ACHIKO AG

ANNUAL REPORT 2021

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ACHIKO CHAIRPERSON'S LETTER

Dear Shareholders,

Throughout the year 2021, Achiko continued to lay the foundations to enable it to achieve its long-term vision of creating a truly world class diagnostics company.

With a distributed team of employees, contractors and partners across Europe and in Asia Pacific, the Company is developing an international network of research & development, production, marketing and sales capabilities to commercialize its AptameX technology platform.

At the heart of our efforts, is the development of a healthtech solution for the detection of SARS-COV2 (Covid-19) that offers substantial competitive benefits. These include a non-invasive (saliva based) test, the ability to detect the virus and critically its variants at low viral loads, delivering results with 'best in class' sensitivity and specificity in real time, and importantly being competitively priced below other rapid tests available in the global marketplace.

I am pleased to report that the Company gained Product and Regulatory approval from the Indonesian Ministry of Health for both AptameX and Teman Sehat and, at the time of writing, Achiko is producing the first orders for Nahdlatul Ulama, one of the world's largest membership organizations with direct reach to more than 90 million registered members in Indonesia.

There is no doubt that 2021 marked a period of change in the global view of the Covid pandemic. We see this as a positive development for the future of AptameX. As Covid becomes endemic, testing in key sectors and countries becomes more nuanced, and the advantages of AptameX are more apparent.

For developing countries with lower levels of vaccinated populations and comparatively small percentages of vaccinated persons having received any boosters, AptameX can be at the forefront where comprehensive testing will continue to be in demand. In more developed countries, it is already evident that as markets open and seek to establish a new equilibrium, demand for testing in particular sectors, such as frontline allied health care, food manufacturing, education, and essential services, is increasing.

The recent announcement of the granting of a CE mark is another important milestone in the Company's development, allowing it to meet demand for its AptameX Covid testing product in 27 European Countries and accelerate entry into non-European Countries that require a CE mark as one of the pre-conditions to market and sell diagnostic testing products.

The transformation in healthcare as a result of the Pandemic will have lasting consequences including future planning, speed of regulation and time to market, and revolution in vaccines and therapeutics and in testing and diagnostics. This opens up even more exciting possibilities for AptameX to be used in combination with other technologies as part of a multi-faceted strategy to protect health and stimulate economies in communities across the globe.

While Achiko has navigated the challenging economic times throughout the year with a lower cost profile, it has maintained investment in developing the AptameX technology platform for applications to various pathogens (such as Dengue and H.Pylori), and we expect to be marketing and selling product for these applications in the new financial year. We also continue to assess a range of opportunities to add value to our technology platform as the market increases its understanding of the benefits of our DNA Aptamer technology.

In closing, I am extremely thankful for the efforts of the Achiko family encompassing shareholders, partners, employees, customers and Advisory Board members, all of whom are contributing to transforming the Company to take advantage of our unique DNA Aptamer technology.

Allen Wu
Chairperson

ACHIKO CEO'S OPERATIONS REPORT

Dear Shareholders,

As we reflect on the past 12 months it is becoming more apparent that Covid is not only here to stay but also presents a disruptive event for solutions such as Achiko's AptameX technology. Aptamer based solutions has advantages over other means for detection in a nanoparticle format and Achiko is well positioned to use this to create sustainable value for shareholders.

We emerged from a year of challenges and change last year, fully expecting to take advantage of market circumstances, only to face new challenges with the continuation of the Covid-19 pandemic initially hampering, rather than underpinning, our efforts to bring product to market.

This manifested itself in a number of ways most starkly in logistical challenges that slowed down our marketing and sales effort and also impacted research & development and production.

At the start of the year, we had three teams looking to bring product to market in different jurisdictions and by mid-year had cut this to one team with a streamlined focus. In parallel, the Company's Swiss footprint had expanded too rapidly ahead of its commercialization efforts, necessitating a reorganization and reduction in non-productive employees.

The impact can be seen in a comparative review of the Company's financial results versus previous corresponding periods, whereby the operating losses are reducing as the Company maintains greater cost controls and spends cash judiciously to better match financial capacity and the pace of development.

For the year ended 31 December 2021, Achiko recorded an operating loss including financing and non cash items of USD 9.3 million (a reduction of USD 5.1 million in losses compared to the year ended 31 December 2020). This trend has continued, and at the time of writing and subject to business conditions, the Company expects to be become profitable in the second half of 2022.

It has been a challenging year, and though in the last one third of 2021, the company was confronted with continuity issues, we are proud that in 2022 we have an organization that is delivering results and able to establish the necessary financial and compliance controls to build a future on.

Key achievements include securing a quality supply chain, calibrating and repeatedly proving the accuracy of AptameX in a production environment. Having successfully registered its products with the Indonesian Health Ministry, Achiko managed to secure a large-scale landmark sales deal in Indonesia with NU, with support of our local partners Indopharma. This is the culmination of effort over a sustained period and testimony to the merits of Achiko's AptameX technology platform. These efforts also contributed to the Company gaining a CE Mark that has long been a precondition to opening up major European markets but also is becoming a required ticket to play in multiple other jurisdictions.

Looking forward, Achiko plans to strengthen its balance sheet and invest in centres of excellence to accelerate development of its AptameX technology platform.

We continue to focus on hiring quality resources to establish the right foundation in Switzerland and internationally to drive the business and are delighted to welcome Mr Derek Brandt to join our family and expect to be strengthening our Board following the upcoming AGM.

Finally, I would like to take the opportunity to thank all of our teams in Indoneisa and around the world for successfully bringing AptameX to commercialization, our network of supporters, especially those that have recognized we are on a journey and have a unique opportunity to truly make a difference in the world of diagnostic testing and deliver outstanding results for shareholders.

Steven Wern-Yi Goh
Chief Executive Officer

CORPORATE GOVERNANCE REPORT 2021

CORPORATE GOVERNANCE

Achiko AG (the "Company") is a Swiss stock corporation (*"Aktiengesellschaft"*), which was initially incorporated as an exempted limited liability company under the laws of the Cayman Islands on 25 May 2018. Since 8 November 2019, the Company has been listed on the SIX Swiss Exchange. On 18 June 2020, the Company re-incorporated and registered as a Swiss stock corporation in Switzerland and therefore Swiss law applies accordingly. The corporate governance principles and rules are laid out in the Articles of Association of the Company (accessible via https://www.achiko.com/financials). Further, the Company takes into account the recommendations of the Swiss Code of Best Corporate Governance.

As a basis of corporate governance disclosure, this Corporate Governance Report takes into account the Directive on Information relating to Corporate Governance dated 18 June 2021 (the "Directive") published by SIX Exchange Regulation AG. Additional information can be found in the Compensation Report and the Financial Report section of this Annual Report.

1. GROUP STRUCTURE AND SHAREHOLDERS

1.1 Group Structure

The registered address of the Company is at Tessinerplatz 7, CH-8002 Zurich, Switzerland. The Company functions as a holding company without substantive operations as its business is conducted through subsidiaries and consolidated affiliated entities.

The Company is listed on the SIX Swiss Exchange (ACHI, ISIN: KYG0101M1024) since 8 November 2019 as an exempted Cayman Islands company. At the Company's General Meeting held on 18 June 2020, a resolution was passed to redomicile the Company to Switzerland which resulted in an updated ISIN (ACHI, ISIN: CH0522213468) for the Company.

The Achiko Group (the "Group"), consists of the following entities:

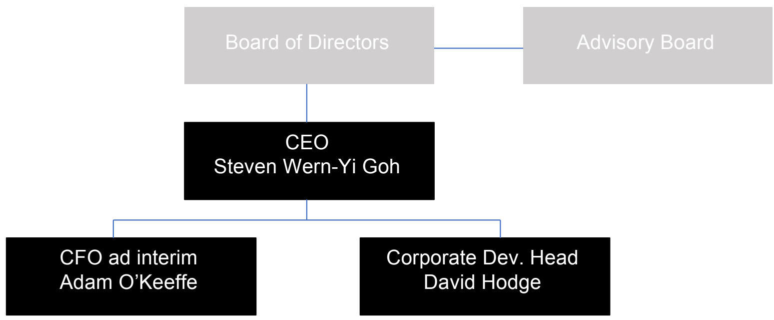
1. **Globimedia Network Pte. Ltd. ("Globimedia")**
Globimedia is a 100% subsidiary and is incorporated in Singapore, with its registered address at SBF Center 160 Robinson Road #24-09, Singapore.
2. **Gamespark Interactive Limited ("Gamespark")**
Gamespark is a 100% subsidiary and is incorporated in Hong Kong, with its registered address at Room 1405, 135 Bonham Strand Trade Centre, Cheung Wan, Hong Kong.
3. **PT. Progressivmedia Indonesia ("PTPI")**
PTPI is a 100% controlled so-called "Variable Interest Entity" (VIE)[1] incorporated in Indonesia, with its registered address at Wisma Barito Pacific Tower A 1st Floor, Jl Let Jend S Parman Kav 62 – 63, Jakarta, Indonesia.
4. **Kryptonite Korea Co., Ltd. ("Kryptonite")**
Kryptonite is a 100% subsidiary and is incorporated in South Korea, with its registered address at 3rd Floor, 38-2, Eunjo-ro 164-gil Gangnam-gu, Seoul, Republic of Korea.
5. **Achiko Switzerland AG. ("Achiko Switzerland")**
Achiko Switzerland is a 100% subsidiary and is incorporated in Switzerland, with its registered address at Tessinerplatz 7, CH-8002 Zurich, Switzerland.
6. **PT Achiko Medika Indonesia (AMI)**
Achiko holds a 50% interest in AMI which is incorporarted in Indonesia with its registered address at Jalan Tanjung Datuk No 47, Kel. Pesisir, Kec. Lima Puluh, Kota Pekanbaru.

For information regarding the composition of the Group, please refer to Note 1 and Note 2 of the Notes to the Group

Financial Report in this Annual Report.

[1] The laws and regulations in Indonesia place restrictions on foreign investments in and ownership of entities engaged in a number of business activities. Therefore, foreign investments can be held via a VIE structure. In this respect, the Company owns the PTPI business in Indonesia indirectly through contractual agreements. To this end, the Company has entered into a series of contractual arrangements with PTPI, its shareholders, which enables the Company to: (i) exercise effective control over PTPI; (ii) receive substantially all of the economic benefits and absorb losses of PTPI; and (iii) have an exclusive call option to purchase all or part of the equity interests in and/or assets of PTPI if and when permitted under the relevant laws. Because of these contractual arrangements, the Company has the control over, and is the primary beneficiary of PTPI. The current shareholders of PTPI are two of our trusted employees, whom the Company has provided with loans to acquire shares in PTPI

The internal organisational structure of the Company is as follows:



Adam O'Keeffe joined the Company on 1 January 2022 and acts as CFO ad interim since 1 January 2022. David Hodge joined the Company on 21 January 2022 and supports the CEO with a strong focus on corporate development and finance.

1.2 Significant Shareholders

The below overview sets out the significant shareholdings in accordance with the information that has been published on the reporting and publication platform of the Disclosure Office of the SIX Swiss Exchange subject to Article 120 of the Financial Market Infrastructure Act.

Direct shareholder	Ultimate beneficial owner	Shares	Percentage
Heracles Investment Group Limited, Suite No. 3442, c/o 8 Temasek Boulevard, #35-03 Suntec Tower 3, Singapore	Steven Wern-Yi Goh	737,501[1] (13,971,612)[1]	0.56%[1] (11.74%)[1]
PT Media Nusantara Citra Tbk	–	10,000,000[2] (10,000,000)[2]	7.54%[2] (9.45%)[2]
SSUG PIPE Fund SICAV-RAIF	-	10,000,000	7.54%
Neural Networks Limited	Kenneth Ting	5,185,000 5,500,000	3.91% (5.20%)

[1] Shareholder lending agreement has been provided to the Company to borrow against convertible notes, placements and other financings and as at year end, 12,562,499 shares have been lent to the Company. The Company may be obligated to redeliver the shares immediately in the event of a change of control.
[2] Shareholder lending agreement has been provided to the Company to borrow against convertible notes, placements and other financings. The company may be obligated to redeliver the shares immediately in the event of a change of control.

The percentage is calculated on the total number of issued shares of 132'653'911 as of 31 December 2021.

All disclosures of significant shareholdings are published on the website of the SIX Swiss Exchange Disclosure Office (https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/).

1.3 Cross-shareholdings

There are no cross-shareholdings exceeding 5% of the capital shareholdings or voting rights.

2. CAPITAL STRUCTURE

2.1 Capital

On 31 December 2021 (the "reporting date"), the share capital of the Company amounts to CHF 1,326,539.11 and is divided into 132,653,911 registered shares with a par value of CHF 0.01.

2.2 Authorised and Conditional Capital

As at the year-end, the authorised share capital of the Company was CHF 529'159.02, divided into 52'915'902 ordinary shares of CHF 0.01 par value each. The Board of Directors is authorised to increase the share capital of the Company at any time until 11 February 2023 with a maximum amount of CHF 428,342.36 by way of issuance of a maximum 42,834,236 registered shares with a par value of CHF 0.01 each to be fully paid up.

In addition, the Company had a total conditional share capital of 52'915'902, shares divided into (i) 13,448,821 shares to exercise options under the Company's employee stock option plan (the "ESOP") and 33,866,177 shares for financings, acquisitions, and other purposes including convertible loan facilities.

2.3 Changes in Capital

During the period and following a utilisation request with Yorkville on 30 November 2020 for USD$500,000, and 2 December 2020 for USD$2,000,000, the company made a further request for USD$500,000 on 9 February 2021, and USD$500,000 on 15 April 2021. By 1 August 2021, $2,675,000 was converted for 11,438,112 shares. The residual note was acquired by OCS International Commodities and Investments FZCO ("OCS") on the 26th August 2021.

On the 3rd of March 2022, the company further made a utilisation request with Negma Group Ltd ("Negma") for CHF900,000, and then on the 28th of June 2022 for CHF750,000. Warrants were issued with both requests, firstly 1,500,000 warrants exercisable at CHF0.22 over 24 months. And secondly for 1,500,000 warrants exercisable at CHF0.23 over 24 months. By 31 December, Negma converted CHF1,650,000 for 11,562,499 shares. Of 5,000,000 shares, the delivery made through Share Lending from Heracles Investment Group Limited ("Heracles"). The obligation to deliver the final 6,562,500 shares was settled through the delivery of 3,500,000 shares on the 28th December 2021, and 6,000,000 shares on 24th May 2022. This settlement was reached to preserve sufficient share capacity for a change in Capital in August 2021 to complete a financing for the Company.

In August 2021, the company received shareholder commitments from SSUC for 10,000,000 shares at CHF0.20 a share. And Related Parties for 1,000,000 shares at CHF0.15. On the 26th August, 2021, OCS acquired the outstanding balance to Yorkville for CHF 900,000 of which $853,844 was used to redeem the note in return for 5,000,000 shares. This released a coverage commitment by Heracles to Yorkville, allowing Heracles to make available to the company up to 13m shares for share lending. Following the above transaction, Lotus Investment Group Ltd ("Lotus") committed to and paid USD$446,984 for 3,000,000 shares.

Shares were delivered initially through a share loan from MNC for 10m shares delivered to SSUCH with a 31 October 2021 redelivery date, and Heracles for the balance. An operational disruption in the middle of settlement resulted in this being deferred and required the company to redeliver the shares to MNC on the 14th December 2021 before a new share loan with MNC was established. Shares were delivered to the Related Parties for 1,000,000 shares and Others on the 14th December 2021, and borrowed but yet to be delivered to Lotus. As a result of the above, the remaining position is that Heracles has lent 12,562,499 shares as a subordinated loan to the company.

A share capital increase of 10,081,666 shares with a total amount of CHF2.311 million was executed on 14 December 2021 and shares redelivered to MNC.

After the 14th of December, the Company moved to complete an intended final part to the capital increase contemplated in August 2021, and received a commitment for USD$1m requiring a matching USD$1m. The Company failed to conclude that transaction and received USD$200,000 instead, and subsequent to year end moved to pursue other financing options.

2.4 Shares and Participation Certificates

The Company has only one class of shares (registered shares) with a par value of CHF 0.01 per share. Each share carries one vote and equal dividend rights, with no special privileges.

The Company has not issued any participation or profit-sharing certificates.

2.5 Dividend-right Certificates

The Company has not issued any dividend-right certificates.

2.6 Limitations on Transferability and Nominee Registrations

Shares in the Company are not subject to any restrictions on transfer. Nominees are also entered in the share register with name and address.

2.7 Convertible Bonds and Options

2.7.1 Convertible Bonds and Financing Facilities

Convertible loan with Negma
On 8 March 2021, the Company signed a subordinated convertible loan agreement of CHF 900,000 based on the binding term sheet with Negma Group on 25 November 2020. The convertible loan comes attached with an issuance of 1,500,000 warrants. Each warrant conferred the right to purchase one registered share of the Company, has an exercise period between the 30th and 360th day after the date of issuance of the warrants and with an exercise price of CHF 0.35 (subject to customary adjustments). This replaced the convertible note agreement with Negma dated 16 July 2020.

Extension of Convertible loan with Negma
On 17 June 2021, Achiko extended the subordinated convertible loan agreement of CHF 900,000 dated 8 March 2021 to CHF 1,650,000 thereby granting Achiko an additional CHF 750,000. The additional amount of the convertible loan came attached with an issuance of an additional 1,500,000 warrants. Each warrant confers the right to purchase one registered share of the Company, has an exercise period between 2 November 2021 and the 360th day after the date of issuance of the warrants and with an exercise price of CHF 0.23 (subject to customary adjustments).

Retirement of Convertible loan with Yorkville
On 13 December 2021 the Company completed a CHF 4.85 million funding transaction with strategic investors that began in August 2021, and included the retirement of the outstanding portion of its obligations to Yorkville Capital Management LLC.

2.7.2 Employee Stock Option Plan ("ESOP")

As of 31 December 2021, the Company had 14,043,788 options outstanding under the ESOP. Each option entitles the holder to convert its option into one share of the Company in accordance with the terms and conditions of the ESOP. Vested share options as of 31 December 2021 and 31 December 2020 amounted to 10,259,656 and 7,200,671, respectively.

Once vested, the options can be exercised at any time during the exercise period of ten years. If all options were exercised, a total number of 14,043,788 shares would be issued, the capital contribution reserves would increase by USD 5,367,353 and the share capital by USD 183,903, equalling 10.6% of the share capital and voting rights based on total issued ordinary shares of 132,653,911 as of 31 December 2021.

The vesting period, exercise period and strike price of options issued during the year are detailed below:

- 2,740,000 options, fully vested after 24 months from grant date, with an exercise period of ten years from the grant date ending on 31 March 2031 and a strike price of CHF 0.35.
- 25,000 options, fully vested after 12 months from grant date, with an exercise period of ten years from the grant date ending on 31 March 2031 and a strike price of CHF 0.35.
- 250,000 options, fully vested after 48 months from grant date, with an exercise period of ten years from the grant date ending on 30 April 2031 and a strike price of CHF 0.35.
- 800,000 options, fully vested after 48 months from grant date, with an exercise period of ten years from the grant date ending on 31 May 2031 and a strike price of CHF 0.22.
- 800,000 options, fully vested after 24 months from grant date, with an exercise period of ten years from the grant date ending on 17 August 2031 and a strike price of CHF 0.22.
- 375,000 options, fully vested after 48 months from grant date, with an exercise period of ten years from the grant date ending on 17 August 2031 and a strike price of CHF 0.22.

3. BOARD OF DIRECTORS AND ADVISORY BOARD

3.1.1. Members of the Board of Directors

Name	Place of origin/ nationality	Place of residence	Year of appointment	Year of birth	Position
Allen Wu Yao Bian	USA	Laos	2019	1963	Chairperson
Steven Wern-Yi Goh	Australia	Australia	2019	1967	Member, Chairperson of the Nomination and Remuneration Committee and CEO
Christophe Laurent	Switzerland	Switzerland	2018	1969	Member
John Bing-Tsung Lin	USA	China	2018	1976	Member

John Bing-Tsung Lin retired from the Board of Directors on 26 May 2021. Christophe Laurent resigned from the Board of Directors on 31January 2022.

The Company is working in consultation with its shareholders to update board membership.

The members of the Board of Directors may be contacted at the business address of the Company.

The biographical details of the members of the Board of Directors are set out below. These include information on their activities and commitments in addition to their functions at the Company.

Allen Wu, Chairperson of the Board of Directors, is an American citizen and currently resides in Vientiane, Laos.

