Financial Report
for full year of 2024

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swissnet

Short Portrait

Founded in Switzerland in 2015, swissnet 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 swissnet Group with its subsidiaries under the swissnet 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 and WiFi Hotspots that precisely locate and identify customers, and by integrating its Software Suite, swissnet 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, swissnet 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 swissnet 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, swissnet offers the swissnet software suite, coupled with Bluetooth iBeacons and WiFi to be installed at point-of-sale. Our localisation technology and swissnet software suite allows our customers to converge digital and physical shopping and create a seamless customer journey.

The swissnet specialists are strategically positioned in offices across Berg (Switzerland), Munich, Dresden, Hannover (Germany), and Dubai (UAE). They are dedicated to empowering our international clientele to spearhead successful location-based marketing campaigns and to develop steadfast IT infrastructure systems. The shares of the company (ISIN: CH0451123589 – Ticker: MLBMD) are listed on the Frankfurt Stock Exchange with XETRA trading.

For more information, please visit www.swissnet.ag

swissnet Share

Share Class	Ordinary shares
Number of shares	8,484,798
Market Capitalization	57,272,387 [1]
ISIN	CH0451123589
Ticker	A2QN5W

Shareholder Split
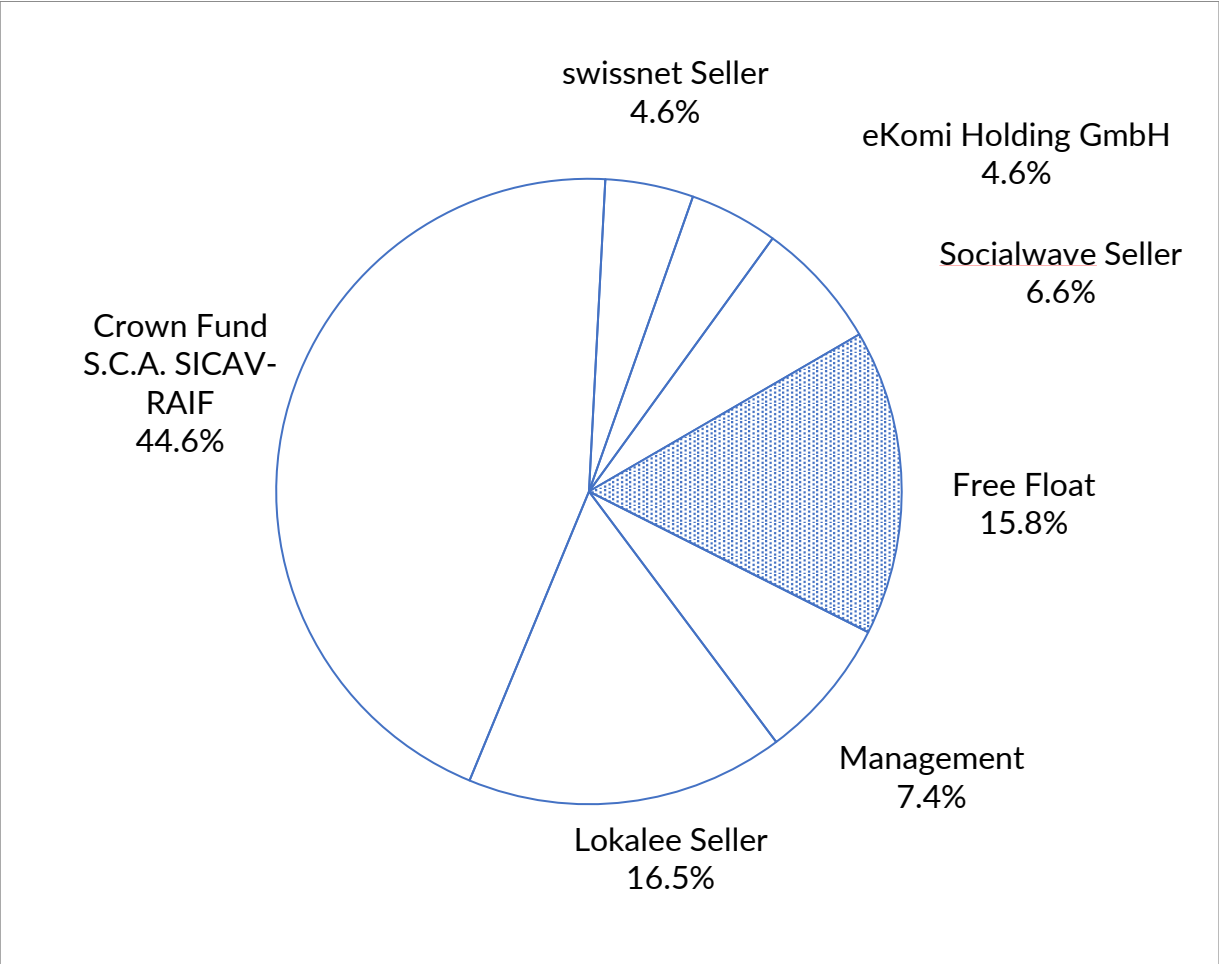
Note: (1) Market Cap of Xetra Stock Exchange as close of 27/06/2024 with a share price of EUR 6.75

