

**beaconsmind  
group**



**FREDERIX**   
hotspot

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# **Financial Report**

## **for full fiscal year**

### **2021/2022**

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## Short Portrait

Founded in Switzerland in 2015, beaconsmind AG is at the forefront of location-based marketing (LBM) software, WiFi infrastructure systems, and WiFi Guest Hotspots, catering to sectors such as retail chains, hospitality, healthcare, and the public sector. The beaconsmind Group with its subsidiaries under the beaconsmind umbrella is recognized for its expertise in digital transformation, Location-Based Marketing, infrastructure, and Wi-Fi services for SaaS clients. Through intelligent, entirely cloud-based technologies, we deliver tangible added value to our clients, empowering their omnichannel strategies with enhanced success.

By fitting stores with Bluetooth beacons and WiFi Hotspots that precisely locate and identify customers, and by integrating its Software Suite, beaconsmind opens a brand-new channel for retailers to interact with their customers concurrently laying the foundational infrastructure for a digital horizon.

Through its innovative solutions, beaconsmind enables retailers to seamlessly merge digital and in-store shopping experiences, effectively bridging the convenience disparities inherent in each. Beyond offering Software as a Service (SaaS) with beacons and WiFi hotspots tailored for retailers, we extend our solutions to public sectors, hospitality, and healthcare industries. The specialists at beaconsmind are committed to delivering top-tier, dependable infrastructure systems—including LAN, WiFi, Coax, DSL, WAN, and Firewalls—to ensure our clients are primed for the digital future.

Enabling customers to fundamentally transform the shopping experience for customers in physical stores, beaconsmind offers the beaconsmind software suite, coupled with Bluetooth iBeacons and WiFi to be installed at point-of-sale. Our localisation technology and beaconsmind software suite allows our customers to converge digital and physical shopping and create a seamless customer journey.

beaconsmind has been awarded with different prizes since inception that underpin its outstanding product, technological edge, and customer-oriented approach. It was awarded with the Best Enterprise solution prize in 2016 and Best-In-Store Solution and Top Retail Supplier prize in 2017 by Reta Europe. Additionally, it also won a Microsoft BizSpark Plus Program sponsoring from Microsoft.

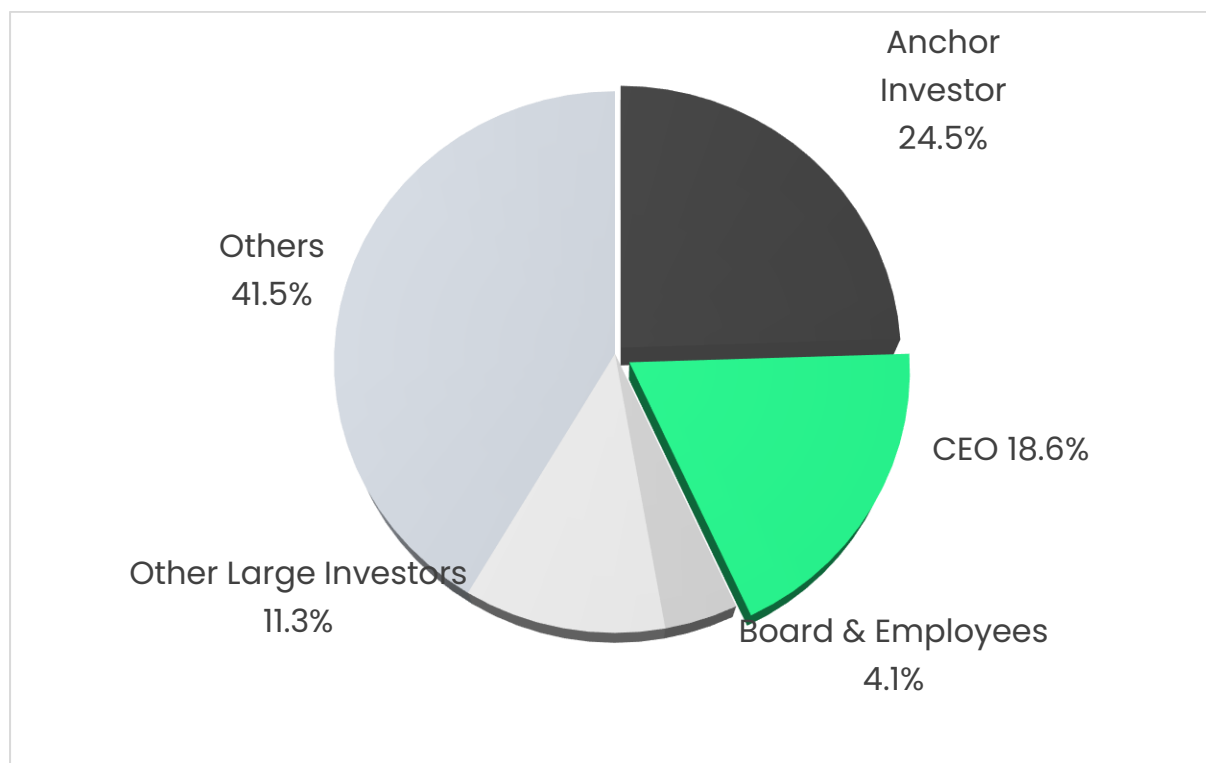
The shares of the company (ISIN: CH0451123589 – Ticker: MLBMD) are listed on the Frankfurt Stock Exchange with XETRA trading and on Euronext in Paris.