Allen Wu is a serial entrepreneur with diverse industry experience across the medical, pharmaceutical, mining, infrastructure, energy & power, real estate, media, financial services, aviation and tourism industries. Allen is the founder and chairperson of China Regent Holdings Limited (now rebranded as Lotus Investment), a family investment holding company. He is the CEO of Camergy Co. Ltd., a Cambodian investment company. Allen is also CEO of BZG Asia Investment LLC, in a joint venture with H.H. Sheikh Khaled bin Zayed Al Nahyan of Bin Zayed Group (BZG). Allen holds a double Bachelor of Arts degree in World Economics and International Cultural Exchange and a Master of Arts degree in International Relations from the International University of Japan Graduate School.

Steven Wern-Yi Goh, Member of the Board of Directors, Chairperson of the Nomination and Remuneration Committee and CEO, is an Australian citizen and currently resides in Bangkok, Thailand.

Steven Goh has founded/co-founded several companies, including Australia's first online Stockbroker, Sanford, in 1996, one of the world's first mobile social networks migme in 2005 and other ventures in biotech, finance, mining and resources, among others. In his work with top tier venture capitalists in Silicon Valley and across the world, with meaningful strategics (including some of the largest companies in the world), dozens of incubators and hundreds of other start-ups, stock exchanges and investment banks, he gained extensive experience in developing and commercialising compelling services for various industries. Previously, he has worked in chartered accounting, stockbroking, investment banking and consulting with a wide range of financial institutions in Australia, Asia and Europe. Steven Goh has been involved in a few hundred capital issues and transactions for over USD 1 billion, including raising over USD 100 million for companies that he himself has founded and led, and four exits of more than USD 100 million each. He maintains an avid interest in a range of Technologies including in Fintech, Resources, Media, and Biotech. He has won numerous professional and business awards. He has extensive private and public board experience, is a frequent speaker at conferences in Silicon Valley, Europe, Asia and Australia and has appeared in the Wall St Journal, Australian Financial Review, CNBC, Financial Times, the Economist, Bloomberg and many others.

Christophe Laurent, Member of the Board of Directors and Head of Business Development EMEA, is a Swiss citizen, born in 1969 and currently resides in Switzerland.

Christophe Laurent is a Member of the Board of Directors. He has decades of experience in international business across enterprise sales, strategic and operational marketing as well as corporate fundraising. Christophe Laurent was most recently Fintech Lead at Kickstart, a Switzerland-based open innovation programme, which he joined after his tenure as CMO and having raised funds for a Fintech start-up, which focused on growing digital banking and financial inclusion in various parts of the world, after he spent a year at Google studying the impact of digitalisation in multiple areas. Prior to that he held various senior, marketing and business development related positions in England, the USA, Liechtenstein and Switzerland, working for listed companies such as General Electric and Oerlikon, but also smaller companies, all leaders in their field. He founded his first start-up more than ten years ago and has worked in two more in the meantime. Christophe Laurent holds Master’s degrees in International Management and European Marketing Strategy from the University of Savoy and the Staffordshire Business School. He is based in Zurich, Switzerland. For the period of 1 January 2021 until 31 January 2021 Christophe Laurent acted as Head of Business Development EMEA in addition to his role as Member of the Board of Directors.

John Bing-Tsung Lin, Member of the Board of Directors until 26 May 2021, is an American citizen and currently resides in Hong Kong, China.

John Bing-Tsung Lin is a Member of the Board of Directors. He also serves as a Chief Operating Officer of PLAYSTUDIOS Inc, a leading mobile games developer, where his tenure dates from 2014. He has been engaged in the development and marketing of games across social, online and integrated resort formats in Asia, Europe and the United States since 2002. Prior to PLAYSTUDIOS, as a senior development executive in the land-based casino sector for Las Vegas Sands (NYSE: LVS) and Boyd Gaming (NYSE: BYD), he led greenfield development, legislative and regulatory initiatives, acquisitions, strategic partnerships, as well as the design and development of integrated casino resorts from Macau, Singapore and the UK to regional US markets and the Las Vegas Strip. John Bing-Tsung Lin holds a Master's degree in Real Estate Development from Columbia University and a bachelor degree in architecture from the University of California Berkeley.

3.1.2. Members of the Advisory Board

The Company has established an Advisory Board of international experts in the medtech, biotech and innovation fields to assist with the commercialization and rollout of its AptameX diagnostic testing technology.

Name	Place of origin/ nationality	Place of residence	Year of appointment	Year of birth	Position
Carol Aebi	Switzerland	Switzerland	2020	1968	Member
Glenn Cross	Australia	Australia	2020	1951	Member
Paul Field	Australia	Australia	2020	1963	Member
Charles Pan	Taiwan	Taiwan	2020	1971	Member
Dr Jittaporn Wattanaseree	Thailand	Thailand	2020	Withheld	Member
Derek Brandt	Switzerland	Switzerland	2022	1970	Member

Dr Jittaporn Wattanaseree departed as member of the Advisory Board effective 28th April 2021. Paul Field departed as a member of the Advisory Board for other commitments effective 7th February 2022. Derek Brandt was appointed as a member of the Advisory Board on 25th May 2022.

The members of the Advisory Board may be contacted at the business address of the Company.

The biographical details of the members of the Advisory Board are set out below. These include information on their activities and commitments in addition to their functions at the Company.

Carol Aebi, Member of the Advisory Board, is a Swiss citizen and resides in Berne, Switzerland.

Carol Aebi brings over 25 years of business experience in the USA and Switzerland. She currently serves as the Head of Business Analysis at AdNovum Informatik AG, a high-end software engineering firm. Her prior professional career included work with international organizations such as UBS AG, Zurich Financial Services and Novartis, as well as with small- to mid-sized businesses in the technology, consulting and financial industries. In addition, she was a co-owner and director of an IoT company and a sustainability advisory firm. Carol Aebi holds a Master's degree in Business Administration from the University of Cumbria and Bachelor's degree in International Business Management from SBS Swiss Business School.

Glenn Cross, Member of the Advisory Board, is an Australian citizen and currently resides in Melbourne, Australia.

Glenn Cross has spent his entire working life in life sciences progressing from the lab bench to senior executive positions. He has over 40 years' experience in the life sciences sector and has held senior executive roles in both multinational and Australian companies. Glenn Cross' expertise covers general management, sales, marketing, finance, distribution and manufacturing in the life sciences market. He also has experience in finance, human resources, product development and manufacturing. In recent years he has been involved in capital markets and general investment activities in North America, Asia and Australia. He was the Chief Operating Officer and CEO of AusBiotech for over 13 years. Glenn Cross is currently the CEO of his own investment and advisory company – Red Bluff Capital.

Paul Field, Member of the Advisory Board, is an Australian citizen and currently resides in Sydney, Australia.

Paul Field brings over 30 years of experience in the global biotechnology industry to Achiko, including the commercialisation of rapid in vitro diagnostic tests for infectious diseases. He currently advises a number of organisations including the Horizon 3 Biotech Fund (Melbourne), the Global Antibiotic R&D Partnership (Geneva) and a number of Australian biotech companies. He was until recently the Australian representative for the Foundation for Innovative New Diagnostics (Geneva). Prior, he was the life sciences specialist at Austrade, the Australian government's trade and investment promotion agency, where he facilitated investment in Australian therapeutics, vaccines and diagnostic technologies.

Charles Pan, Member of the Advisory Board, is a Taiwanese citizen and currently resides in Taipei, Taiwan.

Charles Pan is a world-class expert in inorganic growth, and he brings 25 years' international experience in investment/M&A, strategic partnership, start-up management, and ecosystem building to Achiko. Having successfully invested in multiple "unicorn" companies, Charles was ranked among the Powerlist 100 investors by Global Corporate Venturing in both 2016 and 2017. Charles previously served as Special Assistant to Chairperson & Chief Investment Director at the handset business unit of Foxconn (the world's largest electronics contract manufacturer; ranked No.26 among Fortune Global 500). Charles led Foxconn's investment in Meitu (one of the most popular mobile applications globally) and he was instrumental in Foxconn's expansion into Southeast Asia and India. Formerly, Charles was CEO at Orange Capital (a corporate development arm of French multinational telecom operator Orange) and Chief Investment Officer at Eastern Media Group (the largest media conglomerate in Taiwan). He also worked as Chief Financial Officer at an e-commerce start-up. Prior to these experiences, Charles spent almost a decade as a VC/PE investor in Greater China and Silicon Valley, and he helped Stan Shih (founder of Acer) establish a VC franchise. Early in his career, Charles was an investment banker at Lehman Brothers, taking the world's leading semiconductor companies public. Charles conducted his MBA studies at UC Berkeley as a Fulbright Scholar and Haas Merits Scholar and he received his bachelor degree from National Taiwan University, where he majored in business administration and mechanical engineering.

Dr Jittaporn Wattanaseree, Member of the Advisory Board, is a Thai citizen and currently resides in Bangkok, Thailand.

Dr Jittaporn Wattanaseree has been working in the pharmaceutical and biopharmaceutical field since 1990. Her experience spans all stages of drug development starting from research to commercialisation. Currently, she is voluntarily contributing her experiences and knowledge to Thai society by serving as a board committee member of the ISPE Thailand Affiliate. Meanwhile, she also devotes her time to other activities such as the technical committee of Biosafety of Genetically Modified Microorganism of BIOTEC, NSTDA, and at the core committee of Thailand towards Excellence in Clinical Trials (ThaiTECT). She obtained a Bachelor's degree in Medical Technology and Master's degree in Biochemistry from Mahidol University. After working as a university instructor for almost 4 years, she pursued her Ph.D. in Molecular Biochemistry and Biophysics at Yale University, New Haven, Connecticut, USA.

Derek Brandt, Member of the Advisory Board since 2022, is a Swiss citizen and currently resides in Basel, Switzerland.

Derek Brandt brings over 25 years of international medical device and in-vitro diagnostics experience to the Company. His professional career started in Switzerland and includes working with international organizations such as Roche and Gerresheimer AG, as well as with small to mid-sized businesses in the technology and medical device industry. He successfully managed companies as CEO from the Foundation to several hundred million Euro exits. Derek holds Master degrees in chemistry, statistics and pharmacokinetics.

3.2. Other Activities and Vested Interests

Other than as described above, the members of the Board of Directors and the Advisory Board do not engage in any other activities or perform any other functions which are significant to the Group.

3.3. Rules in the Articles of Association on the Number of Permitted Activities Pursuant to Article 12 para. 1 point 1 Swiss Ordinance against Excessive Compensation in Listed Stock Companies

Pursuant to Article 4.7 of the Articles of Association (htttps://www.achiko.com/financials), the members of the Board of Directors and any Advisory Board Member shall not assume more than 15 additional remunerated mandates, of which not more than 5 in companies listed at a stock exchange, and 10 non-executive position in non-profit legal entities or unpaid positions.

3.4. Elections and Terms of Office

Pursuant to Article 4.1 of the Articles of Association (htttps://www.achiko.com/financials), the members of the Board of Directors are elected by the General Meeting of Shareholders. A member of the Board of Directors is elected for a term of one year beginning with the day of their election. Directors shall hold their offices until they are replaced or re-elected, unless they retire or are removed earlier. If a director is replaced, his successor shall continue in office until the end of his predecessor's term.

Members of the Advisory Board are appointed by the Board of Directors for an open-ended period. The notice period for open-ended agreements does not exceed 12 months pursuant to Article 4.8 of the Articles of Association.

3.5. Internal Organisational Structure

The internal organisational structure is founded on the provisions of the Swiss companies' law and on the Articles of Association of the Company (htttps://www.achiko.com/financials).

3.5.1. Composition of the Board of Directors

Pursuant to Article 4.1 of the Articles of Association (htttps://www.achiko.com/financials), the Board of Directors shall consist of one member or multiple members, who do not need to be shareholders. The Board of Directors organises itself, subject to the election of the Chairperson of the Board of Directors and the members of the Nomination and Remuneration Committee by the General Meeting of Shareholders. It may designate a Vice Chairperson and a Secretary. The Secretary does neither have to be a shareholder nor a member of the Board of Directors. If the office of the Chairperson is vacant, the Board of Directors shall appoint a new Chairperson for the remainder of the term.

3.5.2. Organisation, Resolutions and Minutes

Pursuant to Article 4.3 of the Articles of Association (htttps://www.achiko.com/financials), Meetings of the Board of Directors shall be called whenever needed by its Chairperson or, in the absence of the Chairperson, by the Vice-Chairperson or another member of the Board of Directors. A meeting shall also be called at the written and substantiated request of any member of the Board of Directors.

The proceedings of and resolutions adopted by the Board of Directors shall be recorded in minutes which shall be signed by the Chairperson of the Board of Directors and by the Secretary.

The Board of Directors constitutes itself. No quorum regarding attendance is required if the sole business to be transacted is the establishment of a capital increase and the subsequent amendment to the Articles of Association.

Resolutions shall be adopted by a majority vote of all the members of the Board of Directors present. In case of a tie, the Chairperson of the meeting shall have the casting vote.

Resolutions of the Board of Directors may also be adopted in writing or by means of email or any other form of electronic communication, unless a member requests oral deliberation. Any resolution thus adopted shall be as binding as resolutions adopted at an actual meeting and shall be recorded in minutes.

3.5.3. Nomination and Remuneration Committee

Pursuant to Article 4.5 of the Articles of Association (htttps://www.achiko.com/financials), the General Meeting of Shareholders elects the members of the Nomination and Remuneration Committee individually for a term of one year ending at the conclusion of the next annual General Meeting of Shareholders. Re-election is permitted. The Nomination and Remuneration Committee is composed of at least one member. Only members of the Board of Directors may be elected. The Nomination and Remuneration Committee constitutes itself, subject to the election of the Chairperson of the Nomination and Remuneration Committee by the Board of Directors.

On 26 May 2021, the General Meeting of Shareholders elected Steven Wern-Yi Goh as Chairperson and sole member of the Nomination and Remuneration Committee for a further 12 months until the next Annual General Meeting of Shareholders.

3.6. Definition of Areas of Responsibility

The Board of Directors is responsible for the overall management of the Company which is in accordance with the Swiss corporate law cannot be delegated, and the supervision of the CEO and the other members of the Executive Committee.

Pursuant to Article 4.2 of the Articles of Association (htttps://www.achiko.com/financials), the Board of Directors is entrusted with the ultimate direction of the Company and the supervision of and the control over the management.

The Board of Directors shall have the following non-transferable and inalienable duties:

1. the ultimate management of the Company and the issuance of the necessary directives;
2. the determination of the organisation of the Company;
3. the structuring of the accounting system and of the financial controls, as well as the financial planning insofar as this is necessary in the management of the Company;
4. the appointment and the removal of the members of the Executive Committee and of the persons entrusted with the management and representation of the Company and the granting of signatory power;
5. the ultimate supervision of the members of the Executive Committee, particularly with regard to compliance with the law, these Articles of Association and regulations and directives;
6. the preparation of the business report and the compensation report as well as the preparation of the General Meeting of Shareholders and the implementation of the latter’s resolutions;
7. the notification of the judge in the case of over-indebtedness;
8. the passing of resolutions regarding the subsequent payment of capital with respect to non-fully paid-in shares;
9. the passing of resolutions confirming increases in the share capital and related amendments to the Articles

of Association;

10. the examination of the professional qualifications of the specially qualified auditors in those cases where appointment of such auditors is prescribed by the law.

3.7. Information and Control Instruments vis-à-vis Executive Committee

The Board of Directors has put different information instruments in place to provide oversight and monitor the execution of responsibilities it has delegated to the CEO.

The board meetings are the Board of Directors' main platform to supervise and control the CEO and Executive Committee. At these meetings, the members of the Executive Committee report on the financial, commercial and business development and main risks and respective measures taken and strategic proposals. The Board of Directors receives monthly financial status reports with a strong focus on liquidity, creditor management and financing. Financial statements are submitted and reviewed half-yearly. In addition, key discussions have been the strategic re-positioning and business development progress.

In 2021, weekly board calls were held in addition to the formal board meetings to discuss the same matters for which the CEO provides written status update.

4. Executive Committee

4.1. Members of the Executive Committee

In accordance with the Articles of Association (htttps://www.achiko.com/financials) and pursuant to those affairs which lie within the responsibility of the Board of Directors, the Board of Directors has delegated the management and representation of the Company to the CEO, appoints and removes the members the Executive Committee and is responsible for granting signatory power. The Group's Executive Committee is headed by the CEO. The Executive Committee serves the CEO as a coordination body for decision making with regard to making proposals to the Board of Directors and the implementation of strategies and decisions of the Board of Directors or the CEO.

The Executive Committee consists of the following persons:

- Chief Executive Officer ("CEO")
- Chief Financial Officer ("CFO")
- Chief Operations Officer ("COO").

On 21 January 2022, the Executive Committee has been extended by a Head of Corporate Development who reports directly to the CEO.

Members of the Executive Committee

As at the year-end, Management comprised the following individuals:

Name	Place of origin/ Nationality	Year of joining	Year of birth	Position
Steven Wern-Yi Goh	Australia	2020	1967	Member of the Board of Directors, Chairperson of the Nomination and Remuneration Committee and CEO
Robert Rieder	Switzerland	2021	1967	CFO
Dr Morris S. Berrie	United Kingdom	2021	1965	President

The biographical details of the members of management as at the reporting date are set out below. This includes information on their activities and commitments in addition to their functions at the Company.

Steven Wern-Yi Goh, Member of the Board of Directors, Chairperson of the Nomination and Remuneration Committee and CEO. Please refer to section 3.1 Board of Directors of this Corporate Governance Report.

Robert Rieder, CFO, is a Swiss citizen and resides in Basel, Switzerland.

Robert Rieder is a senior finance specialist with over 20 years experience working with start-ups and high growth companies including several in the biotech and medtech space. Mr Rieder has held influential roles in establishing and building finance teams. Facilitating fundraising efforts and leading business and operations for domestic and international companies. Mr Robert Rieder has extensive knowledge and experience in finance and cost accounting, budgeting, forecasting, financial planning and analysis within the United States, Europe, and Asia. Most recently, he has served as CFO at technology start-up emonitor AG in Zurich, Switzerland (real estate sector). Prior to this Robert Rieder held several positions as Director of Finance and Operations, Head of Finance and later Financial Controller – Senior Director at life sciences group Abzena in San Diego, California. Previously, Robert Rieder was the CEO of Rieder Enterprises Ltd in Hong Kong, China and supported multiple start-ups and SMEs in Silicon Valley at Ecosystem Ventures. He has served as a senior auditor at PricewaterhouseCoopers (PWC) in Basel, Switzerland and San Jose, California. He holds a BSc. In Accounting and Finance from the University of Applied Sciences and Arts Northwestern Switzerland FHNW.

Dr Morris S. Berrie, President, is a UK citizen and currently resides in Cambridge, England.

On 1 January 2021, Dr. Berrie joined the Company to reinforce the Executive Committee and reports directly to the CEO. He is responsible for the diagnostics and biotechnology part of the business, helping to drive the production and commercialisation of a non-invasive, saliva-based diagnostic test for the detection of Covid-19 (AptameX). Dr Morris Berrie is a business professional and postdoctoral scientist who has operated at board level and with senior Government figures, C-level industry decision-makers and learned society Presidents. He has considerable commercial expertise in business development, strategic consulting, marketing, structuring, negotiating and executing complex brand development across global structures in the healthcare, life science and publishing sectors. He is an entrepreneurial networker who is recognised as an effective revenue generator and project leader developing and maintaining strong relationships with co-workers, outside experts and clients and has an in-depth understanding of relationships between science, business and finance. Dr Morris Berrie holds a Bachelor’s degree in Applied Chemistry from Northumbria University and a PhD in Organic Chemistry from Imperial College in London. He also completed a post-doctoral fellowship in Organometallic Chemistry at the Universidad de Oviedo, Spain.

Departing members of the Executive Committee and new members of the Executive Committee

Mr Chris Young was terminated in 30 June 2021, with a performance-based termination agreement preserving intellectual property and confidentiality commitments in his contract.

Mr Robert Rieder, (former CFO) and Dr Morris Berrie, (former President) left the Executive Committee and the Company on 31 December 2021.

Dr Morris Berrie’s Consulting Agreement, that was terminated on 31 December 2021, contained standard terms including but not limited to non-disparagement and obligation of secrecy and prohibition of exploitation provisions.

As at the date of publication of this Annual Report, Management comprises the following individuals:

Name	Place of origin/ Nationality	Year of joining	Year of birth	Position
Steven Wern-Yi Goh	Australia	2020	1967	Member of the Board of Directors, Chairperson of the Nomination and Remuneration Committee and CEO
Adam O'Keeffe	Australia	2021	1977	Ad interim CFO
David Hodge	Australia	2022	1960	Head of Corporate Development

The members of Management may be contacted at the business address of the Company.

The biographical details of the members of management are set out below. This includes information on their activities and commitments in addition to their functions at the Company.

Steven Wern-Yi Goh, Member of the Board of Directors, Chairperson of the Nomination and Remuneration Committee and CEO. Please refer to section 3.1 Board of Director of this Corporate Governance Report.

Adam O'Keeffe, ad interim CFO, is an Australian citizen and currently resides in Melbourne, Australia.