Balance Sheet as of 31.12.2024

swissnet Group AG, Berg

Assets	FY 2024	FY 2023
Non-current assets		
Goodwill	2,922,847	2,922,847
Intangible assets	10,122,296	10,974,625
Property, plant and equipment	615,534	993,476
Right-of-use assets	329,132	409,392
Financial assets	-	27,891
Deferred tax assets	1,701,473	-
Non-current assets	**15,691,282**	**15,328,231**
Current assets		
Inventories	419,844	501,919
Trade and other receivables	2,839,495	2,721,684
Prepayments and other receivables	1,435,921	32,418
Cash and cash equivalents	4,396,406	754,533
Current assets	**9,091,666**	**4,010,554**
Total assets	**24,782,948**	**19,338,785**
Equity and liabilities		
Share capital	554,933	469,933
Capital reserve	31,119,311	26,874,104
Equity share based payment reserve	85,302	-
Translation reserve	(281,367)	(316,531)
Accumulated losses	(20,883,805)	(20,093,903)
Equity attributable to owners of the Group	**10,594,374**	**6,933,603**
Non-controlling interests	241,506	189,772
Total equity	**10,835,880**	**7,123,375**
Liabilities		
Non-current liabilities		
Borrowings	6,549,704	6,416,287
Employee benefit obligations	62,650	62,650
Lease liabilities	156,229	181,881
Deferred tax liabilities	2,467,582	2,190,750
Total non-current liabilities	**9,236,165**	**8,851,568**
Current liabilities		
Borrowings	1,068,410	873,703
Trade and other payables	1,833,017	1,026,711
Accruals and other liabilities	1,618,345	1,209,555
Lease liabilities	191,131	253,873
Total current liabilities	**4,710,903**	**3,363,842**
Total liabilities	**13,947,068**	**12,215,410**
Total equity and liabilities	**24,782,948**	**19,338,785**

Profit and Loss Statement as of 31.12.2024

swissnet Group AG, Berg

in CHF	FY 2024A	FY 2023A
Net Revenue	**13,066,134**	**6,171,880**
Direct cost	(4,426,070)	(1,238,215)
Personnel expenses	(4,453,929)	(3,236,387)
Other operating expenses	(1,682,252)	(2,086,487)
Adj. EBITDA[*]	**2,503,883**	**(389,209)**
Depreciation, amortisation and impairment	(1,902,368)	(1,631,588)
EBIT	**601,515**	**(2,020,797)**
Financial income	147,439	2,989
Financial expenses	(740,115)	(802,520)
EBT	**8,839**	**(2,820,328)**
Income tax reversal/(expense)	1,252,461	(44'069)
Net Income/(Loss)	**1,261,300**	**(2'864'397)**
Earnings per share		
Earnings and diluted earnings per share	**0.23**	**(0.61)**
Other comprehensive loss/(income)	35,575	(298'989)
Net Income/(Loss)	**1,296,875**	**(3'163'386)**

Note: (*) Adj. EBITDA Includes adjustments for non-recurring M&A expenses and restructuring costs

Management report

The following business report is a condensed status report that primarily focuses on deviations from the previous full year's financial statements. For a comprehensive overview, please refer to the audited IFRS full year report as of 31 December 2024.

A. Company Fundamentals

I. Business Activities

The business model has been strengthened by three consecutive acquisitions (Frederix, Netopsie, Socialwave, T2 and Kadsoft) that have been concluded in FY 2023. These acquisitions are expected to be accretive for the financial profile of the Group, which are fully reflected in the full year financial results of 2024. In November 2024, it was announced that the business will be bolstered by the acquisition of swissnet AG and swissnet ICT ("Swissnet") and acquisition of Lokalee. These were closed and consolidated from January 2025 onwards. The Group changed its name to swissnet from that point onwards. The Group has also entered the joint venture Swissnet MENA with a leading global ICT hospitality provider from the MENA region to better tap into the high potential of the hospitality industry.