For more information, please visit [www.beaconsmind.com](http://www.beaconsmind.com)

## beaconsmind Share

Share Class	Ordinary shares
Number of shares	2,688,884 <sup>(1)</sup>
Market Capitalization	32,804,385 <sup>(2)</sup>
ISIN	CH0451123589
Ticker	A2QN5W

### Shareholder Split



Note: (1) As of 30/06/2022 (2) Market Cap of Xetra Stock Exchange as close of 30/06/2022 with share price of EUR 12.20

# Balance Sheet as of 30.06.2022

beaconsmind Group AG, Stäfa

CHF	Note	30.06.22	30.06.2021 <sup>*</sup>
<b>Assets</b>			
<b>Current assets</b>			
Inventories	9	90'000	15'540
Trade and other receivables	10	1'306'078	117'215
Accrued income and prepaid expenses	11	419'068	198'584
Cash and cash equivalents	12	2'968'898	675'349
<b>Total current assets</b>		<b>4'784'044</b>	<b>1'006'688</b>
<b>Non-current assets</b>			
Property, plant and equipment	6	353'211	19'295
Right-of-use assets	7	354'238	130'303
Intangible assets	8	276'078	138'551
Financial Assets		41'279	-
Deferred tax assets	20	13'251	8'355
<b>Total non-current assets</b>		<b>1'038'058</b>	<b>296'504</b>
<b>Total assets</b>		<b>5'822'102</b>	<b>1'303'192</b>
<b>Equity and Liabilities</b>			
<b>Current liabilities</b>			
Borrowings	19	-	62'047
Lease liabilities	7	130'165	63'773
Trade and other payables	18	1'032'542	129'627
Accrued expenses and deferred income		685'584	371'904
<b>Total current liabilities</b>		<b>1'848'291</b>	<b>627'351</b>
<b>Non-current liabilities</b>			
Employee benefit obligations	16	66'717	42'262
Borrowings	19	18'528	60'000
Lease liabilities	7	246'000	68'241
Other non-current liabilities		-	-
Deferred income	17	-	16'171
<b>Total non-current liabilities</b>		<b>331'245</b>	<b>186'674</b>
<b>Total liabilities</b>		<b>2'179'536</b>	<b>814'026</b>
<b>Equity</b>			
Share capital	14	268'888	210'888
Capital Reserve		14'508'811	8'890'537
Retained earnings		(11'095'669)	(8'612'259)
Cumulative Translation Adjustment		(39'465)	-
<b>Total equity</b>		<b>3'642'566</b>	<b>489'166</b>
<b>Total equity and liabilities</b>		<b>5'822'102</b>	<b>1'303'192</b>

