully paid in. In March 2025, the Company increased its share capital by issuing a total of 142'858 new shares with gross proceeds of CHF 12'000'072.

Conditional share capital

As of 1 January 2024, the Company had conditional share capital, exclusively reserved for participants of the employee stock option plan, pursuant to which the share capital may be increased by a maximum amount of CHF 86'218 through the issue of a maximum of 86'218 registered shares at a par value of CHF 1.00 each. During the first six months 2024 17'327 shares were issued due to the exercise of options. At the Extraordinary General Meeting of 14 March 2025, the conditional share capital has been increased, by an additional amount of CHF 77'978 through the issue of a maximum of 77'978 registered shares at a par value of CHF 1.00 each, resulting in a total conditional share capital in the amount of CHF 146'869.

Capital band

As of 1 January 2024, the Company had a capital band within the Board of Directors can increase and/or decrease the share capital up to CHF 1'849'602 (upper limit) or decrease the share capital down to CHF 616'534 (lower limit) at any time and as often as desired until 27 April 2028. At the Extraordinary General Meeting of 14 March 2025, the capital band has been amended. Within this amended capital band, the Board of Directors can increase and/or decrease the share capital up to CHF 1'849'602 (upper limit) or decrease the share capital down to CHF 696'626.50 (lower limit) at any time and as often as desired until 14 March 2030.

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12. Related party disclosures

Transactions with key management:

There are no loans outstanding or guarantee commitments granted to the key management.

For the six months ended 30 June 2025, 4'398 stock options were granted to the key management (30 June 2024: 5'000 stock options granted to the key management).

For the six months ended 30 June 2025, no options were exercised by the key management (30 June 2024: 8'199 stock options exercised).

13. Events after the reporting period

In August 2025, the Group was informed that a planned capital transaction for one of its portfolio companies would not proceed. As a result, the portfolio company is unable to meet the obligations of the signed settlement agreement regarding outstanding receivables and remains in default. The company has already been classified as credit-impaired as of the reporting date.

Consequently, the Group initiated legal proceedings and filed a law suit against the portfolio company in early September to enforce its rights and to secure its collateral.

The maximum potential financial impact of a full default on the outstanding lease receivables, which remains contingent on the realization of the underlying collateral, could amount up to CHF 12.7 million.

No other material adjusting or other non-adjusting event to be disclosed occurred subsequently to the balance sheet date until the authorization of these consolidated financial statements by the Board of Directors on 18 September 2025.

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To the Board of Directors of
Kineo Finance AG
Rittergasse 22
4051 Basel

Basel, 18 September 2025

Report on the review of interim condensed consolidated financial statements

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements (interim condensed consolidated balance sheet, interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of cash flows, interim condensed consolidated statement of changes in shareholders' equity and notes to the interim condensed consolidated financial statements) of Kineo Finance AG and its subsidiaries (the Group) for the period from 1 January 2025 to 30 June 2025. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements (pages 2 to 20) are not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

Ernst & Young Ltd

René Buchmann
(Qualified Signature)
Licensed audit expert
(Auditor in charge)

Dario Disler
(Qualified Signature)
Licensed audit expert

Enclosure

- Interim condensed consolidated financial statements (interim condensed consolidated balance sheet, interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of cash flows, interim condensed consolidated statement of changes in shareholders' equity and notes to the interim condensed consolidated financial statements)

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