II. Market and Portfolio

Through the strategic acquisitions of Frederix, Netopsie, Socialwave, T2 and Kadsoft, the swissnet Group has substantially bolstered its WiFi Hotspot division, infrastructure, and Software as a Service (SaaS) segment. Frederix and Netopsie both bring significant and growing customer relationships into the group. Specifically, Frederix enhances the WiFi profile by contributing extensive expertise in WiFi services and network infrastructure, thereby reinforcing swissnet Group's overall prowess. Simultaneously, Netopsie, with its specialized knowledge in network technology and digital transformation within the Healthcare and Hospitality sectors, marks a critical expansion point.

The acquisition of Socialwave dramatically expands the swissnet Group's SaaS portfolio, augmenting it with thousands of successful customer relationships. As a market leader in Germany for WiFi Hotspot Marketing, Socialwave aligns seamlessly with swissnet's Bluetooth marketing solutions, enabling the group to offer customers an even broader range of solutions in location-based marketing.

Through the acquisition of Lokalee, an AI-powered SaaS platform providing digital concierge services for the hospitality sector, swissnet gains access to innovative technology for personalized lifestyle recommendations, events, and activities curated by local insiders, which also expands its services in B2B sector.

The Management at swissnet anticipates robust synergies emerging from these acquisitions, attributed to their complementary business models and substantial potential for upselling and cross-selling, which will materialize progressively.

With these acquisitions, swissnet Group has concluded the strategic transformation into two synergetic segments: Infrastructure and Software/SaaS and will provide reporting of financials

on these two segments going forward. The Group also successfully expanded into hospitality vertically.

swissnet Group's Infrastructure segment mainly includes the backbone Frederix, Netopsie, T2 and Kadsoft businesses while the Software/SaaS segment is composed of the Socialwave, Lokalee and former swissnet Suite product offering. The new management team has established a new swissnet Group offering selecting a best-in-class infrastructure and software offering on a modular basis. As part of the strategic alignment, the Group is poised to unveil an integrated product that will merge the advantages of the WiFi solutions provided by Frederix and Socialwave with swissnet's Bluetooth-based LBM software. This all-encompassing product will feature a cloud-driven WiFi solution and hotspot system, furnishing clients with real-time, detailed statistics and data, thereby facilitating the evaluation of usage metrics across various locations. This insight is pivotal for retailers to comprehend their customer base more profoundly and to craft optimal marketing campaigns.

First customer PoCs have started across all product offerings confirming revenue synergies next to the already implemented cost synergies being fully realized.

swissnet Group Delivers Comprehensive Technology Solutions Across The Entire Digital Customer Value Chain

SaaS	Connectivity Solutions	Managed Infrastructure	Media Solutions
Marketing Hotspot Solutions	Internet Service Provider	Managed Wi-Fi	Managed Digital Signage
High scalable Wi-Fi Management	Managed Service Provider	Managed UCC	Conference Technology
Feedback tools	High redundancy WAN	Managed Network	Video Surveillance
AI-based concierge solution	SD-WAN	Managed IT-Security	Video Walls
Auto App LogIn	Planning, Consulting, Monitoring, Implementation		Projectors
			Live Streaming

With swissnet Group as a holistic provider, customers enjoy seamless integration, reliability, and cost efficiency across all their digital communication needs

In addition to these advancements, swissnet is actively pursuing a trajectory of continued growth through further strategic acquisitions. We are steadfast in our commitment to identifying and integrating companies that align with our vision and enhance our product offerings, market reach, and technological capabilities. This deliberate expansion strategy is integral to our objective of maintaining leadership and setting innovative standards in location-based services and solutions, thereby delivering unparalleled value to our customers and stakeholders.

Moreover, in our continuous effort to innovate and simplify digital transformation for our retail clients, we have recently developed a new white-label app specifically designed for location-based marketing. This cutting-edge application, crafted over the past few months, features an integrated customer loyalty program, making it even more convenient for retail clients to navigate their digital transition. By offering a customizable platform that retailers can adapt to their branding while leveraging sophisticated location-based technologies, we are further

empowering them to engage with their customers in a more personalized and efficient manner. This development underscores our dedication to facilitating our clients' digital journeys and enhancing their customer engagement strategies through innovative technological solutions.

