

VALUATION, GOING CONCERN AND REFERENCE PRICE CONSIDERATIONS

The Company, in the period to June 2025, continues to be loss making.

However, the Company believes that the products that it has created it, which are now ready to take to market through the mechanisms described in this Information Memorandum, are of genuine value.

In order to give credence to this belief, the Company has commissioned independent research by Trown Partners, a Zurich based consultancy (<https://trown.ch/>). Trown's work has focussed on the value of the Company's products (as opposed to the enterprise) and their analytical approach together with their conclusions are summarised as follows:

1. The valuation of K2G's AI Agent products is based on a triangulated, evidence-driven framework combining three complementary approaches:

- independent industry studies and cost reports;
- comparable InsurTech startup financings;
- bottom-up reproduction-cost analysis.

2. This multi-perspective methodology ensures that the resulting valuation is technically grounded, market-aligned, and transparent.

- **Studies & Reports:** Leading analyses from McKinsey (2023), TechMagic (2025), and Inside-IT (2024) indicate that advanced enterprise-grade AI systems typically require CHF 5–8 Mio. in development and deployment investment. K2G's architecture, data foundation, and regulatory readiness align with this segment, confirming their products' positioning among mature AI solutions in the insurance domain.
- **Comparable InsurTech Startups:** Public funding data from InsurTech companies such as Tractable, Shift Technology, Lemonade, and Akur8 were adjusted for R&D allocation by funding stage. The implied technology investment per product lies between CHF 5–10 Mio., providing a market-based validation of the estimated product value.
- **Reproduction Cost Analysis:** A bottom-up calculation based on Swiss and Western European cost structures shows that reproducing a single AI Agent would cost approximately CHF 3.0–5.0 Mio., while developing a multi-agent orchestration platform would require CHF 6–10 million or more. This represents the product's economic floor value – the cost to rebuild comparable functionality today.

Across all three analytical perspectives, K2G's AI Agents consistently fall within the CHF 5–8 Mio. range per mature single agent. Including the five AI Agents and the K2G Box as the underlying platform component, the indicative total product valuation amounts to approximately CHF 35–52 Mio.

The product «in-revento» has not been included in this valuation due to insufficient available information and limited market maturity.

The key consideration, therefore, is whether the Company can continue to raise sufficient working capital so that it is in a position to realise the considerable value in what it has built. The Directors believe that, given the current financing arrangements as described in Section 4.8, this is the case and, consequently, the forecasts for growth and profitability, as described in Section 4.8, are realistic.

The Company believes that a Reference Price of **€4.00** per Ordinary Share is appropriate.

This belief is based on subscriptions made by independent investors since October 2025 for **112,625** shares at an average price of **CHF 4.48**, together with the issuance of **228,095** shares in relation to the conversion of a corporate bond at **CHF 4.25** per share.