Adam O'Keeffe is a senior finance specialist with over 20 years' experience working within the business services and taxation industry. Adam O'Keeffe has worked with leading technology and innovation businesses who specialize in areas of health sciences, technology, artificial intelligence, biotech and manufacturing. Through such work his firm has assisted in guiding and advising clients on all areas of their operations including finance, capital raising and statutory compliance. Currently Adam O'Keeffe operates an accounting and business services form in Melbourne, Australia. The firm assists clients that span across various industry sectors for both listed and private companies throughout Europe, Asia, United States and Australia.

David Hodge, Head of Corporate Development, is an Australian citizen and currently resides in Zug, Switzerland.

David Hodge brings over 30 years' experience as a C-suite executive including Australia's then largest private equity firm (SBC Capital Partners), global investment banking (UBS), manufacturing (Amcor), and industrial services businesses (Worley) and technology software businesses, with a focus on shareholder value creation. His broad sector experience includes healthcare, manufacturing, technology and banking and finance. He has been a strategic and corporate development advisor to world leading companies on business transformation and strategic challenges in emerging and developed markets with a focus on profitable strategic growth. David Hodge has served as a Director and Chairman of public listed and private companies in Asia Pacific and Switzerland. He holds a Bachelor of Economics and Bachelor of Laws from Monash University in Australia.

4.2. Other Activities and Vested Interests

The members of the Executive Committee do not carry out any significant activities outside the Group other than those specified above.

4.3. Rules in the Articles of Association on the Number of Permitted Activities Pursuant to Article 12 para. 1 point 1 Swiss Ordinance against Excessive Compensation in Listed Stock Companies

Pursuant to Article 4.7 of the Articles of Association (htttps://www.achiko.com/financials), the restrictions defined for the members of the Board of Directors and any Advisory Board Member do not apply for the members of the Executive Committee.

4.4. Management Contracts

The Company has a consultancy agreement for the provision of professional services with Heracles Investment Group Limited, Suite No. 3442, c/o 8 Temasek Boulevard, #35-03 Suntec Tower 3, Singapore which is related to Steven Wern-Yi Goh and the remuneration is disclosed in the Compensation Report section of this Annual Report. Steven Wern-Yi Goh does not receive any additional compensation for taking on the additional responsibility as CEO.

The Company also has a consultancy agreement for the provision of professional services with Zugerberg Capital AG, Grafenauweg 8, 6300 Zug, Switzerland which is related to David Hodge.

Apart from the above consultancy agreements there are no additional management or service contracts with third parties.

5. COMPENSATION, SHAREHOLDINGS AND LOANS

The relevant information to compensation, shareholdings and loans are disclosed in the Compensation Report section of this Annual Report.

6. SHAREHOLDERS' PARTICIPATION RIGHTS

6.1 Voting Rights Restrictions and Representation

Each share entitles the holder to one vote at the General Meeting of Shareholders' (the "General Meeting"). Voting rights may be exercised by shareholders registered in the Company's share register or by a duly appointed proxy.

Each shareholder may be represented at the General Meeting by another person who is capable of acting and who need not to be a shareholder, on the basis of a written proxy.

Each shareholder may be represented by the independent proxy. The Board of Directors decides on the recognition of proxies to attend the General Meeting.

The Articles of Association provide no restrictions regarding voting rights.

6.2 Quorums Required by the Articles of Association

The Articles of Association (htttps://www.achiko.com/financials) do not prescribe that a quorum of shareholders is required to be present at a Shareholders' Meeting.

The Articles of Association do not contain quorums that deviate from statutory Swiss law.

6.3 Convocation of the General Meeting of Shareholders

Under Swiss law, an annual general meeting must be held within six months of the end of a company's preceding financial year. Shareholders' meetings may be convened by a company's board of directors or, if necessary, by a company's statutory auditors or liquidators. A company's board of directors is further required to convene an extraordinary shareholders' meeting if resolved at a shareholders' meeting or within two months if requested by one or more shareholder(s) representing in aggregate at least 10% of a company's nominal share capital in the commercial register. The demand to call a meeting shall be in writing and shall specify the items and the proposals to be submitted.

The General Meeting shall be called not less than twenty days prior to the meeting. The notice shall be given in writing or by e-mail or by publication of the invitation in the Swiss Official Gazette of Commerce.

The next General Meeting will take place by the end of July 2022 due to the delay of the publication of the Annual Report and its annual financial statements for the year 2021 and according to the 20-day notification period pursuant to Art. 696 of the Swiss Code of Obligations. The exact date of the General Meeting will be announced at the beginning of July 2022.

6.4 Inclusion of Items on the Agenda

One or more shareholders whose combined shareholdings represents a total of at least 10% of the capital may request that an item be included on the agenda of the general meeting. Such inclusion must be requested in writing at least forty-five days prior to the meeting and shall specify the agenda items and proposals of such shareholder(s).

6.5 Entries in the Share Register

The Company issues its shares as uncertified securities (Wertrechte) within the meaning of article 973c of the Swiss Code of Obligations and registers them as intermediated securities (Bucheffekten) within the meaning of the Swiss Federal Intermediated Securities Act. In accordance with Article 973c CO, the Company maintains a share register (Wertrechtbuch) relating to the registered shares in which the owners and usufructuaries are registered with name and address.

Voting rights may be exercised only after a shareholder has been recorded in the share register as a shareholder with voting rights up to a specific qualifying day designated each time by the Board of Directors.

7. CHANGES OF CONTROL AND DEFENCE MEASURES

7.1 Duty to Make an Offer

There are no opting-up or opting-out clauses in the Articles of Association within the meaning of Articles 125 and 135 of the Swiss Financial Market Instructure Act.

7.2 Clauses on Change of Control

Under the ESOP, in the event of a change of control, all options held by a participant shall accelerate and immediately vest and the participant shall have the right to exercise his option whether or not the vesting requirements set forth in the option agreement have been satisfied. A change of control event is described as an event which, under applicable law or listing rules, (i) triggers a mandatory offer or (ii) is the launch of any offer for such number of shares of the Company, by which the offeror together with any shares otherwise directly or indirectly held by the offeror and anyone acting in concert with the offeror, would exceed the mandatory offer threshold under Swiss law (if applicable) of 33.33% of all issued shares of the Company, provided, that following such offer period (Angebotsfrist) (not including the additional acceptance period – Nachfrist) such offer becomes or is declared, subject only to conditions subsequent (auflösende oder anderweitig überdauernde Bedingungen) (if any), unconditional.

Both share lending agreements with Heracles and MNC, may require the redelivery of any shares outstanding should there be a change of control.

Other than provided in the Employee Stock Option Plan described in section 2.7 above, and the Share Lending Agreements above, there are no agreements with the members of the Board of Directors, Advisory Board and

Executive Committee in the event of change of control.

8. AUDITORS

8.1 Duration of the Mandate and Term of Office of the Lead Auditor

For the financial year 2021, Grant Thornton AG, Claridenstrasse 35, CH-8002 Zurich, Switzerland has been re-appointed as auditor of the Company at the General Meeting on 26 May 2021.

8.2 Auditing Fees

The total auditing fees for the Group charged by the audit firm in the year 2021 for audit services were USD 118,360 (2020: USD 142,500).

8.3 Additional Fees

The total additional fees for the Group charged by the audit firm in the year 2021 for tax and valuation services were Thousand USD NIL (2020: Thousand USD 30,000).

8.4 Information Instruments Pertaining to the External Audit

The Board of Directors oversees the activities of the auditors and assesses the performance, remuneration and independence of the external auditor. The Board of Directors proposes the election of the external auditor to the Annual General Meeting. The Board of Directors assesses the scope of the audit by the external auditor and the relevant procedures annually and discusses the audit findings with the external auditor. For the audit of the reporting period one board meeting was held with the representatives of the external auditor on 29 March 2021. Given travel restrictions due to the Covid-19 pandemic, this meeting between the Board of Directors and the external auditors took place by way of a video calls.

For additional information see section 3.5 of this Corporate Governance Report.

9. INFORMATION POLICY

The Company is committed to a policy of transparent, open and continuous information. Shareholders receive information through the Annual Report, the Half Year Report, media releases, the internet and at the Annual General Meeting. In accordance with the rules of SIX Exchange Regulation AG, the Company publishes relevant figures on a half-year basis. Moreover, the Company provides continuous information on important events according to the rules of ad-hoc notifications.

The Annual Report is published electronically within four months of the reporting date. In addition, the results for the first half of each financial year are released in electronic form within three months following 30 June each year. In addition, the frequency and form of information that the issuer provides its shareholders, along with an indication of permanent sources of the information and contact addresses of the issuer that are publicly accessible or made especially available to shareholders (e.g. links to web pages, information centres, printed matter).

Due to the Covid-19 pandemic, new staffing and training under difficult conditions in consequence of measures taken by several countries required a lot of management capacity and higher than expected manual administrative workload. As a result, the publication of this Annual Report, together with the annual financial statements and the audit report, could not be finalized and published by the end of April 2022. The Company has filed several exemption requests with the SIX Exchange Regulation AG regarding the publication of the Annual Report which were granted. Accordingly, the Company will publish this Annual Report on 26 June 2022 at the latest.

The Company's annual and interim reports and agenda are available at https://www.achiko.com/financials/

Copies of all information pertaining to press releases can be viewed on the Company's website at https://www.achiko.com/announcements/.

Interested parties and persons may also subscribe to the Company's e-mail announcement alert service from the Company's website at https://www.achiko.com/contact/.

The Company additionally provides investor updates, analyst presentations, stock information, media and the Company's contact through the sub-menus of the Investor section of its website https://www.achiko.com.

This information may also be requested directly by investors at the Company (e-mail: ir@achiko.com).

COMPENSATION REPORT 2021

Content

COMPENSATION REPORT

The present Compensation Report of Achiko AG sets out the guiding compensation principles, the compensation governance rules and decisions regarding the current compensation structure, as well as the actual compensation paid and or allocated to the Board of Directors, Advisory Board and the Executive Committee. The Compensation Report is based on sections 3.5 and 5 of the annex to the Corporate Governance Directive issued by the SIX Swiss Exchange and Articles 13 to 16 of the Ordinance Against Excessive Compensation in Publicly Listed Companies (the “OaeC”).

Achiko’s internal principles for determining the level of remuneration are primarily set out in the Articles of Association. The latest versions of these as well as the earlier, unamended and superseded versions can be viewed online on the Achiko website under “Investors”.

1. COMPENSATION PRINCIPLES

As a publicly listed company, the Company is conducting regular board meetings and the Board of Directors is regularly updated by the Chief Executive Officer (“CEO”). The Board of Directors approves proposals with respect to compensation matters especially in respect of the compensation of the members of the Advisory Board and the Executive Committee reflecting the compensation principles, primarily focusing on striking a desired balance between sustainable value creation on one hand, whilst optimising the Company’s profitability on the other.

As of its formation, the Company has primarily been funded by outside investors. In this regard, the determination of compensation to the Board of Directors, the Advisory Board and the Executive Committee has been significantly subject to shareholders’ influence and approval, which remained to be the case as at the reporting date.

1.1 Principles of Remuneration

Pursuant to Article 4.4 of the Articles of Association (htttps://www.achiko.com/financials), the members of the Board of Directors, the Executive Committee and any Advisory Board are entitled to remuneration commensurate with their activities. The remuneration may be paid by the Company or by a subsidiary provided it is covered by the maximum total remuneration approved by the General Meeting of Shareholders.

The remuneration of the members of the Board of Directors, the Executive Committee and any Advisory Board shall be reasonable, competitive and performance-oriented and shall be consistent with the strategic objectives and performance of the Group.

Board of Directors and any Advisory Board remuneration elements

The members of the Board of Directors and any Advisory Board are paid a fixed remuneration and other applicable elements of remuneration that are not dependent on performance. The Company may pay to the members of the Board of Directors and any Advisory Board member a performance-related compensation. The fixed compensation and any performance remuneration may be paid in cash or by allocating equity instruments, conversion or option rights or other rights to equity instruments.

Executive Committee remuneration elements

Remuneration of the members of the Executive Committee consists of a fixed compensation and may be complemented by a performance component. The fixed compensation and any performance remuneration may be paid in cash or by allocating equity instruments, conversion or option rights or other rights to equity instruments.

Performance remuneration

The amount of the performance remuneration paid to the members of the Board of Directors, the Executive Committee and any Advisory Board depends on the qualitative and quantitative targets and parameters defined by the Board of Directors. The Board of Directors defines and assesses the targets and their achievement or delegates this task to the Nomination and Remuneration Committee.

The details of the performance-related compensation of the members of the Board of Directors, the Executive Committee and any Advisory Board shall be set forth by the Board of Directors.

Approval by the General Meeting of Shareholders

The General Meeting approves annually, on a binding basis and at the request of the Board of Directors and the Advisory Board, the aggregate amounts of the remuneration of the Board of Directors for the period up to the next ordinary General Meeting and of the Executive Committee for the next full financial year following the year of the ordinary General Meeting.

Reimbursement of out-of-pocket expenses

Reimbursement of expenses does not qualify as remuneration. The Company may pay members of the Board of Directors and the persons whom the Board of Directors has entrusted with the executive management a reimbursement for expenses in the form of and amount of lump-sum expenses recognised for tax purposes.

Loans and Credits

Pursuant to article 4.6 of the Articles of Association (htttps://www.achiko.com/financials), in principle, loans and credits in favour of a member of the Board of Directors, the Executive Committee or any Advisory Board shall not be permitted.

However, advances for costs in an amount of up to CHF 500’000 per person may be granted to members of the Board of Directors, the Executive Committee and any Advisory Board for the costs of civil, penal or administrative proceedings which are related to the activities of the respective person as a member of the Board of Directors, the Executive Committee or any Advisory Board of the Company (in particular court and lawyers' fees).

Employment and mandate contracts

Pursuant to article 4.8 of the Articles of Association (htttps://www.achiko.com/financials), fixed-term employment and mandate agreements stipulating the remuneration of members of the Board of Directors, the Executive Committee or any Advisory Board shall not exceed a term of one year.

The notice period for open-ended employment and mandate agreements with members of the Board of Directors, the Executive Committee or any Advisory Board shall not exceed 12 months.

2. COMPENSATION GOVERNANCE

The overall responsibility for the implementation of the statutory compensation principles lies with the Board of Directors. The Nomination and Remuneration Committee assists the full Board of Directors and has the following fundamental duties and responsibilities (principles):

1. Preparation and periodic review of the compensation policy and principles of remuneration and the performance criteria in the area of compensation, periodic review of their implementation and submission of related proposals and recommendations to the Board of Directors.
2. Preparation of all relevant decisions of the Board of Directors regarding compensation of the members of the Board of Directors, the Executive Committee and any Advisory Board member and submission of related proposals and recommendations to the Board of Directors.

Details of the constitution of the Board of Directors and of the Nomination and Remuneration Committee, as well as regarding further details such as, for example, maximum number of external mandates, are outlined in the Corporate Governance Report section of this Annual Report.

The Nomination and Remuneration Committee recommends, and the Board of Directors determines, on an annual basis, the amount of the remuneration of the individual members of the Board of Directors, including its Chairperson, subject to and within the limits of the maximum total amount approved by the General Meeting.

Remuneration to the CEO is recommended by the Nomination and Remuneration Committee and determined by the Board of Directors on an annual basis, subject to and within the limits of the maximum total amount approved by the General Meeting. Remuneration to the other members of the Executive Committee is recommended by the CEO, reviewed by the Nomination and Remuneration Committee and determined by the Board of Directors, on an annual basis, subject to the limits of the maximum total amount approved by the General Meeting.

The Nomination and Remuneration Committee may consult other persons and external consultants and have them participate in its meetings to fulfil its duties.

As set out above, the General Meeting approves the total compensation amounts to the Board of Directors, Advisory Board and the Executive Committee on an annual basis and in a binding manner. The Board of Directors values the dialogue with shareholders and is considerate of their views about executive compensation when reviewing compensation principles. Reflecting this principle, the Board of Directors voluntarily submits the Compensation Report to consultative vote at the General Meeting. This vote allows shareholders to express their opinion to the disclosed compensation in the past financial year.

3. COMPENSATION STRUCTURE

3.1 Board of Directors

For their non-executive services, the Board members of the Board of Directors receive a fixed basic fee and compensation for expenses that are determined by the full Board of Directors and are subject to and within the limits of the aggregate amounts approved by an ordinary resolution of shareholders. There are no performance related compensation and no additional fees per meeting or for Board Committee memberships. In 2021, the compensation has been awarded in cash and in option rights of the Company. This ensures that the Board of Directors remains independent while exercising its supervisory duties towards the Executive Committee. In exceptional cases and subject to and within the limits of the approval by the Annual Shareholders' Meeting the members of the Board of Directors may be awarded an additional bonus.

There were no relevant changes to the remuneration structure or amounts for the Board of Directors in 2021. There are no contractual share ownership requirements for members of the Board of Directors.

Depending on the contractual setup and individual circumstances, the compensation paid to members of the Board of Directors may be subject to VAT or statutory social security contributions.

3.2 Advisory Board

For their non-executive services, the Advisory Board members of the Advisory Board receive a fixed basic fee and compensation for expenses that are determined by the full Board of Directors and will be subject to and within the limits of the aggregate amounts to be approved in an ordinary resolution of shareholders. There are no performance related compensation and no additional fees per meeting or for committee memberships. In 2021, the compensation has been awarded in cash and in option rights of the Company.

There are no contractual share ownership requirements for members of the Advisory Board.

Depending on the contractual setup and individual circumstances, the compensation paid to members of the Advisory Board may be subject to VAT or statutory social security contributions.

3.3 Executive Committee

The compensation of the members of the Executive Committee consists of a fixed base salary and optionally, a variable component and are subject to and within the limits of the aggregate amounts approved by an ordinary resolution of shareholders. The amount of the variable remuneration (if any) paid to management would depend on the qualitative and quantitative targets and parameters defined by the Board of Directors. The Board of Directors would define and assess the targets and their achievement. Variable remuneration may be paid in cash or in the form of equity instruments, conversion or option rights or other rights to equity instruments. In addition, members of the Executive Committee may receive reimbursement for expenses which are not deemed part of management's compensation. In 2021, the compensation has been awarded in cash and in option rights of the Company. In exceptional cases and subject to and within the limits of the approval by the Annual Shareholders' Meeting the members of the Board of Directors may be awarded an additional bonus.

3.4 Employee Stock Option Program

The Company relies to a significant degree on the quality and commitment of its board and advisory board members, management and employees. In order to combine short- and long-term incentive elements, the Employee Stock Option Program (the "ESOP") has been designed to cater for a balanced approach in this respect. Please refer to section 2.7 of the Corporate Governance Report of this Annual Report. Other than the ESOP, the Company has no share program in place.

4. ACTUAL COMPENSATION FOR THE REPORTED YEAR

This section contains:

4.1 the actual compensation paid to the Board of Directors;

4.2 the actual compensation paid to the Advisory Board;

4.3 the actual compensation paid to the Executive Committee;

4.4 other compensation-related information under the Swiss Ordinance Against Excessive Compensation;

4.5 comments on the alignment between paid and pre-approved amounts; and

4.6 information on shareholdings on members of the Board of Directors, Advisory Board and the Executive Committee.

Subsections 4.1, 4.2, 4.3, 4.4 and 4.5 are subject to the external audit according to the VegüV.

4.1 Board of Directors (audited)

The below tables show the compensation in USD and in CHF paid to members of the Board of Directors of Achiko AG for the twelve months period from the ordinary General Meeting in 2021 held on 26 May 2021 up to the next ordinary General Meeting in 2022. All individuals were members of the Board of Directors during the entire period. Values in italics represent data for the year 2020.

4.4.1. USD Compensation

Board of Directors	Function	Board fee	Additional fee	Stock-option based compensa-tion	Total compensation
Allen Wu	Chairperson of the Board	24,000	NIL	NIL	24,000
		24,000	*NIL*	*NIL*	*24,000*
Steven Wern-Yi Goh	Board member, Chairperson of the Nomination and Remuneration Committee and CEO	NIL	240,000[1]	NIL	240,000
		NIL	*240,000*	*NIL*	*240,000*
Christophe Laurent	Board member	16,000	11,582[2]	NIL	27,582
		24,000	*108,384*	*NIL*	*132,384*
John Bing-Tsung Lin	Board member	NIL	NIL	NIL	NIL
		24,000	*NIL*	*NIL*	*24,000*
Total			**251,582**	**NIL**	**291,582**
		72,000	*348,384*	*NIL*	*420,384*[3]

1. Additional fees relate to services other than board duties rendered to the Company for USD 20,000 per month as disclosed under section 4.4 of this Report.
2. Additional fees relate to Mr Laurents executive salary for 1 month and social security contributions.