B. Special Events

With respect to reporting, the financial year of swissnet Group has been amended from 1 July to 30 June to 1 January to 31 December. Hence, FY2023 is swissnet's first fiscal year, which will correspond to the respective calendar year.

Strategically, swissnet had six add-on acquisitions, namely Frederix (1 February 2023), Netopsie (23 February), Socialwave (1 May 2023), T2 and Kadsoft (31 December 2023), and Lokalee and Swissnet (15 January 2025).

- Strategically swissnet 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 the retail and real estate industry. The closing of this transaction was completed on 1 February 2023. The total purchase price for this acquisition was EUR 2MM fully financed by issuing 155,500 new swissnet shares to the seller. As part of this acquisition, the swissnet offering will be expanded in the future to include the SaaS review platform of eKomi, which offers end-to-end solutions for B2B customers. On July 27, 2023, the contract to acquire an additional 11%, bringing the total to 62% of the shares of Frederix was signed.
- Furthermore, Frederix also acquired 100% of the shares of Netopsie for a total purchase price of EUR 500k fully financed by liquidity at hand at Frederix on February 27, 2023. Netopsie DSL and Netopsie Koaxial are solutions to quickly and easily build a network and provide internet in every room, e.g. in a hospital or nursing home, without having to lay new cables. In addition, the company supports the planning and realisation of complex infrastructure solutions for the connection of modern IOT solutions. Through this transformative acquisition, swissnet will significantly expand its value chain and massively diversify its customer and revenue base.
- Moreover, swissnet acquired 100% of the shares of Socialwave GmbH further expanding its business model as a B2B Point-of-Sales solution provider and adds to the range of solutions that are already offered. The total purchase price was set at EUR 10MM through a combination of low-coupon debt, cash and 350,000 new swissnet shares to the sellers. The transaction finalized on 1 May 2023. This acquisition will allow swissnet to further develop the product offering and at the same time increase its customer base having direct access to existing Socialwave customers, whereby swissnet's AG location-based marketing solution can be offered.
- On August 31, 2023, the contract to acquire 100% of the outstanding shares of Lindentor 1181. V V GmbH, located in Berlin, as well as its two subsidiaries KADSOFT Computer GmbH, located in Freital, and T2 Vertrieb GmbH, located in Lage, was signed. The purchase price was EUR 2,792,000 in cash and shares of swissnet AG, Lindentor, along with its subsidiaries, operates in the field of communication technology and, through its subsidiaries, employs 20 people. The deal was finalized on 31 December 2023. The combined run-rate revenue of both companies amounts to EUR 3.2MM and EUR 550k EBITDA including cost synergies. Accretive effect on Group financials will be fully captured in the FY2024 annual figures with a closing in December 2023.
- Swissnet acquired 100% shares of Advanced Digital Technology DWC-LLC ("Lokalee").

swissnet

> The purchase price of CHF 11.6MM for all shares in Lokalee was financed by a new vendor loan of CHF 1.3MM with a term of 12 months and the issue of 2,075,472 new swissnet shares with a 12-month lock-up agreement to the sellers. The transaction was finalized as of 15 of January 2025. Through the acquisition of Lokalee, an AI-powered SaaS platform providing digital concierge services for the hospitality sector, swissnet gains access to innovative technology for personalized lifestyle recommendations, events, and activities curated by local insiders, which also expands its services in B2B sector.

- A 100% stake of Swissnet AG and Swissnet ICT ("Swissnet") was acquired by swissnet Group for a total purchase price consideration of CHF 9.7MM. The purchase price for the acquisition of Swissnet consists of a cash payment of CHF 3.5MM, a vendor loan of CHF 1.5MM with a term of 12 to 18 months and the issue of 860,000 new swissnet shares to the sellers. The new shares are subject to a lock-up agreement of 12 months. To finance the cash component, swissnet carried out a cash capital increase.

With the acquisitions of the T2 and Kadsoft, swissnet Group has concluded its strategic transformation into two synergetic segments: Infrastructure and Software/SaaS and will provide reporting of financials on these two segments going forward.

swissnet Group's Infrastructure segment mainly includes the backbone Frederix, Netopsie and newly acquired T2 and Kadsoft businesses while the Software/SaaS segment is composed of the Socialwave, Lokalee, swissnet MENA and swissnet AG.