# Profit and Loss Statement as of 30.06.2022

beaconsmind Group AG, Stäfa

CHF	Note	1 July 2021 - 30 June 2022	1 July 2020 - 30 June 2021*
<b>Net Revenue</b>	2	<u>1'987'242</u>	<u>568'526</u>
Direct cost	3	(196'105)	(34'770)
Personnel expenses	4	(1'580'931)	(563'285)
Other operating expenses	4	<u>(2'456'504)</u>	<u>(4'476'359)</u>
<b>Loss before interest, taxes, depreciation and amortisation (EBITDA)</b>		<u>(2'246'298)</u>	<u>(4'505'889)</u>
Depreciation, amortisation and impairment		(219'699)	(119'517)
<b>Loss before interest and taxes (EBIT)</b>		<u>(2'465'997)</u>	<u>(4'625'406)</u>
Financial income	5	40'064	-
Financial expenses	5	(73'211)	(12'057)
<b>Loss before income taxes</b>		<u>(2'499'144)</u>	<u>(4'637'463)</u>
Income tax	20	(7'283)	(817)
<b>Loss for the period</b>		<u>(2'506'427)</u>	<u>(4'638'280)</u>
<b><u>Earnings per share</u></b>			
Earnings and diluted earnings per share	22	<u>(1.04)</u>	<u>(2.32)</u>

# Management report

The report is regarding the full fiscal year 2021/2022 (01/07/21 – 30/06/22) and this will be the last full fiscal year report of beaconsmind AG in which the fiscal year and calendar year are different. The financial year of beaconsmind Group will be changed from 01st July – 30th June to 01st January – 31st December. These financial statements are prepared for the 6 months period from 1st July 2022-31st December 2022, while the comparative figures are for the 12 months period from 1st July 2020-30th June 2021.

## A. Company Fundamentals

### I. Business Activities

The company continued its dynamic growth course during the reporting period and successfully entered new markets. Furthermore, beaconsmind was able to expand existing cooperations with companies and gain numerous large companies as customers. The good operational business development was, therefore, also reflected by the key financial ratios 2021/2022.

### II. Market and Portfolio

During the the 2021/2022 financial year, the beaconsmind AG realised two projects with one of its minority shareholders (shareholding <5%), Suxsess Holding AG.

Between July 2021 and December 2021, beaconsmind AG had commissioned services in the areas of corporate consulting services, blockchain ICO conceptualisation and related legal opinions as well as in the areas of IT, marketing and software.

In the first half of 2021/2022, beaconsmind AG actively sought growth financing and was already in contact with various capital providers from the private equity sector as well as with institutional investors, including in the context of organised roadshows. The desired financing commitments failed to materialise in this phase due to the current difficult market situation and the company's minority shareholder, Suxsess Holding AG, was to be involved in order to provide parallel support within the framework of an ICO, so that further equity could be raised via this new financing measure.

During the reporting period, the BFL Group, a leading international discounter from the United Arab Emirates (UAE), was one of the companies which decided to deploy the beaconsmind solution in its stores. By using the beaconsmind Suite software, the BFL Group has new interaction and communication channels at its disposal, with which customers can be provided with tailor-made offers. Other new customers between July 2021 and June 2022 include the Czech fashion chain Prodes, the fitness chain UFC Gym, the Italian jewellery retailer Nove 25 and the fashion retailer Maison-B-More from the UAE.

## B. Special Events

The highlights of fiscal 2021/2022 included the company's successful IPO in the Scale market segment of the Frankfurt Stock Exchange in April 2022. In addition to the listing in Scale, beaconsmind's shares can also be traded on the electronic stock exchange Xetra. By listing its shares on the Frankfurt Stock Exchange and Xetra, beaconsmind has positioned itself even

more broadly on the capital market and significantly increased its visibility among international investors.

The company received a financing commitment of CHF 5,500,000 from its institutional investor (anchor investor), who is still active today, in December 2021 and a capital increase was successfully carried out, the company was in a position to complete the measures commissioned with Suxsess Holding AG.

Between January 2022 and June 2022, beaconsmind AG commissioned Suxsess Holding AG to drive forward the development of sales in selected countries. In addition to sales development itself, services in the area of market-specific legal opinions (DSGVO/app terms and conditions/use and consumer information) as well as concept development and consulting for the implementation of the beaconsmind Suite software in partner apps and shops were also taken on.