4.4.2 CHF Compensation

Board of Directors	Function	Board fee	Additional fee	Stock-option based compensa-tion	Total compensation
Allen Wu	Chairperson of the Board	21,818	NIL	NIL	21,818
		21,818	*NIL*	*NIL*	*21,818*
Steven Wern-Yi Goh	Board member, Chairperson of the Nomination and Remuneration Committee and CEO	NIL	218,184	NIL	218,184
		NIL	*218,184*	*NIL*	*218,184*
Christophe Laurent	Board member	14,546	10,529	NIL	25,075
		21,818	*98,532*	*NIL*	*120,350*
John Bing-Tsung Lin	Board member	NIL	NIL	NIL	NIL
		21,818	*NIL*	*NIL*	*21,818*
Total			**228,713**	**NIL**	**265,077**
		65,454	*316,716*	*NIL*	*382,170*

4.2 Advisory Board (audited)

The below tables show the prospective total compensation in USD and in CHF paid to members of the Advisory Board of Achiko AG for the period as of 26 May 2021 (being the date of the Company's General Meeting in 2021) up to the next ordinary General Meeting in 2022. Values in italics represent data for the prior year 2020. The individual members started their engagement as members of the Advisory Board in October and November 2020, respectively. As the Advisory Board was only implemented in October and November 2020, the compensation in

2020 is proportionately lower.

4.4.3 USD Compensation

Advisory Board	Function	Advisory Board fee	Additional fee	Stock-option based compensation	Total compensation
Carol Aebi	Advisory Board member	65,512	NIL	NIL	65,512
		18,646	*1,174*[3]	*115,330*	*135,150*
Glenn Cross	Advisory Board member	60,300	30,144	NIL	90,444
		37,935	*NIL*	*115,330*	*153,265*
Paul Field	Advisory Board member	30,144	NIL	8,000	38,144
		14,917	*NIL*	*NIL*	*14,917*
Charles Pan	Advisory Board member	26,220	NIL	NIL	26,220
		14,917	*45,000*[4]	*127,849*	*185,766*
Dr Jittaporn Wattanaseree	Advisory Board member	NIL	NIL	NIL	NIL
		NIL	*15,000*[5]	*NIL*	*15,000*[5]
Total		**182,176**	**30,144**	**8,000**	**220,320**
		86,415	*61,174*	*358,509*	*504,098*

3. Additional fees relate to full time consulting to the company and social security contributions to be paid by the Company.
4, 5. Additional fees for advising the company on a project basis.

4.4.2. CHF Compensation

Advisory Board	Function	Advisory Board fee	Additional fee	Stock-option based compensation	Total compensation
Carol Aebi	Advisory Board member	59,557	NIL	NIL	59,557
		16,951	*1,067*[3]	*104,846*	*122,864*
Glenn Cross	Advisory Board member	54,819	27,404	NIL	82,223
		34,487	*NIL*	*104,846*	*139,333*
Paul Field	Advisory Board member	27,404	NIL	7,273	34,677
		13,561	*NIL*	*NIL*	*13,561*
Charles Pan	Advisory Board member	23,837	NIL	NIL	23,837
		13,561	*40,909*[4]	*116,228*	*170,698*
Dr Jittaporn Wattanaseree	Advisory Board member	NIL	NIL	NIL	NIL
		NIL	*13,636*[5]	*NIL*	*13,636*
Total		**165,617**	**27,404**	**7,273**	**200,294**
		78,560	*55,612*	*325,920*	*460,092*

4.3 Executive Committee (audited)

The below tables show the compensation in USD and in CHF paid to members of the Executive Committee of Achiko AG for the twelve months ending 31 December 2021.

On 11 January 2021, Dr Morris Berrie joined as President and on 31 July 2021, Robert Rieder joined as CFO.

Values in italics represent data for the prior year 2020.

4.4.3. USD Compensation

Executive Committee	Function	Base salary[1]	Annual incentive	Additional fee	Stock option based Compensation[2]	Other [2]	Total Compensation
Christopher Young	COO	131,102	NIL	NIL	NIL	NIL	131,102
		255,716	*51,143*	*NIL*	*NIL*	*43,555*	*350,414*
Dr Morris Berrie	President	279,231	NIL	NIL	560,000	NIL	839,231
		NIL	*NIl*	*NIL*	*NIL*	*NIL*	*NIL*
Robert Rieder	CFO	132,480	NIL	NIL	174,400	NIL	306,880
		NIL	*NIL*	*NIL*	*NIL*	*NIL*	*NIL*
Kenneth Ting	Ex-CEO	NIL	NIL	NIL	NIL	NIL	NIL
		163,044	*NIL*	*NIL*	*NIL*	*NIL*	*163,044*
Other Members of the Executive Committee		172,491	NIL	NIL	NIL	14,000	186,491
		511,980	*NIL*	*NIL*	*63,293*	*23,748*	*599,021*
Total		**715,304**	**NIL**	**NIL**	**734,400**	**14,000**	**1463,704**
		930,741	*51,143*	*NIL*	*63,293*	*67,303*	*1,112,480*

4.4.4. CHF Compensation

Executive Committee	Function	Base salary[1]	Annual incentive	Additional fee	Stock option based Compensation[2]	Other [2]	Total Compensation
Christopher Young	COO	120,000	NIL	NIL	NIL	NIL	120,000
		232,471	*46,494*	*NIL*	*NIL*	*39,596*	*318,561*
Dr Morris Berrie	President	253,849	NIL	NIL	509,096	NIL	762,945
		NIL	*NIl*	*NIL*	*NIL*	*NIL*	*NIL*
Robert Rieder	CFO	120,438	NIL	NIL	158,547	NIL	278,985
		NIL	*NIL*	*NIL*	*NIL*	*NIL*	*NIL*
Kenneth Ting	CEO	NIL	NIL	NIL	NIL	NIL	NIL
		148,223	*NIL*	*NIL*	*NIL*	*NIL*	*148,223*
Other Members of the Executive Committee		156,812	NIL	NIL	NIL	12,727	169,539
		465,441	*NIL*	*NIL*	*57,540*	*21,589*	*544,570*
Total		**650,283**	**NIL**	**NIL**	**667,643**	**12,727**	**1,330,653**
		846,135	*46,494*	*NIL*	*57,540*	*61,185*	*1,011,354*

Mr Christopher Young, COO, left the Company by end of June 2021. Robert Rieder (CFO), stepped down from his position by end of December 2021 and Dr Morris Berrie (President), terminated his contract as per 31 December 2021.

Granting of stock options

In 2021, the change of stock options held by all members of the Executive Committee and the member with highest number of stock options is as follows:

For year 2021	Number of vested stock options at the beginning of the year	Number of unvested stock options at the beginning of the year	Number of stock options granted during the year	Number of stock options exercised during the year	Number of stock options expired during the year	Number of vested stock options at the end of the year	Number of unvested stock options a the end of the year
Christopher Young	1,875,143	1,142,857	NIL	NIL	NIL	3,000,000	NIL
Total Executive Committee excl. extended management	**1,875,143**	**1,142,857**	**2,800.000**	**NIL**	**NIL**	**3,866,667**	**1,933,333**

The total includes the stock options of the Executive Committee as of the reporting date and the stock options of members who left the Executive Committee.

Christopher Young received an extension to exercise options that had already vested until 31 December 2021 as part of his termination agreement, which includes performance, confidentiality and intellectual property commitments.

At the end of the year, 3,866,667 vested and 1,933,333 unvested stock options are included for former members of the Executive Committee.

1. Base salary does not include social security costs.
2. Other compensation includes social security contribution including pension contributions to be paid by the Company.
3. Extended management considered for the period 1 January 2021 until 31 July 2021 as disclosed under section 4.1 Executive Committee of the Corporate Governance Report of the Annual Report for 2020..

4.4 Other Compensation Related Information under the Swiss Ordinance Against Excessive Compensation (audited)

For the reporting period, no compensation other than listed above in 4.1, 4.2, 4.3, respectively, was paid or granted to the members of the Board of Directors, Advisory Board and the Executive Committee.

No compensation was paid to former members of the Board of Directors. No compensation other than the disclosed compensation of former members of the Executive Committee under section 4.3 was paid to former members of the Executive Committee defined as CEO, CFO and COO. The compensation to former members of the Executive Committee were in line with the conditions of their employment agreements. No severance payments were made.

No loans or credits were granted to current or former members of the Board of Directors, Advisory Board and the Executive Committee. No such loans or credits were outstanding at the balance date.

No compensation, loans or credits were paid or granted at non-market conditions to persons closely associated with current or former members of the Board of Directors, Advisory Board or Executive Committee. No such loans or credits were outstanding at the balance sheet date.

4.5 Alignment with Pre-approved Maximum Amounts (audited)

At the General Meeting of Achiko AG on 26 May 2021, the shareholders approved, with binding effect and in separate votes, the following maximum aggregate amount:

Aggregate annual compensation to the Board of Directors for the period from the General Meeting 2021 to the General Meeting 2022	USD 460,000
Aggregate annual compensation to the Executive Committee for the period of the forthcoming financial year in an amount of approximately	USD1,820,000

Board of Directors

As shown above the compensation to the members of the Board of Directors for services from the ordinary General Meeting in 2021 up to the next ordinary General Meeting in 2022 is USD 291,582, which is within the pre-approved maximum amount. At the next ordinary General Meeting the compensation for the period from the General Meeting 2021 to the General Meeting 2022 will be proposed for retrospective approval and the total compensation for the period from the General Meeting 2022 to the General Meeting 2023 will be proposed for pre-approval.

Advisory Board

The compensation to the members of the Advisory Board for services up to the next ordinary General Meeting in 2022 is USD 220,320 from which USD 8,000 amounts to stock option based compensation. At the next ordinary General Meeting the compensation for the period from the General Meeting 2021 to the General Meeting 2022 will be proposed for retrospective approval and the total compensation for the period from the General Meeting 2022 to the General Meeting 2023 will be proposed for pre-approval.

Executive Committee

As shown above the compensation for the members of the Executive Committee for services in the financial year 2021 is USD 1,463,704. On 26 May 2021, the General Meeting approved an amount of USD 1,820,000 for the financial year 2021. Reflecting this approval, the compensation for the members of the Executive Committee for the financial year 2021 seems to be appropriate. At the next ordinary General Meeting the compensation for the financial year 2021 will be proposed for retrospective approval and the total compensation for the financial year 2023 will be proposed for pre-approval.

4.6 Shareholdings of Members of the Board of Directors, Advisory Board and the Executive Committee

Shareholding of members of the Board of Directors, Advisory Board and the Executive Committee of Achiko AG as of 31 December 2021 is as follows:

Shareholdings of members of the Board of Directors, Advisory Board and the Executive Committee	Ultimate beneficial owner	Shares	Percentage
Heracles Investment Group Limited, Suite No. 3442, c/o 8 Temasek Boulevard, #35-03 Suntec Tower 3, Singapore	Steven Wern-Yi Goh	737,501[1] (13,971,612)[1]	0.56%[1] (11.74%)[1]
Dr Morris Berrie	Dr Morris Berrie	255,420	0.19%
Charles Pan	Charles Pan	75,000	0.06%
Robert Rieder	Robert Rieder	44,440	0.03%

[1] Shareholder lending agreement has been provided to the Company to borrow against convertible notes, placements and other financings and as at year end, 12,562,499 shares have been lent to the company. The company may be obligated to redeliver the shares immediately in the event of a change of control.

The percentage is calculated on the total number of issued shares of 132'653'911 as of 31 December 2021.

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Report of the statutory auditor

To the General Meeting of Shareholders
Achiko AG

We have audited the remuneration report of Achiko AG for the year ended December 31, 2021. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained on pages 29 to 33 of the remuneration report.

Responsibility of the Board of Directors
The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibility
Our responsibility is to express an opinion on the accompanying remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

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

Opinion
In our opinion, the remuneration report for the year ended December 31, 2021, of Achiko AG complies with Swiss law and articles 14–16 of the Ordinance.

Zurich, June 26, 2022
Grant Thornton AG

Hermann Caspers Audit expert Auditor in charge	Nina Beutler Audit expert

Financial Report 2021

ACHIKO AG

Year Ended 31 December 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of 31 December 2021 and 2020
(Expressed in US Dollar, unless otherwise stated)

	Notes	2021	2020
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	9	34,944	44,965
Goodwill	10	-	-
Intangible assets	11	441,359	-
Investments accounted for using the equity method	12	-	-
Deferred tax assets	7B	-	265,655
Rental deposit		-	6,137
Total non-current assets		476,303	316,757
CURRENT ASSETS			
Prepaid expenses and advances	13	697,683	698,069
Prepaid tax		86,916	104,340
Other short term financial assets	15	559,268	-
Trade and other receivables	14	26,207	54,111
Cash on hand and in banks	16	68,038	599,176
Total current assets		1,438,113	1,455,696
TOTAL ASSETS		**1,914,416**	**1,772,453**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of 31 December 2021 and 2020
(Expressed in US Dollar, unless otherwise stated)

	Notes	2021	2020
LIABILITIES AND EQUITY			
EQUITY			
Equity attributable to the owners of the Company			
Share capital	20	1,387,391	1,122,156
Share premium	20	19,987,635	14,228,283
Other reserves	20	8,608,444	5,749,537
Accumulated losses	20	(34,568,395)	(25,152,049)
Total equity attributable to owners of the Company		(4,584,926)	(4,052,073)
Non-controlling interest		-	-
TOTAL EQUITY		**(4,584,926)**	**(4,052,073)**
LIABILITIES			
Non-current liabilities			
Post-employment benefit liabilities	19	176,518	242,510
Convertible and subordinated loans	21	2,121,625	-
Other liabilities		78,105	85,555
Total non-current liabilities		2,376,248	328,065
Current liabilities			
Trade and other payables	17	2,353,848	2,210,305
Convertible and subordinated loans	21	435,316	2,166,206
Embedded derivative liability	21	-	92,805
Accrued expenses	18	1,285,056	937,607
Tax payable		48,874	89,538
Total current liabilities		4,123,094	5,496,461
TOTAL LIABILITIES		**6,499,342**	**5,824,526**
TOTAL LIABILITIES AND EQUITY		**1,914,416**	**1,772,453**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended
31 December 2021 and 2020
(Expressed in US Dollar, unless otherwise stated)

	Notes	2021	2020
REVENUE	4	62,507	2,805,708
COST OF REVENUE		(39,162)	(2,395,811)
GROSS PROFIT		**23,345**	**409,897**
OPERATING EXPENSES			
Marketing and distribution expenses		(361,246)	(263,850)
Administrative expenses	5	(5,757,166)	(11,721,986)
Research and product development expenses		(675,182)	(574,745)
Other operating expenses	6	(1,584,944)	(441,234)
Impairment on goodwill	10	-	(1,604,050)
LOSS FROM OPERATIONS		**(8,355,193)**	**(14,195,968)**
Share of loss from equity accounted investments		(87,692)	-
Finance costs	21	(615,710)	(33,913)
LOSS BEFORE TAX		**(9,058,595)**	**(14,229,881)**
Income tax benefit (expense)	7	(263,184)	161,165
LOSS FOR THE YEAR		**(9,321,779)**	**(14,068,716)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of post-employment benefit liabilities	19	(94,567)	(171,318)
Related tax on remeasurement of post-employment benefit liabilities			1,613
Item that may be reclassified subsequently to profit or loss:			
Exchange gain (loss) arising from translation of foreign operations		140,291	(93,635)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**45,724**	**(263,340)**
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(9,276,055)**	**(14,332,056)**
Loss for the year attributable to:			
Owners of the Company		(9,321,779)	(14,068,716)
Non-controlling interest		-	-
		(9,321,779)	**(14,068,716)**
Total comprehensive loss attributable to:			
Owners of the Company		(9,276,055)	(14,332,056)
Non-controlling interest		-	-
		(9,276,055)	**(14,332,056)**
Basic loss per share attributable to the owners of the Company	8	**(0.07)**	**(0.14)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended
31 December 2021 and 2020
(Expressed in US Dollar, unless otherwise stated)

Equity attributable to the owners of the Parent Company

	Notes	Share capital	Share premium	Other reserves	Accumulated losses	Total	Non-controlling interest	Total equity
Balance as of 31 December 2019		**89,632**	**11,645,897**	**122,028**	**(11,165,046)**	**692,511**	**–**	**692,511**
Redenomination of share capital	20	852,930	(852,930)	–	–	–	–	–
Issuance of share capital	20	179,594	4,067,871	–	–	4,247,465	–	4,247,465
Warrant conversion reserve		-	(632,555)	632,555	-	-	-	-
Share options to employees		–	–	5,340,007	–	5,340,007	–	5,340,007
Reversal of unexercised vested share options		–	–	(251,418)	251,418	–	–	–
Loss for the year		-	-	-	(14,068,716)	(14,068,716)	-	(14,068,716)
Other comprehensive income		–	-	(93,635)	(169,705)	(263,340)	–	(263,340)
Balance as of 31 December 2020		**1,122,156**	**14,228,283**	**5,749,537**	**(25,152,049)**	**(4,052,073)**	**–**	**(4,052,073)**
Issuance of share capital	20	265,235	5,759,352		-	6,024,587	-	6,024,587
Share warrants issued				1,405,953	-	1,405,953	-	1,405,953
Share options to employees		-	-	1,486,315	-	1,486,315	-	1,486,315
Reversal of unexercised vested share options		-	-	(173,653)	-	(173,653)	-	(173,653)
Loss for the year		-	-	-	(9,321,779)	(9,321,779)	-	(9,321,779)
Other comprehensive income		-	-	140,291	(94,567)	45,724	-	45,724
Balance as of 31 December 2021		**1,387,391**	**19,987,635**	**8,608,443**	**(34,568,395)**	**(4,584,926)**	**-**	**(4,584,926)**

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended
31 December 2021 and 2020
(Expressed in US Dollar, unless otherwise stated)

	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers		90,411	3,774,164
Cash paid to employees		(1,967,974)	(2,133,612)
Cash paid to suppliers and others		(3,375,108)	(6,472,157)
Net cash used in operating activities	24	(5,252,671)	(4,831,605)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in other short term financial assets		(559,268)	-
Increase in intangible assets		(441,359)	-
Settlement of convertible note receivable		-	100,000
Acquisition of property and equipment	9	(3,657)	(39,596)
Net cash provided by (used in) investing activities		(1,004,284)	60,404
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of share capital	20	-	749,646
Movement in other liabilities		(7,450)	-
Funds received from finance arrangement		5,730,391	4,032,649
Net cash provided by financing activities		5,722,941	4,782,295
NET (DECREASE)/ INCREASE IN CASH ON HAND AND IN BANKS		**(534,014)**	**11,094**
Effect of exchange rate changes in cash on hand and in banks		2,876	(5,075)
CASH ON HAND AND IN BANKS AT BEGINNING OF YEAR		**599,176**	**593,157**
CASH ON HAND AND IN BANKS AT END OF YEAR	16	**68,038**	**599,176**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended
December 31, 2021
(Expressed in US Dollar, unless otherwise stated)

1. GENERAL INFORMATION

Achiko AG (the "Company") is a publicly listed company originally established on 25 May 2018 in the Cayman Islands and listed on the SIX Swiss Exchange since 8 November 2019.

Effective 18 June 2020, the Company: (i) relocated its domicile to Zurich, Switzerland; (ii) re-incorporated under the laws of Switzerland; and (iii) changed its name from Achiko Limited to Achiko AG.

The Company's address is at Tessinerplatz 7, 8002 Zürich, Switzerland.

Achiko AG and its subsidiaries (the "Group") are in a transformation from providing a digital payment platform service to a healthtech business. The digital payment platform service provides secure payment solutions for game publishers and application developers to accept various payment method for any digital contents and goods through the "Mimopay" brand. For the transformation to a healthtech business, the Group developed a mobile check-in and passport application (*Teman Sehat*) and a diagnostic testing technology for Covid-19 (AptameX).

The composition of the Company's Board of Directors as of 31 December 2021 and 2020 is as follows:

	2021	**2020**
Chairperson	Allen Wu	Allen Wu
Member, Chairperson of the Nomination and Remuneration Committee and CEO[1]	Steven Wern-Yi Goh	Steven Wern-Yi Goh
Member	Christophe Laurent (retired Feb 2022)	Christophe Laurent
Member		John Bing-Tsung Lin

As of 31 December 2021, information on the subsidiaries which are included into the Group's Consolidated Financial Statements is as follows:

Subsidiary	Country	Year of commercial operation	Main business activity	Percentage of direct ownership	Total assets before elimination
Achiko Switzerland AG (ACH)	Switzerland	2020	Digital and healthtech platform services	100.00%	104,134
Gamespark Interactive Limited (GP)	Hong Kong	2016	Digital payment services	100.00%	1,644
Globimedia Network Pte. Ltd. (GMN)	Singapore	2016	Digital payment services	100.00%	817,211
PT Progressivmedia Indonesia (PTPI)	Indonesia	2011	Digital payment and healthtech platform services	0.00%[2]	386,270
Kryptonite Korea Co., Ltd. (KN)	South Korea	–	Game software developer	100.00%	14,033

4. PTPI is a 100% controlled so-called "Variable Interest Entity" (VIE) incorporated in Indonesia.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The Consolidated Financial Statements have been prepared under the historical cost method, except for certain accounts which are measured on the basis as described in the related accounting policies.