Apart from the beforementioned acquisitions, swissnet has successfully completed six equity raises in 2023 and 2024 with a total volume of CHF 14.95MM.

Equity raised in 2023

- The first cash capital increase of CHF 1.86MM increased the share capital by 258,275 new shares. The new shares are entitled to participate in profits from 29 March 2023 onwards.
- The second capital increase in kind was successfully completed on 31 March 2023 amounted to CHF 2.4MM and issued 350,000 new shares to Socialwave shareholders.
- The third cash capital increase was successfully completed on 21 April 2023 amounted to CHF 1.42MM and increased the share capital by 196,667 new shares.
- On July 28 a cash capital increase of CHF 1.44MM and capital increase in kind of issuance of 75,000 new shares to the seller of FREDERIX were announced.
- On October 16 a cash capital increase of CHF 1.62MM and on October 24 the capital increase in kind of issuance of 300,000 shares to the seller of Kadsoft and T2 were announced. As a result of these capital increases, the share capital of swissnet Group increased to CHF 469'932.60.

Equity raised in 2024

- On December 10th a cash capital increase of CHF 4.45MM through the issuance of 850,000 new shares as a part of the acquisition of swissnet and Lokalee.

Lastly, there have been changes to management and board composition at swissnet. Michal Krupinski has resigned from the Board of Directors on 28 March 2023 and Martin Niederberger and Jonathan Sauppe joined the Board of Directors of swissnet AG on 29 March 2023. Jörg Hensen left the Board of Directors on 15 June 2023 and Max Weiland left the Board on 31 July 2023. In addition, Andreas Wyss joined the Board of swissnet AG on 5 October 2023 and

Christian Legros on 8 August 2024. On January 29, the executive team was expanded with the addition of Roger Tabbal as the new CEO of swissnet International and Head of MENA region. With Michael Ambros, Jonathan Sauppe, Martin Niederberger, Andreas Wyss and Christian Legros, the Board of Directors currently consists of five members.

Following a challenging year 2022 and a successful conclusion of its restructuring measures including change of strategy in 2023, swissnet Group has achieved CHF 2.5MM EBITDA for the full year of 2024.

C. Financial situation

Summary

In the full year of 2023 and 2024, swissnet AG embarked on comprehensive cost optimization initiatives and sought to leverage synergies at its headquarters in Berg and through its recent acquisitions, Frederix, Netopsie, Socialwave, Lokalee and Swissnet. These strategic measures manifested significant financial and operational benefits throughout 2024.

Part of the overarching group strategy involved targeted efforts to capitalize on synergies and boost efficiency. This included reducing staff at the headquarters level while concurrently bolstering expertise by expanding specialist roles. Both the marketing and international sales functions were restructured to operate as unified entities, enhancing efficiency and solidifying market positioning.

Moreover, the software divisions of Frederix, Socialwave, and the swissnet Suite were amalgamated to promote operational efficiency and a cohesive product development strategy. The Dubai office underwent a realignment focused exclusively on the international promotion of the group's new products, thereby reinforcing our global presence and potential for international growth.

These measures are foundational for a robust standing in 2024, positioning the company for sustained growth. Through these strategic moves, swissnet AG ensures optimal readiness to build on current successes and seize forthcoming opportunities in the rapidly evolving digital landscape.

With the new management change, the Group has announced a cost-cutting programme of total CHF 1.0MM that has been fully implemented through centralizing its range of products and services, critical functions and operations. These are fully reflected in 2024 financials.

Though foundational for future growth with already materializing synergies, the acquisitions of Lokalee and Swissnet are yet to be consolidated and are thus not reflected in the financials below.

Earnings position

In 2024, swissnet Group achieved revenues of CHF 13.1MM (112% increase compared to CHF 6.2MM in 2023), beating previous guidance of CHF 12.9MM. The revenues are primarily attributed to the latest acquisitions of Socialwave, Frederix, Netopsie (Lokalee and swissnet AG are yet to be consolidated in 2025). The group posted an adjusted EBITDA of 2.5MM for the reporting period (compared to -0.4MM in 2023). On an EBITDA level, Socialwave made

the largest EBITDA contribution within the Group. This confirms the profitable run-rate previously communicated.

Balance Sheet

Total assets as of 31 December 2024 stood at CHF 24.8MM which marks an increase of 5.5MM compared to the 31 of December 2023. The increase is a result of the recent M&A activity at the Group level resulting in the acquisitions of T2 and Kadsoft. The Group posted a cash position of 4.4MM as of 31 December 2024, which is an increase of 3.6MM compared to end of last year. Trade receivables increased to 2.9MM (CHF 2.7MM, Dec-23) driven by new client demand from new subsidiaries.