## **C. Financial situation**

### **Summary**

beaconsmind has prepared consolidated financial statements in accordance with the IFRS accounting standard for the first time for fiscal 2021/2022 and will also report for the first time its key financial figures in euros in addition to the Swiss franc.

### **Earnings position**

In accordance with IFRS, sales revenues increased significantly by 249.54 percent from CHF 0.57 million to CHF 1.99 million. Annual recurring revenues (ARR) of the beaconsmind Suite software made up around 90 percent of total sales revenues. Services, hardware and installation revenues accounted for the remaining 10 percent. Earnings before interest, taxes, depreciation and amortisation (EBITDA) improved from CHF -4.51 million to CHF -2.25 million. The gross profit margin was 90.13 percent (prior year: 93.88 percent).

### **Balance Sheet**

Total assets as of 30 June 2022 stood at CHF 5.8MM which marks an increase of 4.5MM compared to the period ending in June 2021. The Group posted a cash position of 3.0MM as of 30 June 2022. Trade receivables increase to 1.3MM (CHF 0.1 MM, June-21).

On the liability side, trade payables have been increased to CHF 1.0MM driven by growing demand. Furthermore, borrowing stood at CHF 19k, which is minimal.

Capital reserves as of June 2022 stood at CHF 14.5MM (CHF 8.9MM June-21). The total equity position increased from CHF 0.5MM (June-21) to 3.6MM.

## **D. Opportunities, Risks and Outlook**

### **Opportunities**

#### **- Operational Integration and Synergies Through New Product Offering**

beaconsmind Group is expected to grow via multiple layers of growth including organic, internationalization and new vertical expansion growth. Conservative and stable



organic growth within the customer base with high single digits is expected over the upcoming years. beaconsmind seeks to expand its vertical across multiple layers through acquisitions, including POS expansion, Hotspots Expansion, and Infrastructure expansion. Currently beaconsmind has a dominant focus in the German and European market and further internationalization is expected with growth in new regions/countries like Middle East.

Within the framework of a sales licence, beaconsmind also offers its beaconsmind Suite software to third-party providers in the form of a white-label solution so that they can offer the beaconsmind Suite software directly to end customers without having to actively involve beaconsmind in the sales process. beaconsmind offers ongoing technical support and consulting services on demand as part of the licence. Suxcess One GmbH, a company of Suxcess Holding AG, is one of the licensees of beaconsmind AG. In the 2021/2022 financial year, the licensing expenses amounted to CHF 1,460,614 as revenue for the company within the scope of technology use in the markets of Austria, Portugal, Spain and the Czech Republic.

With the setup of the beaconsmind Suite software as a white label solution within the framework of a licensing model, the distribution partner can use the beaconsmind Suite software to establish a new sales and marketing channel for their end customers, which they would not be able to establish themselves due to a lack of expertise, budget and technology. The using company therefore benefits from a mature software solution, which is already implemented in over 40 countries and can be used immediately, without the risk of significantly higher investments in the development of in-house software to develop it and which lacks a crucial time-to-market component.

At the end of June 2022, beaconsmind AG had receivables of CHF 1,122,255 from the Suxcess Holding AG.

## **Risks**

### **Effective Integration of Acquisitions and Internal Processes**

The seamless integration of new add-on acquisitions and the expedited advancement of internal processes are pivotal to unleashing anticipated synergies and maintaining operational coherence. The complexity of merging new entities into our existing structure presents considerable challenges, from aligning corporate cultures to integrating operational systems and processes. Swift and strategic integration is essential to prevent disruption, maximize the potential of our expanded capabilities, and deliver on the promise of these investments. Any delay or inefficiency not only hinders our immediate performance but also poses long-term risks to innovation and market responsiveness, potentially ceding advantages to competitors. By recognizing these risks, we underscore the necessity for a structured, agile approach to our integration strategies, ensuring that we capture the full value of our acquisitions while sustaining momentum in our ongoing operations.

### **Geopolitical Instabilities**

The ongoing conflict in Ukraine and the resulting instability in the market, especially in Europe, pose significant risks. This volatile environment could affect supply chains, consumer confidence, and overall market stability, potentially impacting our operational efficiency and profit margins.