The Consolidated Financial Statements, except for the Consolidated Statement of Cash Flows, are prepared under the accrual basis of accounting. The Consolidated Statement of Cash Flows is prepared using the direct method, with classification of cash flows into operating, investing and financing activities.

B. NEW OR REVISED STANDARDS OR INTERPRETATIONS

New standards adopted as at 1st January 2021;

Some accounting pronouncements which have become effective from 1 January 2021 and have therefore been adopted do not have a significant impact on the Group′s financial results or position

Standards and amendments that are not yet effective and have not been adopted early by the Group include:
• IFRS 17 Insurance Contracts
• Amendments to IFRS 17 Insurance Contracts (Amendments to IFRS 17 and IFRS 4)
• References to the Conceptual Framework • Proceeds before Intended Use (Amendments to IAS 16)
• Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
• Annual Improvements to IFRS Standards 2018-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41)
• Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
• Deferred Tax related to Assets and Liabilities from a Single Transaction

These amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

C. PRINCIPLES OF CONSOLIDATION

Subsidiaries

Subsidiaries are entities which the Company has control. Control exists when the Company has power over the subsidiary, is exposed, or has rights, to variable returns from its involvement with the subsidiary, and has the ability to affect those returns through its power over the subsidiary. A subsidiary is consolidated from the acquisition date, being the date when the Company obtains control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists, the Company considers all relevant facts and circumstances including:

- The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
- Substantive potential voting rights held by the Company and by other parties;
- Other contractual arrangements; and
- Historic patterns in voting attendance.

Changes in the Group's ownership interest in a subsidiary that do not result in the loss of control is recognised directly in equity.

If the Company ceases to control of a subsidiary, the Company shall, on the date of loss of control:
- derecognise the assets (including goodwill) and liabilities of the subsidiary at its carrying amount;
- derecognise the carrying amount of any non-controlling interest;
- recognise the fair value of the consideration received and distribution of shares (if any);
- recognise the fair value of any investment retained;
- reclassify the Group's portion of the components that were previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate; and
- recognise any resulting difference as a gain or loss in profit or loss attributable to the Company.

Non-controlling interest

A non-controlling interest (NCI) is a portion of subsidiary's equity which is not directly attributable to the Company. An NCI is presented in the Equity section of the Consolidated Statement of Financial Position, separate from the Equity section attributable to the Company.

The profit or loss and each component of other comprehensive income of the subsidiary is allocated between the Company and NCI based on their relative interest in the subsidiary, even if this results in a deficit balance for the NCI.

Transactions eliminated in consolidation

All assets, liabilities, equity, income and expenses relating to transactions between entities of the Group, including unrealised profit or losses that are recognised in assets and resulting from intra-Group transactions, are fully eliminated.

D. FOREIGN CURRENCY

The Consolidated Financial Statements are presented in United States Dollar (USD), which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the Consolidated Financial Statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are recorded in the respective functional currencies of the entity at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Consolidation of foreign subsidiaries

All assets and liabilities of foreign subsidiaries with a functional currency other than the USD are translated using the closing rates at the date of the Consolidated Statement of Financial Position. Income and expenses are translated at the exchange rates prevailing at the date of transactions.

Translation differences resulting from the application of this method are classified under other comprehensive income until the disposal of the subsidiary. At the date of disposal, the cumulated translation differences in other comprehensive income are recognised in profit or loss.

Goodwill, assets acquired and liabilities assumed arising from the acquisition of subsidiaries with a functional currency other than the USD are recognised in the Consolidated Financial Statements in the functional currency and translated at the exchange rate at the acquisition date. These balances are translated at subsequent balance sheet dates at the relevant exchange rate.

The rates used to translate foreign subsidiaries' balances and transactions are as follows:

In United States Dollars (USD)	Income statement average rates 2021	Income statement average rates 2020	Balance sheet period-end rates 2021	Balance sheet period-end rates 2020
Indonesian Rupiah (IDR)	14,302.00	14,245.90	14,245.90	14.040.90
Korean Won (KRW)	1,144.00	1250.00	1,189.38	1,088.43
Hongkong Dollars (HKD)	7.77	7.80	7.79	7.75
Swiss Franc (CHF)	0.91	0.91	0.91	0.88

**average rate from date of acquisition to year-end*

E. BUSINESS COMBINATION

Business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities are measured initially at their fair values at acquisition date. For each individual business combination, the Group elects to recognise NCI in the acquiree on the acquisition date, at the NCI's proportionate share of the acquiree's identifiable net assets. Other components of NCI are measured at fair value, unless another measurement basis is required by IFRS. Acquisition-related costs are recognised as expenses in the period in which the costs are incurred and the services are received.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of the NCI in the acquiree and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities, is recorded as goodwill. In instances where the fair value of the total consideration transferred is lower than the identifiable net assets, the difference is recognised as gain on the bargain purchase immediately in profit or loss on the date of acquisition.

Goodwill is initially measured at cost. Subsequently, goodwill is measured at cost less any accumulated impairment losses.

F. TRANSACTIONS WITH RELATED PARTIES

A related party is a person or entity that is related to the Group.

1. A person or a close member of that person's family is related to the Group if that person:

i. has control or joint control over the Group;
ii. has significant influence over the Group; or
iii. is a member of the key management personnel of the Group or parent of the Group.

2. An entity is related to the Group if any of the following conditions applies:

i. the entity and the Group are members of the same group;
ii. the entity is an associate or joint venture of the Group (or an associate or joint venture of a member of a group of which the Group is a member);
iii. the entity and the Group are joint ventures of the same third party;
iv. the entity which is a joint venture of the Group and other entity which is an associate of the Group;
v. the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
vi. the entity is controlled or jointly controlled by a person identified in (1);
vii. a person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity, (or parent of the entity);
viii. the entity, or a member of a group to which the entity is part of the Group, provides services to the key management personnel of the Group or to the parent entity of the Group

All significant transactions and balances with related parties are disclosed in the notes to Consolidated Financial

Statements.

G. FINANCIAL INSTRUMENTS

Financial assets include cash on hand and in banks and trade and other receivables. Financial liabilities include trade and other payables, accrued expenses, and subordinated loan which comprise of host contract and related embedded derivative liability.

Initial recognition and measurement – financial assets

Financial instruments are recognised when, and only when, the Group becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial instrument at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial instrument. Transaction costs of a financial instrument carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount which the Group is expected to receive in exchange for the goods or services transferred to a customer (excluding amounts collected on behalf of third parties) if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement– financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. The Group considers whether the contractual cash flows represent solely payments of principal and interest that are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial assets are classified and measured at FVTPL.

i. Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

ii. Debt investments at FVOCI

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income. Impairment losses, foreign exchange gains and losses, and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income (OCI) is reclassified from OCI to profit or loss as a reclassification adjustment when the financial asset is derecognised.

iii. Equity investments at FVOCI

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. Any gains or losses on equity investments at FVOCI are never reclassified to profit or loss.

iv. FVTPL

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. Any gain or loss on financial instruments subsequently measured at FVTPL is recognised in profit or loss in the period in which it arises.

As of 31 December 2021, the Group classifies its financial assets at amortised cost.

Initial recognition and measurement – financial liabilities

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement – financial liabilities

The Group classifies its financial liabilities into the category of (i) financial liabilities at fair value through profit or loss (FVTPL) and (ii) financial liabilities measured at amortised cost.

i. FVTPL

A financial liability is classified as at FVTPL if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated and effective as hedging instruments.

Gains and losses arising from changes in fair value of financial liabilities classified as FVTPL are included in profit or loss.

ii. Amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using straight line method. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

As of 31 December 2021, the Group classifies trade and other payables, accrued expenses and host contract of convertible subordinated loan at amortized cost. Embedded derivative liability in the convertible subordinated loan is classified as at FVTPL.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

Offsetting
Financial assets and liabilities are offset and the net amount is presented in the Consolidated Statement of Financial position, when and only when the Group currently has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

H. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Investments in associates and joint ventures are accounted for using the equity method. The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate and joint venture, adjusted where necessary to ensure consistency with the accounting policies of the Group. Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

I. IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises an allowance for expected credit losses (ECLs) for financial assets not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next twelve months (a twelve-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when the contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the out-standing contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

J. CASH ON HAND AND IN BANKS

Cash on hand and in banks consist of cash on hand, and cash in banks which are neither pledged for collateral nor restricted in use.

K. PREPAID EXPENSES

Prepaid expenses are amortised over their beneficial periods using the straight-line method.

L. PROPERTY AND EQUIPMENT

Property and equipment are initially recorded at cost which includes the purchase price, borrowing costs if any, and other costs directly attributable to bring the asset to the present location and condition necessary for it to be capable of operating in the manner intended by the management. Subsequent expenses are included in the cost of an asset or recognised as a separate asset only when it is probable that the Group will obtain future economic benefits associated with the assets and acquisition cost of assets can be measured reliably. Cost of maintenance and repairs that do not meet the recognition criteria is recognised directly in profit or loss.

Subsequent to initial recognition, the Group uses a cost model in which property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses (if any).

Depreciation of property and equipment, which comprise of furniture and office equipment, is computed using the straight-line method based on the estimated useful lives of 4−8 years.

The estimated useful lives, residual value and depreciation method of property and equipment are reviewed at each year end, with any changes accounted for as changes in accounting estimates which are recognised on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset, accounted for as the difference between the net proceeds from disposal and the carrying amount of property and equipment, is recognised in profit or loss in the year when the asset is derecognised.

M. INTANGIBLE ASSET

At initial recognition, an intangible asset is measured at cost. Costs that are directly attributable to a project's development phase are recognised as intangible asset. Subsequent to initial recognition, all finite-lived intangible assets including capitalised developed costs, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing

Any capitalised developed project that is not yet complete is not amortised but is subject to impairment testing.

Goodwill

Goodwill arising from a business combination is initially measured at its cost, which is the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised.

N. RESEARCH AND DEVELOPMENT COSTS

Research costs are expensed as incurred. Deferred development costs arising from development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Subsequent to initial recognition of deferred development costs as an intangible asset, it is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation of the intangible asset begins when development is complete and the asset is available for use. Deferred development costs have a finite useful life and are amortised over the period of expected sales from the related project on a straight-line basis.

O. IMPAIRMENT

Non-financial assets

Non-financial assets are subject to impairment whenever the management assesses that events or changes in circumstance indicate that their carrying amounts may not be recoverable. If such an indication exists, the Group makes an estimate of the recoverable amount of the asset.

The recoverable amount for an individual asset is the higher amount between the fair value less costs to sell and its value-in-use. Where it is not possible to estimate the recoverable amount of an individual asset, an impairment test is carried out on the cash-generating unit (CGU) – the smallest group of assets to which the asset belongs for which there are separately identifiable cash flows.

In determining fair value less costs to sell, the Group takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use. The Group may use appropriate valuation techniques to determine the fair value of the asset.

In assessing value-in-use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the asset's carrying amount exceeds its recoverable amount, the asset is considered im-paired and is written down to its recoverable amount. Impairment losses are recognised in profit or loss.

An assessment is made each reporting period to determine if there is an indication that previously recognised impairment loss may no longer exist or may have decreased. If such an indication exists, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the asset will not exceed the recover-able or carrying amount, net of depreciation, had no impairment loss been recognised previously. Such a reversal is recognised in profit or loss. After reversal, the future depreciation of assets is adjusted to allocate the revised carrying amount of assets using the systematic basis throughout the remaining useful lives.

Goodwill
Goodwill is tested for impairment annually irrespective of whether there is any indication of impairment.

For the purpose of impairment testing, goodwill is allocated to each CGU that is expected to benefit from the synergies of the business combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and is not larger than an operating segment.

P. POST-EMPLOYMENT BENEFIT LIABILITIES

In providing post-employment benefit liabilities to its employees, the Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The calculation of post-employment benefit liabilities is based on the projected unit credit method.

The amount recognised as post-employment benefit liabilities in the Consolidated Statement of Financial position represents the present value of the defined benefit obligation.

Service costs are recognised in profit or loss and include current and past service costs as well as gains and losses on curtailments.

Net interest expense is recognised in profit or loss and is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the balance of the net defined benefit obligation, considering the effects of contributions and benefit payments during the period.

Remeasurements of the defined benefit obligation are recognised directly within equity. The remeasurements include:

- actuarial gains and losses;
- returns on plan assets (excluding interest); and
- any asset ceiling effects (excluding interest).

Settlements of defined benefit obligations are recognised in the period in which the settlement occurs.

Q. SHARE CAPITAL AND SHARE ISSUANCE EXPENSES

Proceeds from the issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

R. SHARE PREMIUM

Share premium includes the difference between the excess of paid-up share capital made by shareholders over its par value of the Company's shares.

S. SHARE-BASED PAYMENTS

The Group grants additional benefits to employees of the Group in the form of share options. The cost of these equity-settled share-based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted, which takes into account market conditions and non-vesting conditions. The cost is recognised directly in profit or loss, with a corresponding increase in the employee share option reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for the period represents the movement in the cumulative employee share option reserve.

The employee share option reserve is transferred to retained earnings upon expiry of the share option.

T. WARRANTS

Warrants issued are treated as equity and recorded as a separate component of equity. Warrants are measured at fair value at the date of issue using Black-Scholes pricing model, which incorporates certain input assumptions such as exercise price, market value of shares, risk-free interest rate, expected warrant life and expected shares volatility.

U. REVENUE AND EXPENSE RECOGNITION

Revenue from Contracts with Customers
Revenue from contracts with customers is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised pertains to the portion of satisfied performance obligation.

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Group does not provide any refunds, warranties, or similar obligations.

i. Performance obligation
The Group has identified its performance obligation primarily derived from revenue of the "Mimopay" payment channel used for the sale of game vouchers and phone credits, and ATM payments.

ii. Transaction price
Transaction price may comprise of fixed and variable components. The revenues derived from the payment channel is fixed prices, and transaction price is allocated based on the contract price agreed with the customers at each transaction.

iii. Revenue recognition
Revenue is recognised as soon as the performance obligation is satisfied at a point in time by transferring the promised goods or services to the customer, which is when the customer obtains control. The Group immediately bills the customer upon the satisfaction of performance obligation.

Billed amounts are included in trade receivables. As a result of short turnaround time, no contract asset and significant financing component are recorded.

Expenses
Expenses are recognised when incurred on an accrual basis.

V. LEASES

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset to the condition required by the terms and conditions of the lease, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments less any lease incentive receivable.

Short-term leases (with term of less or equal to 12 months) and leases of low-value assets does not apply the recognition principles stipulated in IFRS 16. The Group recognized the lease payments on a straight-line basis during the lease period in the consolidated statement of profit or loss and other comprehensive income. The expense is recorded under general and administrative expenses in profit or loss.

W. TAXATION

i. Current income tax

The current tax (liability), pertaining to the amount of the expected refund from (or payable to) the tax authorities, is calculated on the basis of tax law applicable at the Consolidated Statement of Financial Position date, in the countries where the Group operates and generates taxable income.

Current income tax is recognised on taxable income in the Consolidated Statement of Profit or Loss for the Year, unless it relates to items recognised in other comprehensive income directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity.

ii. Deferred tax

Deferred tax is recognised using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount for reporting purposes at the end of the reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences only to the extent that it is probably that future taxable profit is available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each end of the reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled based on tax law applicable at the Consolidated Statement of Financial Position date.

Deferred tax is recognised on taxable income in the Consolidated Statement of Profit or Loss and other Comprehensive Income for the Year except to the extent that the tax relates to transactions recognised outside profit or loss (either in other comprehensive income or charged directly in equity).

Deferred tax assets and liabilities can be offset if, and only if, there is a legally enforceable right to offset the current tax assets and liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

X. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is computed by dividing the profit (loss) for the year attributable to owners of the Company by the weighted average number of issued and fully-paid shares outstanding during the year.

Diluted earnings (loss) per share is calculated when the Company has instruments which are potentially dilutive ordinary shares. Anti-dilutive shares are excluded from basic and dilutive earnings (loss) per share calculations.

Y. OPERATING SEGMENTS

Operating segments are presented consistently with the internal reporting prepared by segment managers to the operational decision maker. Operating segments are independently managed by the respective manager who is responsible for the performance of respective operating segment under their charge, while the operating decision maker is the person who regularly reviews the segment result in order to allocate resources to the segment and to assess the segment performance.

The Group operates as one segment. Accordingly, the Company did not present the segment information in a separate note.

Z. PROVISIONS

Provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

AA. CONTINGENCIES

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized but are disclosed in the financial statements when an inflow of economic benefits is probable.

2b. SIGNIFICANT ACCOUNTING ESTIMATION AND JUDGMENTS

The preparation of Consolidated Financial Statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Judgments and estimates used in preparing the Consolidated Financial Statements are reviewed periodically based on historical experience and various factors, including expectations and events in the future that may occur. However, actual results may differ from these estimates. The uncertainty about these assumptions and estimates could result in outcomes that required a material adjustment to the carrying amounts of assets and liabilities affected in the future period.

JUDGMENTS MADE IN THE APPLICATION OF ACCOUNTING POLICIES

The following judgments are made by the management in the process of applying the Group's accounting policies which have the most significant effects on the amounts recognised in the Consolidated Financial Statements.

Determination of functional currency
The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgment is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on the management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

Consolidation of entities in which the Group holds less than majority of voting rights
The laws and regulations in Indonesia place restrictions on foreign investments and ownership of entities engaged in certain industries. Therefore, foreign investments for these entities can be held via a variable interest entity (VIE) structure. The Company considers that it controls PTPI even though it does not have voting rights due to a series of contractual agreements entered into by the Company with PTPI shareholders, which provides that 100% of the shares under the name of PTPI shareholders are held on trust for the Group, being the beneficial owner. The contractual arrangements with PTPI shareholders enable the Company to: (i) exercise effective control over PTPI; (ii) receive substantially all of the economic benefits and absorb losses of PTPI; and (iii) have an exclusive call option to purchase all or part of the equity interests in and assets of PTPI if and when permitted under the relevant laws.

From the acquisition date of PTPI on 22 October 2018, there is no history of other shareholders collaborating to use their votes collectively or to outvote the Group.

The company invested in PT Achiko Medika Indonesia of which it owns 50%. The board has evaluated wheather or not it has control and has concluded that the Group does not control the entity and therefore has not included the Joint Ventures accounts in the consolidation. The Group has used the equity method to recognise the Joint Ventures activities.

KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of uncertainty of estimation at the reporting date that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are disclosed below. The Group based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cashgenerating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. In 2020, the Group recognised an impairment loss on goodwill and internally generated software.

Goodwill allocation and impairment

In its business combinations, the Group applies acquisition accounting, which requires extensive use of accounting estimates to allocate the purchase price to the fair market values of the acquired assets and liabilities, including intangible assets. The business acquisitions made in 2018 and in 2020 resulted in goodwill.

Goodwill is not amortised but is subject to annual impairment testing. The carrying amount of goodwill is disclosed in Note 10 to the Consolidated Financial Statements.

The management has fully impaired the goodwill on the assumption that the cash generating units to which the goodwill was allocated do not generate sufficient revenue and gross profit for the Group. The assumption is based on the actual result of operations during the period.

Post-employment benefit liabilities

Measurement of the Group's post-employment benefit expense and liabilities are dependent on its selection of certain actuarial assumptions. Those assumptions include, among others, the discount rate, annual increase in salary rate, annual employee resignation rate, disability rate, retirement age and mortality rights. Actual results may differ from the assumptions accounted for in accordance with the accounting policies as described in Note 2 to the Consolidated Financial Statements.

Although the Group believes that the assumptions at the reporting date were reasonable and appropriate, significant differences in actual results or significant changes in assumptions may materially affect the Group's post-employment benefit expense and liabilities.

Going concern

The Board of Directors and the management regularly assess the Group's ability to continue as a going concern and is of the opinion that the Group is to be viewed as continuing in business for the foreseeable future. The Consolidated Financial Statements have been prepared on a going concern basis.

Details of going concern assessment is discussed in Note 24.

Fair value measurement

Management uses various valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date

3. BUSINESS COMBINATION

The company did not acquire nor dispose of any companies during the year ended 31 December 2021.

On 27 June 2020, the Company acquired 100% of the voting equity instruments of Achiko Switzerland AG, a digital platform services company. The total cash consideration is CHF 100,000 (USD105,601).

4. REVENUE

In 2021 and 2020, revenue generated was from payment service businesses through different payment channels, including Covid-19 tests, telco vouchers, ATM payments and game cards and vouchers.

Revenue is recognized at a point in time upon completion of the payment transaction.

The Group has disaggregated the revenue from contracts with customers into primary geographic markets as follows:

in USD	2021	2020
Indonesia	31,175	2,160,705
Others	31,332	645,003
Total	**62,507**	**2,805,708**

5. ADMINISTRATIVE EXPENSES

This account consists of:

in USD	2021	2020
Employee share options expense (Notes 20)	1,486,315	5,340,007
Professional fees	1,572,596	3,380,907
Salaries and wages (Note 19)	1,855,965	2,041,422
Directors' remuneration	584,181	350,560
Quality management & regulatory affairs	63,751	148,563
Rent	39,860	68,514
Post-employment benefit expense (Note 19)	(150,064)	39,266
Travel and transportation	13,270	32,839
Depreciation and amortisation (Note 9)	13,678	20,532
Impairment loss on receivables	-	-
Others	277,615	299,376
Total	**5,757,166**	**11,721,986**

6. OTHER OPERATING EXPENSES

This account consists of:

in USD	2021	2020
Listing and financing fees	1,545,639	774,020
License costs	-	32,987
Bank administration	31,936	15,582
Foreign exchange gains loss	15,838	(103,903)
Other income	(8,469)	(277,452)
Total	**1,584,944**	**441,234**

Listing and financing fees include costs of securing finance to fund the Groups operations as well as gains and losses from extinguishing financial liabilities with equity instruments, amounting to USD 1,316,024.

7. TAXATION

A. INCOME TAX

The reconciliation between loss before tax per the Consolidated Statement of Profit or Loss and other Comprehensive Income and Estimated Fiscal Loss of the Company is as follows:

in USD	2021	2020
Loss before tax per Consolidated Statement of Profit or Loss and other Comprehensive Income (Note 23)	(9,058,595)	(14,229,881)
Loss before tax of subsidiaries	1,020,332	642,570
Consolidation eliminating entries	(30,624)	(953,697)
Loss before tax of the Company	(8,068,887)	(14,541,008)
Fiscal correction: non-deductible expenses	2,456,493	5,199,018
Estimated fiscal loss	**(5,612,394)**	**(9,341,990)**

The consolidated income tax expenses (benefit) is determined as follows:

in USD	2021	2020
Income tax expense – Company	1,984	–
Income tax expense (benefit) – Subsidiaries		
Current income tax	-	–
Deferred income tax	261,200	(161,165)
Consolidated income tax expense (benefit)	**263,184**	**(161,165)**

B. DEFERRED TAX

Details of the Group's deferred tax assets are as follows:

in USD	Beginning balance	Benefit (expense) to profit or loss	Expense to other comprehensive income	Exchange differences	Ending balance
	2021				
Fiscal losses	265,655	(261,200)	-	(4,455)	-
Post-employment benefit liabilities	-	-	-	-	-
Impairment loss on receivables	-	-	-	-	-
Depreciation	-	-	-	-	-
Deferred tax assets	**265,655**	**(261,200)**	-	**(4,455)** -	**-**

in USD	Beginning balance	Benefit (expense) to profit or loss	Expense to other comprehensive income	Exchange differences	Ending balance
	2020				
Fiscal losses	90,567	158,088	-	5,901	254,556
Post-employment benefit liabilities	6,144	2,935	1,613	134	10,826
Impairment loss on receivables	1,365	(1,296)	-	(69)	-
Depreciation	(1,239)	1,438	-	74	273
Deferred tax assets	**96,837**	**161,165**	**1,613**	**6,040**	**265,655**

As of 31 December 2021 and 2020, deferred tax assets from accumulated fiscal losses and other deductible temporary differences are not recognised.

The corporate tax rate of the Company is at 20.00%.

8. LOSS PER SHARE

The computation of loss per share for the year ended 31 December 2021 and 2020 is as follows:

in USD	2021	2020
Loss for the year	(9,321,779)	(14,068,716)
Outstanding weighted average number of shares during the year	132,653,911	102,976,969
Basic loss per share	**(0.07)**	**(0.14)**

As of 31 December 2021, the Company does not have any potentially dilutive ordinary shares.

9. **PROPERTY AND EQUIPMENT**

The details and movement of property and equipment are as follows:

	2021				
in USD	Beginning balance	Additions	Deduction	Exchange differences	Ending balance
Cost					
Computer	1,196	-	-	-	1,196
Office equipment	73,112	3,657	-	-	76,769
Testing equipment					
Sub-total	74,308	3,657	-	-	77,965
Accumulated depreciation					
Computer	365	831	-	-	1,196
Office equipment	28,978	12,847	-	-	41,825
Testing equipment					
Sub-total	29,343	13,678	-	-	43,021
Net book value	**44,965**	**10,021**	**-**	**-**	**34,944**

	2020				
in USD	Beginning balance	Additions	Deduction	Exchange differences	Ending balance
Cost					
Computer	1,196	-	-	-	1,196
Office equipment	38,895	8,583	7,854	2,475	42,099
Testing equipment	-	31,013	-	-	31,013
Sub-total	40,091	39,596	7,854	2,475	74,308
Accumulated depreciation					
Computer	33	332	-	-	365
Office equipment	20,135	20,200	7,615	(3,742)	28,978
Testing equipment	-	-	-	-	-
Sub-total	20,168	20,532	7,615	(3,742)	29,343
Net book value	**19,923**				**44,965**

Depreciation expenses in 2021 and 2020 are charged to administrative expenses in the Consolidated Statement of Profit or Loss and other Comprehensive Income (Note 5).

The management believes that the carrying amount of property and equipment is recoverable and there are no events or changes in circumstances which may indicate impairment; therefore, no provision for impairment of property and equipment was provided.

10 . GOODWILL AND IMPAIRMENT

The Company had in the prior year, assessed the business performance of Mimopay in the second half of the reporting period as been declining. Based on this performance, the Board of Directors reviewed and discussed the circumstances and decided to write-off the goodwill as of 31 December 2020. Therefore, there was no goodwill to be reported in 2021.

in USD	**2021**	**2020**
Beginning balance	-	1,559,540
Acquisition of Achiko Switzerland AG	-	44,510
Impairment of goodwill		(1,604,050)
Total	**-**	**-**

11. INTANGIBLE ASSETS

	2021				
in USD	**Beginning balance**	**Additions**	**Deduction**	**Exchange differences**	**Ending balance**
Cost					
IP Investment	-	441,359	-	-	441,359
Total	**-**	**441,359**	**-**	**-**	**441,359**

AptameX costs are capitalised development costs for the testing kits and amortisation of the intangible asset begins when development is complete and the asset is available for use.

12. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

This account consists of:

in USD	**2021**	**2020**
Investment in PT Achiko Medika Indonesia	87,692	-
Equity accounted loss	(87,692)	-
Total	**-**	**-**

Name of Joint Venture: PT Achiko Medika Indonesia
Country of Incorporation: Indonesia
Proportion of ownership: 50%
Principle activity: Service, supply, manufacturing, trading and marketing of AptameX product in Indonesia

The investment in PT Achiko Medika Indonesia is accounted for using the equity method in accordance with IAS 28, recognising losses up to the amount of the equity accounted investment.

Total net assets/(liabilities) of PT Achiko Medika Indonesia	USD (410,927)
Loss for the period ended:	USD (584,144)
Share of net loss for the year:	USD (87,692)
Unrecognised equity accounted loss :	USD (204,381)

13. PREPAID EXPENSES AND ADVANCES

This account consists of:

in USD	2021	2020
Advances and prepayment:		
Advances	28,575	30,835
Prepayment	19,108	17,234
Prepaid expenses:		
Advertising	650,000	650,000
Total	**697,683**	**698,069**

The advertising placement has been extended to facilitate the use and placement of the advertising once the Group is ready to go to market in Indonesia.

14. TRADE AND OTHER RECEIVABLES

This account consists of:

in USD	2021	2020
Trade receivables	26,207	15,808
Other receivables		
Current	-	38,303
Total	**26,207**	**54,111**

Trade receivables

Trade receivables come from third parties, are non-interest bearing and are generally on 30 to 90-day terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group applies the simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the Group's historical credit losses experienced prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers.

15. OTHER SHORT TERM FINANCIAL ASSETS

in USD	2021	2020
Receivables due from equity accounted investment - PT Achiko Medika Indonesia	559,268	-
Total	**559,268**	**-**

16. CASH ON HAND AND IN BANKS

This account consists of:

in USD	2021	2020
Cash on hand	-	597
Sub-total	**-**	**597**
Cash in banks	68,038	598,579
Sub-total	**68,038**	**598,579**
Total	**68,038**	**599,176**

17. TRADE AND OTHER PAYABLES

This account consists of:

in USD	2021	2020
Trade payables	2,266,156	2,020,934
Other payables	87,692	189,371
Total	**2,353,848**	**2,210,305**

Trade and other payables are non-interest-bearing amounts due to third party suppliers for the goods and services provided to the Group in the ordinary course of business.

The carrying amount of trade and other payables as of 31 December 2021 and 2020 approximates their fair values.

18. ACCRUED EXPENSES

This account consists of:

in USD	2021	2020
Salaries and wages	147,610	22,489
Director and advisory board	747,127	517,681
Others	390,319	397,437
Total	**1,285,056**	**937,607**

19. POST-EMPLOYMENT BENEFIT LIABILITIES

The Group operates employee benefit plans for ACH and PTPI according to local requirements in Switzerland and Indonesia.

Reconciliation of post-employment benefit liabilities is as follows:

Consolidated

in USD	2021	2020
Beginning balance	242,510	24,575
Components recognized in profit or loss	105,054	101,142
Contributions	(45,011)	(61,876)
Components recognized in other comprehensive income	94,567	171,318
Foreign exchange difference	(10,495)	7,351
Ending balance	**176,518**	**242,510**

Components of post-employment benefit liabilities is as follows:

Consolidated

in USD	2021	2020
Present value of defined benefit obligation	176,518	1,220,482
Fair value of plan assets	-	(977,972)
Net balance	**176,518**	**242,510**

Details of post-employment benefit expense recognised in Consolidated Statement of Profit and Loss and Other Comprehensive Income are as follows:

Consolidated

in USD	2021	2020
Current service cost		
Component recognized under salaries and wages (ACH contribution)	45,011	61,876
Component recognized under post-employment benefit expense	24,103	37,422
Interest cost	4,012	1,844
Curtailment/Settlement of Achiko Switzerland	(178,179)	-
Component recognised in profit or loss (Note 6)	**(105,054)**	**101,142**
Actuarial (gain) loss from changes in financial assumptions	44,361	(18,959)
Actuarial (gain) loss from experience adjustments	50,207	21,262
Remeasurements	-	300,283
Return on plan asset	-	(131,268)
Component recognised in other comprehensive income	**94,567**	**171,318**

Achiko

Achiko AG provides post-employment defined benefits to its employees in Switzerland according to Swiss law.

As of 31 December 2021, ACH had no employees and therefore no accrued post-employment defined benefit liabilities.

in USD	2021	2020
Beginning balance	188,379	
Current service cost	45,011	74,919
Contributions	(45,011)	(63,495)
Settlement of pension obligations	(178,179)	-
Remeasurement of post-employment benefit liabilities	-	300,283
Return on plan assets	-	(131,268)
Net interest	-	(45)
Administration costs	-	1619
Foreign exchange differences	(10,200)	6,366
Ending balance	**-**	**188,379**

Details of post-employment benefit expense recognised in Consolidated Statement of Profit and Loss and other Comprehensive Income are as follows:

In USD	2021	2020
Employee benefit expense	(143,368)	13,043
Net interest income	-	-45
Component recognised in profit or loss	**(143,368)**	**12,998**
Remeasurement of post-employment benefit liabilities	-	300,283
Return of plan asset	-	(131,268)
Component recognised in other comprehensive income	**-**	**169,015**

PTPI

PTPI calculates and records provision of defined post-employment benefits for its employees in accordance with the Company's policy. Management believes that the provision for post-employment benefits for all permanent employees are adequate as required by the Indonesian Law No. 11/2020 and Indonesian Government Regulation No. 35/2021 concerning Job Creation.

As of 31 December 2021 and 2020, the accrued defined post-employment benefit liabilities are calculated by independent actuary, which uses the “Projected Unit Credit” method with the following key assumptions:

	2021	2020
Normal pension age	57 years	56 years
Discount rate	7.47%	7.55%
Salary increment rate	10.00%	10.00%

The movement in the present value of the defined benefit obligation is as follows:

in USD	2021	2020
Beginning balance	54,131	24,575
Current service cost	70,335	24,379
Interest cost	4,012	1,889
Actuarial gain from changes in financial assumptions	44,361	18,959
Actuarial loss from experience adjustments	50,207	(21,262)
Program changes	(46,232)	-
Foreign exchange differences	(295)	5,591
Ending balance	**176,519**	**54,131**

Details of post-employment benefit expense recognised in Consolidated Statement of Profit and Loss and Other Comprehensive Income are as follows:

in USD	2021	2020
Current service cost	70,335	24,379
Interest cost	4,012	1,889
Decrease in liabilities due to program changes	(46,232)	-
Component recognised in profit or loss	**28,115**	**26,268**
Actuarial (gain) loss from changes in financial assumptions	44,361	18,959
Actuarial (gain) loss from experience adjustments	50,207	(21,262)
Component recognised in other comprehensive income	**94,567**	**(2,303)**

The management has reviewed the assumptions and agreed that these assumptions are adequate. The management believes that the liability recognised is sufficient to cover the Group's liability for retirement plan.

20. SHARE CAPITAL AND OTHER RESERVES

	2021		2020	
	Number of shares	**USD**	**Number of shares**	**USD**
Issued ordinary Shares				
At the inception date	-	-	2	-
Opening	106,130,525	1,122,156		
Issued for cash	-		16,359,505	142,782
Issued for non-cash	26,523,386	265,235	89.771,018	126,444
Redenomination of shares			-	852,930
Total	**132,653,911**	**1,387,391**	**106,130,525**	**1,122,156**

During the period and following a utilisation request with Yorkville on 30 November 2020 for USD$500,000, and 2 December 2020 for USD$2,000,000, the company made a further request for USD$500,000 on 9 February 2021, and USD$500,000 on 15 April 2021. By 1 August 2021, $2,675,000 was converted for 11,438,112 shares. The residual note was acquired by OCS International Commodities and Investments FZCO ("OCS") on the 26th August 2021.

On the 3rd of March 2022, the company further made a utilisation request with Negma Group Ltd ("Negma") for CHF900,000, and then on the 28th of June 2022 for CHF750,000. Warrants were issued with both requests, firstly 1,500,000 warrants exercisable at CHF0.22 over 24 months. And secondly for 1,500,000 warrants exercisable at CHF0.23 over 24 months. By 31 December, Negma converted CHF1,650,000 for 11,562,499 shares. Of 5,000,000 shares, the delivery made through Share Lending from Heracles Investment Group Limited ("Heracles"). The obligation to deliver the final 6,562,500 shares was settled through the delivery of 3,500,000 shares on the 28th December 2021, and 6,000,000 shares on 24th May 2022. This settlement was reached to preserve sufficient share capacity for a change in Capital in August 2021 to complete a financing for the Company.

In August 2021, the company received shareholder commitments from SSUC for 10,000,000 shares at CHF0.20 a share. And Related Parties for 1,000,000 shares at CHF0.15. On the 26th August, 2021, OCS acquired the outstanding balance to Yorkville for CHF 900,000 of which $853,844 was used to redeem the note in return for 5,000,000 shares. This released a coverage commitment by Heracles to Yorkville, allowing Heracles to make available to the company up to 13m shares for share lending. Following the above transaction, Lotus Investment Group Ltd ("Lotus") committed to and paid USD$446,984 for 3,000,000 shares.

Shares were delivered initially through a share loan from MNC for 10m shares delivered to SSUCH with a 31 October 2021 redelivery date, and Heracles for the balance. An operational disruption in the middle of settlement resulted in this being deferred and required the company to redeliver the shares to MNC on the 14th December 2021 before a new share loan with MNC was established. Shares were delivered to the Related Parties for 1,000,000 shares and Others on the 14th December 2021, and borrowed but yet to be delivered to Lotus. As a result of the above, the remaining position is that Heracles has lent 12,562,499 shares as a subordinated loan to the company.

A share capital increase of 10,081,666 shares with a total amount of CHF2.311 million was executed on 14 December 2021 and shares redelivered to MNC.

After the 14th of December, the Company moved to complete an intended final part to the capital increase contemplated in August 2021, and received a commitment for USD$1m requiring a matching USD$1m. The Company failed to conclude that transaction and received USD$200,000 instead, and subsequent to year end moved to pursue other financing options.

SHARE PREMIUM

Details of the other reserves are as follows

in USD	2021	2020
Share premium from issued ordinary shares		
Issued for cash	5,759,347	5,759,651
Issued for non-cash	15,081,218	9,321,562
Redenomination of shares	(852,930)	(852,930)
Total	**19,987,635**	**14,228,283**

OTHER RESERVES

Details of the other reserves are as follows:

in USD	2021	2020
Employee share option plan reserve	6,507,437	5,194,775
Share warrant reserve	2,038,508	632,555
Translation difference	62,499	(77,793)
Total	**8,608,444**	**5,749,537**

a. Employee share option reserve

The employee share option reserve represents the equity-settled share options granted to employees. The reserve is made up of the cumulative value of service received from employees recorded over the vesting period commencing from the grant date of equity-settled share options and is reduced by the expiry or exercise of the share options.

The share options granted are pursuant to the Company's Stock Option Plan adopted by the Company on 3 August 2018, with its latest amendment on 22 November 2020, with a vesting period ranging between 6-48 months. In addition, the vesting period was accelerated by 6-12 months for certain employees when the Company was listed at the SIX Swiss Exchange.

The Company granted a total of 4,990,000 share options during the year ended 31 December 2021. The total options vested during the year were 3,294,964 and 247,146 options expired. As at the 31st December 2021 the number of unvested stock options was 3,479,307.

The fair values for share options granted during the year were calculated using the Black-Scholes pricing model. The inputs into the model of the year of granting were as follows:

	2021	2020
Weighted average share price	USD 0.28	USD 0.442
Expected volatility	192%	218%
Risk free rate	1.69%	0,77%

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of daily share prices.

b. Share warrant reserve

The share warrant reserve represents the 1,351,679 equity-settled warrants granted to Negma in 2020, with the right to convert into one share per one warrant of the Company within an exercise period of 5 years at a strike price of USD 0.34 to USD 1.09.

During the year 2021, 6,500,000 warrants were granted to Negma, OCS, Lotus, and SSUG.

The fair values for share options granted during the year were calculated using the Black-Scholes pricing model. The inputs into the model of the year of granting were as follows:

	2021	2020
Weighted average share price	USD 0.275	USD 0.468
Expected volatility	189%	211%
Risk free rate	0.09%	0.28%

c. Significant Shareholders

The following shareholders hold a participation of more than 3% of the issued share capital of the Group's ultimate parent Achiko AG

	2021	**2020**
Heracles Investment Group Limited	0.56%[1]	13.20%
PT Media Nusantara Citra Tbk	7.54%	9.45%
Neural Networks Limited	3.91%	5.20%
SSUG	7.54%	-

[1] Heracles Investment Capital Limited's ("Heracles") lending agreement has been provided to the Company to borrow against convertible notes, placements and other financings and as at year end. The company may be obligated to redeliver the shares immediately in the event of a change of control. Heracles interest would have been 11.74% if all shares it lent the company had been repaid on 31st December 2021

CAPITAL MANAGEMENT

The Groups capital management objectives of the business are;

- To ensure the Groups ability to continue as a going concern
- To provide to support its business and to maximise shareholder value

Management assesses the Group's capital requirements in order to ensure sufficient funding is available for operating purposes and to ensure that is can continue as a going concern and that it is not overindebted. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may issue new shares.

21. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

FAIR VALUE OF FINANCIAL INSTRUMENTS

All financial assets and liabilities recognised in the Consolidated Statement of Financial Position as of 31 December 2021 and 2020 approximate their fair values due to short-term maturities of these financial instruments.

The Group uses the following three-level hierarchy for determining and disclosing fair value of financial instruments by valuation technique:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There were no transfers between levels or changes to the valuation techniques during the period.

CATEGORIES OF FINANCIAL INSTRUMENTS

In USD	2021	2020
FINANCIAL ASSETS		
Financial assets at amortized cost		
Current assets		
Cash on hand and in banks	68,038	599,176
Trade and other receivables	26,207	54,111
Other short term financial assets	559,268	-
FINANCIAL LIABILITIES		
Financial liabilities at fair value through profit or loss		
Embedded derivative liability on convertible subordinated loan	-	92,805
Financial liabilities at amortized cost		
Trade and other payables	2,353,848	2,210,305
Accrued expenses	1,285,056	937,607
Convertible and subordinated loans	2,556,941	2,166,206

Convertible Subordinated Loan

The Company entered into a Convertible Subordinated Loan Facilities (the “Agreement”) during the year (Collectively the “Convertible Note Holders”).