### **Speed of Digital Transformation**

The pace of digital transformation is another significant risk factor, as delays can lead to a loss of competitive edge. It's crucial that we and our clients adapt swiftly to digital changes to capitalize on market opportunities and maintain relevance in a rapidly evolving digital landscape.

### **Economic Climate in Central Europe**

Despite the current subdued economic atmosphere in Central Europe, our industry, particularly the IT sector, continues to witness robust investment trends. Sectors such as Retail, Healthcare, and Public Services are on the cusp of substantial digital transformation programs. This paradigm shift not only buffers us against broader economic headwinds but also heralds significant growth opportunities. The urgency for digitalization across these sectors is accelerating, driven by the need for efficiency, customer-centric solutions, and innovative service delivery. This climate presents us with a fertile landscape for expansion and the chance to position ourselves as integral partners in our clients' digital transformation journeys. By leveraging our expertise and solutions in these burgeoning areas, we foresee a future replete with possibilities, allowing us to thrive even amidst general economic uncertainties.

In accordance with its risk policy, beaconsmind AG only takes on risks that are unavoidable in the context of value creation, but which can be controlled. An internal control system (ICS) is established and in use in the company and is periodically adjusted based on the given dynamics. beaconsmind AG also regularly reviews its business objectives, processes, and control measures. Despite regular review and further development of risk management, risks cannot be completely excluded.

### **Outlook**

After the balance sheet date beaconsmind AG had five major developments.

Strategically beaconsmind finalized the acquisition of 51% of the shares of Frederix GmbH, a market leading Hotspot provider with a large and international customer base mainly from retail and real estate industry. The closing of this transaction was executed on February 2nd, 2023. The financial effects of this transaction can not be quantified at this point of time.

This acquisition will allow beaconsmind to further develop the product offering and at the same time open direct contacts to the Frederix customer base in order to win the Frederix customers also for the beaconsmind AG location based marketing solution. Frederix itself acquired 100% of the shares of Ingenieurbüro Netopsie helping to further grow its Hotspot business.

Secondly beaconsmind AG finalized the company foundation process of the new subsidiary beaconsmind (Shanghai) Co., Ltd. in Shanghai, China. Which reflects the next milestone in the rollout of the internationalization strategy leading to further market entries in KSA and the USA which are currently prepared for 2023.

Furthermore, beaconsmind finalized the acquisition of 100% of the shares of Socialwave GmbH in a further acquisition and coherent extension of its business model as a B2B Point-of-Sales solution provider. The signing of this transaction was executed on March 31st, 2023.

The financial effects of this transaction cannot be quantified at this point of time.

Socialwave is a fully automated location-based marketing service provider offering guest Wi-Fi as well as additional online (Bluetooth) and offline (NFC, QR-codes) technologies collecting guest data for efficient review collections, marketing campaigns, recommendation marketing, and customer analytics. This acquisition will allow beaconsmind to further develop the product offering and at the same time open direct contacts to the Frederix customer base in order to win the Frederix customers also for the beaconsmind AG location based marketing solution. Additionally beaconsmind AG successfully completed an equity raise of CHF 1,937,062.50 to increase the share capital from authorized capital with 258,275 new shares issued. The new shares are entitled to participate in profits from 29 March 2023 onwards.

Lastly Michal Krupinski has resigned from the Board of Directors on March 28th, 2023 and Martin Niederberger and Jonathan Sauppe joined the Board of Directors of beaconsmind AG on March 29th, so with Michael Ambros, Max Weiland and Jörg Hensen the Board of Directors consists of five members since then.

Stäfa, 5 April 2023

The Board of Directors

# Additional Information

## **Disclaimer**

This report contains forward-looking statements based on the current assessments and forecasts of the board of directors, as well as the currently available market information. These forward-looking statements should not be interpreted as guarantees of expected developments and results.

Instead, future developments and results are subject to a variety of risks and uncertainties and are based on assumptions that may prove to be incorrect. We do not undertake any obligation to update these forward-looking statements.

Neither the company nor any of its affiliated entities shall be liable for losses arising directly or indirectly from the use of this report.

## **Mathematical Roundings**

Percentage figures and numbers in the tables, graphics, and text of this report may contain rounding differences for computational reasons.

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# Impressum

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