Except for interest payments, all claims of the Convertible Note Holders against the Company under the Agreement are subordinated to the claims of all other creditors of the Company which are not equally subordinated.

The Convertible Note Holders, at their sole and absolute discretion, may elect to convert any amount outstanding under the Agreement to the Company's shares (the "Conversion Feature"). If the outstanding amount is not converted, the Company shall repay the total principal and interest amounts one year after the utilisation date.

Management has identified two components in the convertible subordinated loan: (i) the convertible subordinated loan as host contract; and (ii) related embedded derivative liability.

The embedded derivative liability is determined from the Conversion Feature, arising from the difference between the conversion price against the market price of shares at the date of conversion.

The Conversion Feature satisfies the definition of derivative as:

- The market price difference changes in response between the Company's changes in share price and conversion price;
- It requires a net investment that is smaller than otherwise would be required; and
- It is settled at a future date (at the date of conversion).

At initial recognition of the convertible subordinated loan, the embedded derivative liability is first measured at fair value, determined by the difference between the fair value of the Company's shares against the conversion price, where the equivalent shares basis is estimated at full conversion of the convertible subordinated loan. The residual value is assigned to the host contract.

Subsequent to initial recognition, the embedded derivative liability is measured at fair value through profit or loss, with changes in fair value recognized directly in profit or loss. The host contract is amortized using straight-line method over the term of the convertible subordinated loan.

Reconciliation of embedded derivative liability and ammortised cost financial liabilities are as follows:

Amortised cost financial liabilities

in USD	2021	
Balance at the start of the year	**(2,166,206)**	**-**
Balance at inception of the agreement	(4,957,777)	2,244,952
Interest and finance during the year	(806,266)	21,254
Settlement during the year	5,620,637	
Director fees subordinated	(225,867)	
Reconciling difference	(21,463)	(100,000)
Balance at end of year	**2,556,941**	**2,166,206**
Short term	**435,316**	**2,166,206**
Long term	**2,121,625**	**-**

Derivative liabilities at fair value

in USD	2021	2020
Balance at the start of the year	**92,805**	**-**
Fair value recognised at inception of the agreement	130,147	255,048
Gains and losses recognised	(222,952)	(162,243)
Fair value recognised at the end of the year	**-**	**92,805**

Finance Costs

in USD	2021	2020
Interest expense on borrowing at ammortised cost	806,266	-
Other interest at ammortised cost	32,396	33,913
Fair value gains and losses recognised	(222,952)	-
Total finance costs	**615,710**	**33,913**

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group, from its financial instruments, is exposed to certain financial risks such as market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The operational activities of the Group are managed in a prudent manner by managing those risks to minimise potential losses.

i. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates.

The Group does business transactions in several currencies and consequently is exposed to currency risk. The Company does not have a hedging policy for foreign exchange currency. However, the management continuously monitors currency risk and will consider hedging policies when significant currency risk arises.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or contractual future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Group is not exposed to interest rate risk as the Group's financial instruments have fixed interest rates.

iii. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group trades only with recognised and creditworthy third parties.

Bank accounts are held with financial institutions which are regulated and reputable.

The maximum exposure to credit risk is represented by the carrying amount of each class of financial assets in the

Consolidated Statement of Financial Position, which comprises cash on hand and in banks and all trade and other receivables. The Group does not hold any collateral as security.

iv. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to a shortage of funds.

The Group's exposure to liquidity risk arises primarily from mismatches in the maturities of financial assets and liabilities.

The Group monitors its liquidity needs by closely monitoring scheduled debt servicing payments for financial liabilities and its cash outflows due to day-to-day operations, as well as ensuring the availability of funding through mainly convertible subordinated loan facilities, both committed and uncommitted.

As of 31 December 2021 the maturity profile of Group's financial liabilities based on contractual undiscounted payments is mostly made up of creditors between six to twenty four months

22. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties primarily comprise members of the Board of Directors, members of the Advisory Board and members of the Executive Committee, and significant shareholders. Transactions with related parties are carried out at arm's length.

Outstanding balance from related parties recognized in the consolidated statement of financial position is as follows:

in USD	**2021**	**2020**
Prepaid expense		
Prepaid expenses - PT Media Nusantara Citra Tbk	650,000	650,000
Other short term financial asset – PT Achiko Medika Indonesia	559,268	-
Convertible subordinated loan – Heracles Investment Group Limited	(2,017,333)	-
Accrued expenses – PT Achiko Medika Indonesia	(87,692)	-
Accrued expenses – Directors and advisory board	(747,127)	(517,681)

The following table shows the compensation of Key Management Personnel (members of the Board of Directors, Advisory Board and Executive Committee):

in USD	**2021**	**2020**
Fees, salaries, and other short-term benefits	1,636,985	1,504,768
Share option-based compensation	742,400	421,802
Total	**2,379,385**	**1,926,570**

23. NOTES SUPPORTING THE STATEMENT OF CASH FLOWS

in USD	2021
Profit/loss before income tax:	(9,058,595)
Decrease in trade receivables & other	34,427
Increase in trade payables & other	629,167
Tax paid	-25,710
Non cash movements	3,168,040
TOTAL	**(5,252,671)**

24. GOING CONCERN

The Board of Directors and the management regularly assess the Group's ability to continue as a going concern and is of the opinion that subject to the items listed below, the Group is to be viewed as continuing in business for the foreseeable future. Accordingly, the Consolidated Financial Statements have been prepared on a going concern basis.

During the reporting period, the Company financed operations and product development with a range of convertible notes and direct investment. The Company also enacted cost management procedures in the middle of 2021 to reduce the costs and overheads especially with the Company's European footprint, and to focus on bringing AptameX to commercialisation.

The ongoing Covid-19 pandemic and it's shift to being considered as endemic continues to adversely impact many industries including the Group's operations internationally. These conditions cause uncertainty over the Group's timing to reach profitability and ability to continue as a going concern.

For the period ending 31 December 2021, the Group has recorded a net loss of USD $9,231,779 resulting in an increase of the Group's accumulated loss to USD $34,568,395. The Company also notes that Achiko AG is currently managing creditors, and that while the assets of the Group at the reporting date was negative $4.584m, it also has over USD $2.1m in subordinated loans.

The combination of cost reduction measures and financing has resulted in a number of operational successes as outlined in Note 25. These include successful product calibration and testing results in a commercial product form, sales and marketing contracts in Indonesia, production contracts in Indonesia and Taiwan, and a CE Mark registration.

The Company's access to capital to finance commercialisation efforts and to resolve it's indebtedness position is subject a number of factors, including:

a. Timing and success of Sales and Commercialisation efforts;
b. The support of the Company's creditors, shareholders and investors;
c. Approval at the General Meeting to increase the Share Capacity of the Company for 26,530,783 new shares; and
d. Successful use of the increase in share capital and support of the Company's shareholders and Investors through utilisation of the CHF10,000,000 Riverfort Equity Subscription Agreement and / or the CHF2,000,000 loan facility, or any alternative financing that the Company may secure.

25. EVENTS AFTER THE REPORTING DATE

The Company reports the following significant events after the reporting date:

1. **Successful calibration and verification of the product.**

   On 14 January 2022, the Company reported that calibration testing of its affordable, non-invasive Covid-19 saliva-based rapid test AptameX™ correctly differentiated 100% of test samples up until a comparable reverse transcription polymerase chain reaction (RT-PCR) cycle threshold (CT) value of 33, indicating the system's ability to deliver a >97% sensitive and > 97% specific rapid test at a wider range of viral loads than most other rapid tests.

2. Sales and Marketing Agreements in Indonesia

   On 20 April 2022, the Company signed a major marketing and sales agreement with Pengurus Wilayah Nahdlatul Ulama DKI Jakarta (PWNU), the Jakarta District of Nahdlatul Ulama, the largest Islamic organization in the world, located primarily in Indonesia, for the delivery of aptamer-based diagnostics, first to its Jakarta branch of over 4 million members, and on success, to the larger membership of over 90 million registered members. And further signed an updated agreement with Indofarma TbK to use Teman Sehat as a telehealth platform for it's diagnostic services. The combined contracts are to deliver:

   a. 1,000,000 tests before August 2021;

   b. On success, to deliver 5,000,000 tests per month from October 2022 to March 2023; and

   c. On success, to deliver 10,000,000 tests per month after March 2023.

   Tests are for but not limited to AptameX and may include other diagnostics that the Company may develop and commercialise. Additionally, the successful completion of each milestone is dependent on the Company's ability to finance and produce sufficient tests.

3. CE Mark Obtained for AptameX.

   On 17 May 2022, the Company announced it has successfully registered Aptamex™ under the European Union's Medical Device Research (MDR) and In Vitro Diagnostic Regulation (IVDR) and has obtained a CE Mark that grants it access to 27 countires in the European Union for its Covid-19 AptameX test and system.

4. Equity and Debt Financing

   a. On 4 April 2022, the Company completed an equity subscription agreement with Riverfort Global Opportunities PCC Limited ("Riverfort") for up to CHF 10 million financing over three years, the availability and timing of capital is subject to shareholder approval and the company's share capacity. In addition, the Company entered into an unsecured loan facility of up to CHF 2 million over 2 years with an immediate financing of CHF 300,000.

   b. On 25 May 2022, the Company completed a CHF 1.25 million financing with strategic investors Buranto AG and Negma Group. Buranta AG provided a loan facility of CHF 250,000 with the full amount drawn immediately. Derek Brandt, a co-owner of Buranto has also joined Achiko's Advisory Board. Negma Group provided a loan facility of CHF 1.0 million, with an immediate financing of CHF 500,000 and the balance to be drawn before 24th July 2022.

26. AUTHORISATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been authorised for issue by the Board of Directors of the Company, who are responsible for the preparation and completion of the Consolidated Financial Statements, on 26 June 2022.

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Report of the statutory auditor on the consolidated financial statements

to the General Meeting of the Shareholders of
Achiko AG, Zurich

Adverse Opinion
We have audited the consolidated financial statements of Achiko AG and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies, including the notes to the consolidated financial statements.

In our opinion, the enclosed consolidated financial statements (pages 36 to 75), due to the significance of the matter described in the "*Basis for Adverse Opinion*" paragraph of our report, do not give a true and fair view of the consolidated financial position and results of operations of the Group as at December 31, 2021, as well as the net income and cash flows for the financial year ended on this balance sheet date in accordance with International Financial Reporting Standards (IFRS) and do not comply with Swiss law.

Basis for Adverse Opinion
As a consequence of the 2021 losses and continuing investments in its product commercialization, the Group experienced liquidity difficulties, in addition, the Group's liabilities exceeded its assets by USD 4,584,926. The Group is currently unable to finance its short-term liabilities and product commercialization due to the fact that the required funds cannot be made available because of restrictions on available share capacity as of the reporting date. However, the ability to meet its financial obligations is a prerequisite for the Group's ability to continue as a going concern. Consequently, the consolidated financial statements should not have been prepared under the going concern assumption.
The Group plans to expand the share capacity at the upcoming General Meeting to facilitate further convertible subordinated loan financing or share subscriptions with strategic investors to ensure liquidity is available to refinance its creditors and to fund its operations and product commercialization.

We conducted our audit in accordance with Swiss Auditing Standards (SAS's), International Standards on Auditing (ISA's) and Swiss law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements'* section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and the legal requirements on licensing according to the Auditor Oversight Act (AOA), as well as 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 adverse audit opinion.

Report on Key Audit Matters based on the Circular 1/2015 of the Federal Audit Oversight Authority
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	**Our audit response**
Financial instruments classification, recognition and measurement in accordance with IFRS	
The Group has entered into convertible note arrangements to obtain financing for its operations. The accounting classification of a conversion feature as either an equity instrument or as a derivative can have a significant effect on the Group's consolidated financial statements. The conversion feature and its classification as derivative liability can give rise to volatility in the reported profit or loss. The Group is required to measure these derivatives financial liabilities at fair value and applied valuation techniques to determine the fair value of financial instruments not quoted in an active market. Valuation results can vary significantly when different valuation techniques and assumptions are applied. As at December 31, 2021, the financial liabilities of the Group measured at amortized costs amounted to USD 2,556,941 (2020: USD 2,166,206). The financial instrument classification and measurement requires the Group to assess and interpret the substance of the complex contractual agreements and requires calculations and decisions that require significant judgements and assumptions to be applied. We have therefore identified the financial instrument classification, recognition and measurement as a key audit matter. The Group's disclosure about its financial instruments are detailed in note 21.	We have performed the following audit procedures: We have assessed Management's methods and decisions taken to determine: • the correct debt / equity classification; • the separation of embedded derivatives from the host contract; • the fair value measurements. In addition, we: • performed tests of inputs and performed a mathematical accuracy check of the valuation model; • agreed the calculations to the recognized financial liability; • assessed the appropriateness of the information on the financial instrument disclosure.
Key Audit Matter	**Our audit response**
Change in key Management and finance team	
During the financial year 2021, changes occurred within the accounting department of Achiko AG and the Group, and the Chief Financial Officer position has changed twice during the year. A new Chief Financial Officer has been appointed at the beginning of 2022.	Our procedures in relation to the changes of key financial staff members included in particular: • We applied a higher level of professional skepticism. • We placed more reliance on substantive audit testing.

Based on the fact that key financial staff members have left the Group, there is an increased risk of misstatement due to the potential impact of these changes on the functioning of the controls, record keeping or knowledge transfer within the Group. The resource constraints and facts mentioned above led to significant delays in preparing the Annual Report and therefore complying with reporting requirements for the financial year ended 2021.	• We made inquiries with existing staff members, Management and the Board of Directors. • We examined the correspondences between the Company and other authorities, consultants and external service providers. • We discussed with Management the status of negotiations and examined announcements made by Management.
Key Audit Matter	**Our audit response**
Material uncertainty related to going concern	
We draw attention to note 24 in the consolidated financial statements describing the unsatisfactory business performance during the year. The Group's ability to continue as a going concern is dependent upon the successful commercialization of its AptameX product in Indonesia, the development of its operation and additional successful fundraising as well as continuing support of its creditors and shareholders. These facts together with other matters disclosed in note 24 indicates the existence of an uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. During our audit, we considered whether the preparation of the consolidated financial statements using the going concern basis of accounting and the presentation of the matters that may cast significant doubt on the Group's ability to continue as a going concern set out in the notes to the consolidated financial statements are appropriate.	Our procedures, amongst others, included the following: • We reviewed plans for future financing and operational measures, cash flow forecasts and assessed whether these are reasonable, and whether the plans are feasible in the circumstances of the situation. • We reviewed the liquidity forecasts and assessed whether the liquidity forecasts are plausible and whether the Board of Directors' plans are feasible in the circumstances of the situation. • We critically reviewed the Management's formal assessment of going concern. • We critically assessed the prospects for the successful fundraising. • We made inquiries with Management and the Chairman of the Board of Directors. • We critically reviewed the minutes of the Board of Directors and significant (financing) contracts. • In addition, we satisfied ourselves of the appropriateness of the disclosure made in the consolidated financial statements.

Other Information in the Annual Report

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

The other information in the Annual Report does not form part of our audit opinion on the consolidated financial statements and we do not make any assertions regarding this information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the Annual Report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As stated in the “*Basis for Adverse Opinion*” paragraph above, the consolidated financial statements should not have been prepared under the going concern assumption. We have concluded that the other information is materially misstated for the same reason.

Responsibilities of the Board of Directors for the Consolidated Financial Statements
The Board of Directors is responsible for the preparation of the consolidated financial statements in accordance with the provisions of Swiss law and International Financial Reporting Standards (IFRS) and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

As part of an audit in accordance with Swiss law, Swiss Auditing Standards and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements
In the course of our audit performed in accordance with article 728a paragraph 1 item 3 of the Swiss Code of Obligations and Swiss Auditing Standard 890, we noted that an internal control system for the preparation of the consolidated financial statements designed according to the instructions of the Board of Directors was adequately documented but not implemented in all material aspects.

In our opinion, the internal control system is not in accordance with Swiss law and accordingly we are unable to confirm the existence of the internal control system for the preparation of the consolidated financial statements.

We recommend that, despite the qualification set out in the "*Basis for Adverse Opinion*" paragraph, the consolidated financial statements submitted to you be approved on condition that the expansion of the share capacity at the upcoming General Meeting is approved to facilitate further convertible subordinated loan financing or share subscriptions with strategic investors. If this is not the case, or if no immediately effective remedial action can be taken, these consolidated financial statements should be rejected and returned to the Board of Directors for correction of the value basis.

Furthermore, we draw your attention to the fact that the audit of the conditional capital increase for the year ended December 31, 2021, was not performed within three months of the balance sheet date as required by article 653f of the Swiss Code of Obligations.

Zurich, June 26, 2022
Grant Thornton AG

Hermann Caspers Audit Expert Auditor in Charge	Nina Beutler Audit Expert

REPORT OF THE STATUTORY AUDITOR ON THE STAND-ALONE FINANCIAL STATEMENTS

STATUTORY FINANCIAL STATEMENTS OF ACHIKO AG, ZURICH
STATEMENT OF FINANCIAL POSITION
As of 31 December 2021

	Notes	2021 In USD	2021 In CHF	2020 In USD	2020 In CHF
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		29,882	27,225	360,492	317,743
Other current receivables					
Due from third parties		57,896	52,749	124,002	109,299
Due from group companies		1,763,132	1,606,390	637,143	561,588
Prepaid expenses	3.1	673,654	613,766	666,384	587,361
Total current assets		**2,524,564**	**2,300,130**	**1,788,021**	**1,575,991**
NON-CURRENT ASSETS					
Investments	3.2	175,026	159,466	144,762	127,595
Property, plant and equipment		-	-	830	732
Intangible assets		441,359	402,122	-	-
Total non-current assets		**616,385**	**561,588**	**145,592**	**128,327**
TOTAL ASSETS		**3,140,949**	**2,861,718**	**1,933,613**	**1,704,318**
LIABILITIES AND SHAREHOLDERS' EQUITY					
SHORT-TERM LIABILITIES					
Trade payables					
Due to third parties		1,498,757	1,365,518	1,201,404	1,058,937
Due to group companies		77,764	70,850	204,987	180,679
Due to shareholders		39,806	36,267	42,495	37,455
Accrued expenses					
Due to third parties		112,864	102,830	651,023	573,822
Due to shareholders		851,419	775,728	-	-
Other accruals and deferred income		133,870	121,970	125,000	110,178
Total short-term liabilities		**2,714,480**	**2,473,163**	**2,224,908**	**1,961,071**
LONG-TERM LIABILITIES					
Subordinated loan	3.3	2,479,709	2,259,263	2,400,000	2,115,398
Other long-term liabilities					
Due to related parties (subordinated)		104,293	95,021	-	-
Due to shareholders (subordinated)		121,575	110,767	-	-
Total long-term liabilities		**2,705,577**	**2,465,051**	**2,400,000**	**2,115,398**
TOTAL LIABILITIES		**5,420,057**	**4,938,214**	**4,624,908**	**4,076,469**
SHAREHOLDERS' EQUITY					
Share capital		1,387,391	1,326,539	1,122,156	1,061,305
Legal capital reserves					
Reserve from capital contribution		20,620,190	19,238,437	14,860,843	14,003,79
Loss carried forward		(18,674,295)	(17,396,664)	(9,332,304)	(8,874,476)
Loss for the year		(5,612,394)	(5,130,290)	(9,341,990)	(8,522,188)
Translation reserve		-	(114,518)	-	(40,586)
TOTAL SHAREHOLDERS' EQUITY		**(2,279,108)**	**(2,076,496)**	**(2,691,295)**	**(2,372,151)**
TOTAL LIABILITIES AND SHAREHOLDERS` EQUITY		**3,140,949**	**2,861,718**	**1,933,613**	**1,704,318**

STATUTORY FINANCIAL STATEMENTS OF ACHIKO AG, ZURICH
STATEMENT OF PROFIT OR LOSS
For the year ended 31 December 2021

	Notes	2021 in USD	2021 in CHF	2020 in USD	2020 in CHF
REVENUE		**-**	**-**	**-**	**-**
OPERATING EXPENSES					
Personnel expenses		(1,090,871)	(997,166)	(1,227,209)	(1,119,516)
Research and development expenses		(367,773)	(336,182)	(634,865)	(579,153)
Quality management and regulatory affairs expenses		(485,856)	(444,121)	(148,563)	(135,526)
Other operating expenses	3.4	(2,752,106)	(2,515,702)	(4,719,784)	(4,305,601)
Depreciation, amortisation and impairment					
Depreciation and amortisation		(764)	(698)	(332)	(304)
Impairment on investment		-	-	(2,519,822)	(2,298,696)
Impairment of receivables		(458,178)	(418,819)	-	-
LOSS BEFORE INTEREST AND TAXES		**(5,155,548)**	**(4,712,688)**	**(9,250,575)**	**(8,438,796)**
Financial income		-	-	2,905	2,650
Financial expenses		(325,145)	(297,214)	(94,320)	(86,042)
OPERATIONAL LOSS BEFORE TAXES		**(5,480,693)**	**(5,009,902)**	**(9,341,990)**	**(8,522,188)**
Extraordinary, non-recurring or prior-period costs		(129'717)	(118,574)	**-**	**-**
LOSS BEFORE TAX		**(5,610,410)**	**(5,128,476)**	**(9,341,990)**	**(8,522,188)**
Direct tax benefit (expense)		(1,984)	(1,814)	-	-
LOSS FOR THE YEAR		**(5,612,394)**	**(5,130,290)**	**(9,341,990)**	**(8,522,188)**

1. GENERAL INFORMATION

Achiko Limited (the "Company"), established on 25 May 2018, registered in the corporate register of Zurich on 18 June 2020 with registered office in Zurich, Switzerland, is a publicly listed company, whose shares are traded on the SIX Swiss Exchange since 8 November 2019.

Effective 18 June 2020, the Company: (i) relocated its domicile to Zurich, Switzerland; (ii) re-incorporated under the laws of Switzerland without liquidation and new incorporation in accordance with article 161 and 162 IPRG; and (iii) changed its name from Achiko Limited to Achiko AG. The disclosed information for the financial year 2021 as well as the comparative figures for the year 2020 contain the full calendar year.

The number of full-time equivalents of employees did not exceed 10 on an annual average basis during 2021 and 2020.

2. ACCOUNTING PRINCIPLES APPLIED IN THE PREPARATION OF THE FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (article 957 to 963b of the Swiss Code of Obligations).

The preparation of these financial statements requires the Board of Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, contingent liabilities, revenue and expenses. The Board of Directors uses judgment in applying the Company's accounting policies. Depreciations, write-downs and provisions exceeding the economically necessary amounts can be accounted for based on prudence considerations.

These financial statements have been prepared on the historical cost basis unless indicated otherwise in the functional currency of the company which is USD. The Board of Directors believes that the Company will continue as going concern for the foreseeable future. Comparative information has been prepared using the same accounting principles.

Significant balance sheet items are accounted for as follows:

Receivables
Receivables include current receivables and loans and are recorded at cost respectively at nominal value, less economically necessary individual valuation allowances if considered necessary.

Investments
Investments in subsidiaries as well as investments in other undertakings are recorded at their purchase price less any impairment loss if necessary. Impairment losses are recorded where there is considered to be permanent diminution in value. At least once a year, an impairment assessment is performed.

Property, plant and equipment
Tangible assets are recognized at cost, less accumulated depreciation and any impairment losses. Cost includes the purchase price and costs directly attributable to the asset to put it in place and in the right condition for the use for which it was acquired.

Intangible assets
Intangible assets mainly consist of development costs in connection with the Company's Covid-19 AptameX test and system. Expenditure on the research phase of projects under development is recognized as an expense as incurred. Costs that are directly attributable to a project's development phase are recognized as intangible assets, provided they meet all of the following recognition requirements:

- the development costs can be measured reliably
- the project is technically and commercially feasible
- the Company intends to and has sufficient resources to complete the project
- the Company has the ability to use or sell the asset, and
- the Company will generate probable future economic benefits.

Development costs not meeting these criteria for capitalisation are expenses as incurred. The intangible assets are recognized at cost, less accumulated depreciation and any impairment losses.

Liabilities
Liabilities are stated at the higher of the nominal or repayment value.

Recognition of revenue
Revenues comprise all proceeds from the sale of products and services. Revenues are calculated on the basis of the product or service actually provided to the customer up to the balance sheet date. These revenues are recognised if the amount of revenue can be reliably measured, and it is sufficiently probable that the economic benefits will flow to the company.

Foreign currencies
To disclose CHF amounts for all information presented in the financial statements as required by article 958d paragraph 3 of the Swiss Code of Obligations, the USD balance sheet amounts – except for the equity accounts – have been translated from USD to CHF using period-end exchange-rates. Equity accounts have been converted using historical foreign exchange rates. The exchange rate differences resulting from this translation of the equity accounts have been charged to the translation reserves as part of the equity.

The individual income statement accounts have been translated using average exchange rates of the period. The resulting differences between the result of the period according to the balance sheet and the result of the period according to the income statement has been charged to the translation reserve as part of the equity.

The exchange rates used to calculate the CHF amounts disclosed in these financial statements are as follows:

USD / CHF	**2021**	**2020**
Assets and liabilities	0.91	0.88
Share capital	0.91	0.88
Capital contribution reserves	Prior year closing	Prior year closing
Profit / loss brought forward	Prior year closing	Prior year closing
Profit and loss statement	0.91	0.91

Additional disclosures, statement of cash flows and Status Report
In accordance with article 961d paragraph 1 of the Swiss Code of Obligations the company is exempted from the requirement to present additional information in the notes, to present a cash flow statement and to present a management report.

3. DETAILS, ANALYSES AND EXPLANATIONS

3.1 Prepaid Expenses

The major component of the Prepaid expenses represent a media placement value from PT Media Nusantara Citra Tbk in the amount of USD 650,000, which is to be used in 2022 for advertising the AptameX product.

	2021 in USD	2021 in CHF	2020 in USD	2020 in CHF
Prepaid MNC Airtime	650,000	592,215	650,000	572,921
Prepayments – other	17,423	15,874	9,124	8,041
Advances - other	6,231	5,677	7,260	6,399
Total Prepayments	**673,654**	**613,766**	**666,384**	**587'361**

3.2 Investments

Name	City, Country	Percentage of direct ownership Share / Voting Rights 2021 / 2020	Investment in USD 2021 / 2020	Investment in CHF 2021 / 2020
Achiko Switzerland AG (ACH)	Zurich, Switzerland	100.00% / 100.00%	- / 57,428	- / 50,618
Gamespark Interactive Limited (GP)	Hong Kong	100.00% / 100.00%	-	-
Globimedia Network Pte. Ltd. (GMN)	Singapore	100.00% / 100.00%	-	-
PT Progressivmedia Indonesia (PTPI)	Jakarta, Indonesia	0.00% / 0.00%[1]	87,334 / 87,334	79,570 / 76,977
Kryptonite Korea Co., Ltd. (KN)	Seoul, South Korea	100.00% / 100.00%	-	-
PT Achiko Medika Indonesia	Jakarta Indonesia	50% / 0.00%	87,692 / -	79,889 / -
TOTAL		-	**175,026 / 144,762**	**159,459 / 127,595**

1. PTPI is a 100% controlled so-called "Variable Interest Entity" (VIE) incorporated in Indonesia.

The investments are prudently impaired due to ongoing loss situations.

3.3 Subordinated Loans

in USD	2021	2020
Heracles Investment Group Limited	2,044,393	-
Negma Group	435,316	-
Yorkville	-	2,400,000
Total subordinated loans	**2,479,709**	**2,400,000**

The remaining subordinated debt relates to outstanding loans to Heracles and Negma pursuant to confidential share lending agreements entered into by the company with those parties, enabling the company to borrow shares in order to facilitate settlement in connection with convertible agreements for financing purposes.

3.4 Other Operating Expenses

	2021 in USD	2021 in CHF	2020 in USD	2020 in CHF
Legal and professional expenses	1,870,152	1,709,507	3,660,708	3,339,464
Finance and Listing expenses	522,246	477,385	774,020	706,096
Public relations and investor relations expenses	284,474	260,037	199,615	182,098
Marketing expenses	1,844	1,686	27,839	25,396
Travel and transportation expenses	4,862	4,445	17,742	16,185
Office expenses	68,528	62,642	39,859	36,362
Other operating expenses	**2,752,106**	**2,515,702**	**4,719,783**	**4,305,601**

3.5 Significant Shareholders

The following shareholders hold a participation of more than 3% of the issued share capital of the Company:

	2021	2020
Heracles Investment Group Limited	0.56%	13.20%
Neural Networks Limited	3.91%	5.20%
PT Media Nusantara Citra TBK	7.54%	9.45%
SSUG	7.54%	0%

3.6 Shares and Options Held by Management, Administrative Bodies and Employees as of 31 December 2021

	Number 2021	In USD 2021	In CHF 2021
Shares			
Members of the Board of Directors, Advisory Board and Executive Board	1,112,321	212,376	193,544
Employees of Achiko AG	355,000	67,586	61,770
Options			
Members of the Board of Directors, Advisory Board and Executive Board	9,633,990	6,524,857	5,937,619
Employees of Achiko AG and its subsidiaries according to the Employee Stock Option Plan	4,945,104	1,648259	1,499,916

3.7 Significant Events Occurring after the Balance Sheet Date

The Company reports the following significant events after the reporting date:

Successful calibration and verification of the product.

On 14 January 2022, the Company reported that calibration testing of its affordable, non-invasive Covid-19 saliva-based rapid test AptameX™ correctly differentiated 100% of test samples up until a comparable reverse transcription polymerase chain reaction (RT-PCR) cycle threshold (CT) value of 33, indicating the system's ability to deliver a >97% sensitive and > 97% specific rapid test at a wider range of viral loads than most other rapid tests.

Sales and Marketing Agreements in Indonesia

On 20 April 2022, the Company signed a major marketing and sales agreement with Pengurus Wilayah Nahdlatul Ulama DKI Jakarta (PWNU), the Jakarta District of Nahdlatul Ulama, the largest Islamic organization in the world, located primarily in Indonesia, for the delivery of aptamer-based diagnostics, first to its Jakarta branch of over 4 million members, and on success, to the larger membership of over 90 million registered members. And further signed an updated agreement with Indofarma TbK to use Teman Sehat as a telehealth platform for it's diagnostic services. The combined contracts are to deliver:

c. 1,000,000 tests before August 2021;

d. On success, to deliver 5,000,000 tests per month from October 2022 to March 2023; and

e. On success, to deliver 10,000,000 tests per month after March 2023.

Tests are for but not limited to AptameX and may include other diagnostics that the Company may develop and commercialise. Additionally, the successful completion of each milestone is dependent on the Company's ability to finance and produce sufficient tests.

CE Mark Obtained for AptameX.

On 17 May 2022, the Company announced it has successfully registered Aptamex™ under the European Union's Medical Device Research (MDR) and In Vitro Diagnostic Regulation (IVDR) and has obtained a CE Mark that grants it access to 27 countires in the European Union for its Covid-19 AptameX test and system.

Equity and Debt Financing

f. On 4 April 2022, the Company completed an equity subscription agreement with Riverfort Global Opportunities PCC Limited ("Riverfort") for up to CHF 10 million financing over three years, the availability and timing of capital is subject to shareholder approval and the company's share capacity. In addition, the Company entered into an unsecured loan facility of up to CHF 2 million over 2 years with an immediate financing of CHF 300,000.

g. On 25 May 2022, the Company completed a CHF 1.25 million financing with strategic investors Buranto AG and Negma Group. Buranta AG provided a loan facility of CHF 250,000 with the full amount drawn immediately. Derek Brandt, a co-owner of Buranto has also joined Achiko's Advisory Board. Negma Group provided a loan facility of CHF 1.0 million, with an immediate financing of CHF 500,000 and the balance to be drawn before 24th July 2022.

3.8 Going concern

The Board of Directors and the management regularly assess the Company's ability to continue as a going concern and is of the opinion that subject to the items listed below, the Company is to be viewed as continuing in business for the foreseeable future. Accordingly, the Consolidated Financial Statements have been prepared on a going concern basis.

During the reporting period, the Company financed operations and product development with a range of convertible notes and direct investment. The Company also enacted cost management procedures in the middle of 2021 to reduce the costs and overheads especially with the Company's European footprint, and to focus on bringing AptameX to commercialisation.

The ongoing Covid-19 pandemic and it's shift to being considered as endemic continues to adversely impact many industries including the Group's operations internationally. These conditions cause uncertainty over the Company's timing to reach profitability and ability to continue as a going concern.

For the period ending 31 December 2021, the Company has recorded a net loss of USD $5,612,394 resulting in an increase of the Company's accumulated loss to USD $24,286,689. The Company also notes that Achiko AG is currently managing creditors, and that while the assets of the Company at the reporting date was negative USD$ 2,279,108, it also has USD $2,705,577 in subordinated loans.

The combination of cost reduction measures and financing has resulted in a number of operational successes as outlined in Note 25. These include successful product calibration and testing results in a commercial product form, sales and marketing contracts in Indonesia, production contracts in Indonesia and Taiwan, and a CE Mark registration.

The Company's access to capital to finance commercialisation efforts and to resolve it's indebtedness position is subject a number of factors, including:

a. Timing and success of Sales and Commercialisation efforts;
b. The support of the Company's creditors, shareholders and investors;
c. Approval at the General Meeting to increase the Share Capacity of the Company for 26,530,783 new shares; and
d. Successful use of the increase in share capital and support of the Company's shareholders and Investors through utilisation of the CHF10,000,000 Riverfort Equity Subscription Agreement and / or the CHF2,000,000 loan facility, or any alternative financing that the Company may secure.

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Report of the Statutory Auditor

To the General Meeting of the Shareholders of
Achiko AG, Zurich

Report of the Statutory Auditor on the Financial Statements
As Statutory Auditor, we have audited the financial statements (pages 82 to 89) of Achiko AG, Zurich, which comprise the balance sheet as at December 31, 2021, 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 association. 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 (SAS's). 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 adverse audit opinion.

Basis for Adverse Opinion
As a consequence of the 2021 losses and continuing investments in its product commercialization, Achiko AG experienced liquidity difficulties, in addition, the Company's liabilities exceeded its assets by USD 2,279,108. The Company is currently unable to finance its short-term liabilities and product commercialization due to the fact that the required funds cannot be made available because of restrictions on available share capacity as of the reporting date. However, the ability to meet its financial obligations is a prerequisite for the Company's ability to continue as a going concern. Consequently, the financial statements should not have been prepared under the going concern assumption.

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The Company plans to expand the share capacity at the upcoming General Meeting to facilitate further convertible subordinated loan financing or share subscriptions with strategic investors to ensure liquidity is available to refinance its creditors and to fund its operations and product commercialization.

Adverse Opinion

In our opinion, because of the significance of the matter described in the "*Basis for Adverse Opinion*" paragraph, the financial statements for the year ended December 31, 2021, do not comply with Swiss law and the Company's articles of association.

Report on Key Audit Matters based on the Circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Our audit response
Valuation and accuracy of investments in and loans due from subsidiaries	
As of December 31, 2021, total assets include investments in the amount of USD 175,026 (2020: USD 144,762) and loans from group companies in the amount of USD 1,763,132 (2020: TUSD 637,143). This represents about 62% (2020: 40%) of the total assets. Due to the extent of these positions as well as significant Management judgement and estimates, we consider the impairment testing of investments and loans to subsidiaries to be a key audit matter. Management compares the net book values of the individual investments to the Company's share in the net assets of the respective companies. If the net book value exceeded the net assets or if other impairment indicators were identified, Management tests the respective investments and loans for impairment. The impairment evaluation involves judgement, in particular with regards to estimates concerning revenue growth, expectations about future market developments and assumptions about the development of macroeconomic factors are also taken into account. The result of this assessment is highly dependent on the estimation of the Management with regard to the future cash flows of the respective companies, the growth rate and other assumptions, and is therefore subject to considerable uncertainty. Against this background and due to the complexity of the valuation, this matter was of particular importance in the context of our audit.	We adopted the following approach and performed the following audit procedures: • We obtained Management's impairment evaluation and obtained an understanding of the impairment and methodology applied. • We evaluated the reasonableness of the key judgments and estimates applied by Management during the impairment evaluation process. • We evaluated the completeness, accuracy and relevance of the input data used for the impairment evaluation. • We inspected the financial position and performance of the subsidiaries to evaluate the completeness of Management's impairment assessment and to identify whether there were any additional indicators of impairment. • We obtained and inspected relevant agreements. • We assessed the appropriateness of the disclosure made in the financial statements.

(Refer to note 3.2 of the financial statements)	
Key Audit Matter	**Our audit response**
Change in key Management and finance team	
During the financial year 2021, changes occurred within the accounting department of Achiko AG, and the Chief Financial Officer position has changed twice during the year. A new Chief Financial Officer has been appointed at the beginning of 2022. Based on the fact that key financial staff members have left the Company, there is an increased risk of misstatement due to the potential impact of these changes on the functioning of the controls, record keeping or knowledge transfer within the Company. The resource constraints and facts mentioned above led to significant delays in preparing the Annual Report and therefore complying with reporting requirements for the financial year ended 2021.	Our procedures in relation to the changes of key financial staff members included in particular: • We applied a higher level of professional skepticism. • We placed more reliance on substantive audit testing. • We made inquiries with existing staff members, Management and the Board of Directors. • We examined the correspondences between the Company and other authorities, consultants and external service providers. • We discussed with Management the status of negotiations and examined announcements made by Management.
Key Audit Matter	**Our audit response**
Material uncertainty related to going concern	
We draw attention to note 3.8 in the financial statements describing the unsatisfactory business performance during the year. The Company's ability to continue as a going concern is dependent upon the successful commercialization of its AptameX product in Indonesia, the development of its operation and additional successful fundraising as well as continuing support of its creditors and shareholders. These facts together with other matters disclosed in note 3.8 indicates the existence of an uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. During our audit, we considered whether the preparation of the financial statements using the going concern basis of accounting and the presentation of the matters that may cast significant doubt on the Company's ability to continue as a going concern set out in the notes to the financial statements are appropriate.	Our procedures, amongst others, included the following: • We reviewed plans for future financing and operational measures, cash flow forecasts and assessed whether these are reasonable, and whether the plans are feasible in the circumstances of the situation. • We reviewed the liquidity forecasts and assessed whether the liquidity forecasts are plausible and whether the Board of Directors' plans are feasible in the circumstances of the situation. • We critically reviewed the Management's formal assessment of going concern. • We critically assessed the prospects for the successful fundraising. • We made inquiries with Management and the Chairman of the Board of Directors. • We critically reviewed the minutes of the Board of Directors and significant (financing) contracts. • In addition, we satisfied ourselves of the appropriateness of the disclosure made in the financial statements.

Other Information in the Annual Report

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

As stated in the "*Basis for Adverse Opinion*" paragraph above, the financial statements should not have been prepared under the going concern assumption. We have concluded that the other information is materially misstated for the same reason.

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 11 of the Auditor Oversight Act and article 728 of the Swiss Code of Obligations) and that there are no circumstances incompatible with our independence.

In the course of our audit performed in accordance with article 728a paragraph 1 item 3 of the Swiss Code of Obligations and Swiss Auditing Standard 890, we noted that an internal control system for the preparation of the financial statements designed according to the instructions of the Board of Directors was adequately documented but not implemented in all material aspects.

In our opinion, the internal control system is not in accordance with Swiss law and accordingly we are unable to confirm the existence of the internal control system for the preparation of the financial statements.

We recommend that, despite the qualification set out in the "*Basis for Adverse Opinion*" paragraph, the financial statements submitted to you be approved on condition that the expansion of the share capacity at the upcoming General Meeting is approved to facilitate further convertible subordinated loan financing or share subscriptions with strategic investors. If this is not the case, or if no immediately effective remedial action can be taken, these financial statements should be rejected and returned to the Board of Directors for correction of the value basis.

We draw attention to the fact that Achiko AG is over-indebted as per article 725 paragraph 2 of the Swiss Code of Obligations. Due to the fact that the Company's creditors subordinated their claims amounting to USD 2,705,577 as at December 31, 2021 and additional subordinated loans were received after year end, amounting to USD 750,000, the Board of Directors has refrained from notifying the court.

Furthermore, we draw attention to the fact that should the expansion of the share capacity at the upcoming General Meeting not be approved, or other short-term restructuring measures fail to be implemented on a timely basis, the provisions of article 725 paragraph 2 of the Swiss Code of Obligations must be complied with.

Furthermore, we draw your attention to the fact that the audit of the conditional capital increase for the year ended December 31, 2021, was not performed within three months of the balance sheet date as required by article 653f of the Swiss Code of Obligations.

Zurich, June 26, 2022
Grant Thornton AG

Hermann Caspers Audit expert Auditor in charge	Nina Beutler Audit expert

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Note on possible future-oriented statements
This report contains statements that constitute forward-looking statements. In addition, in the future, Achiko AG, and others on Achiko AG's behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, but are not limited to, statements relating to the following:
- plans, targets or goals;
- future economic performance or prospects;
- the potential effect on future performance of certain contingencies; and
- assumptions underlying any such statements.

Words such as "believes," "anticipates," "expects," "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Achiko AG does not intend to update these forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. Achiko AG cautions the reader that a number of important factors could cause results to differ materially from the plans, targets, goals, expectations, estimates and intentions expressed in such forward-looking statement