In Q4 2024, the Group raised CHF 4.45MM in connection with the acquisition of Swissnet and Lokalee. On the liability side, borrowing stood at CHF 7.6MM coming mainly from a term loan from Socialwave.

Capital reserves as of December 2024 stood at CHF 31.1MM (CHF 26.9MM Dec-23). The total equity position increased from CHF 6.9MM (December-23) to 10.8MM driven by increased capital reserves.

D. Opportunities, Risks and Outlook

Opportunities
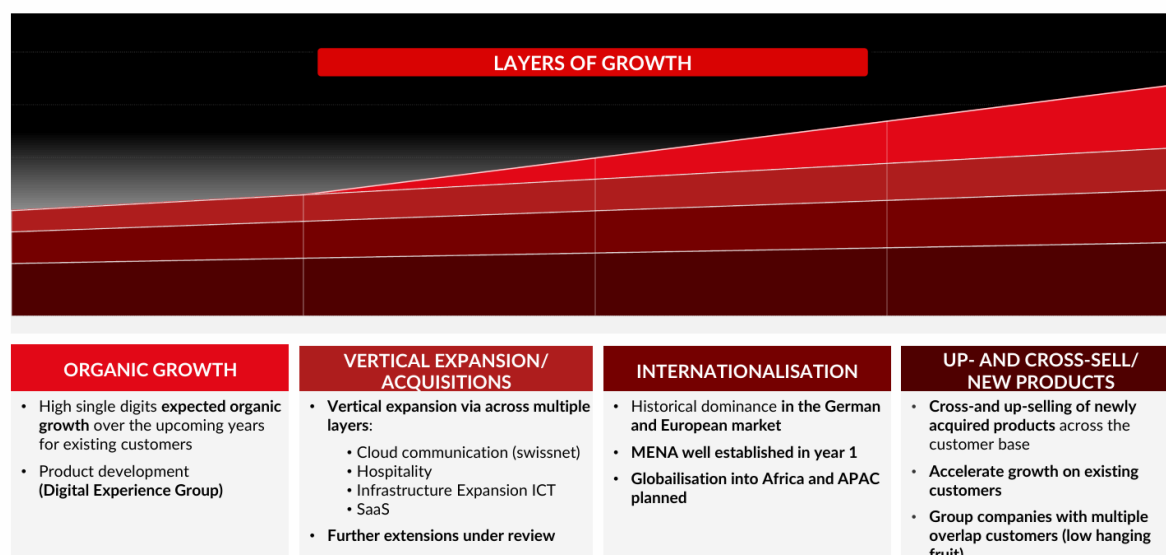
I.   Swissnet Group: Organic Growth

swissnet 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. swissnet Group has announced several major new and existing upselling clients wins over the last fiscal year. swissnet Group has delivered and

installed new projection technology for the stage at the Semperoper Dresden with a projected revenue of EUR 200,000. Moreover, Müller also implemented swissnet CloudWiFi solutions in 770+ supermarkets in the DACH region and Spain. The expected revenue is around EUR 130,000 with additional rollouts in Hungary, Croatia and Slovenia. swissnet Group also wins ECE Group, a major shopping center operator, as a new customer with around EUR 500,000 project revenue with potential 200 more rollouts worldwide. swissnet Group is diversifying its project portfolio with a particular focus on hotel, healthcare, and retail sectors. In April 2024, a major new project launched with leading hotel chain in the DACH region to modernize digital infrastructure at more than 40 locations. Hospitality is especially relevant for future swissnet growth due to its expanded capabilities in hospitality digitalization and automation via the Lokalee acquisition. More recently, in May 2025, it grew its healthcare sector to over EUR 360,000 in just a few months by winning several digitalization projects in care facilities and several new contracts were won by swissnet MENA.

II.   Vertical Expansion / Acquisitions

swissnet Group further expands its vertical across multiple layers through acquisitions, including POS expansion, Hotspots Expansion, and Infrastructure expansion. swissnet Group recently announced that three technology leaders in their respective fields, at-visions, Lokalee and swissnet Group have formed a strategic sales and technology cooperation with a focus on the technology value chain for the broader hospitality and retail segments. The partnership will further extend and enhance the customer journey offering a full technology value chain including AI-based customized guest-facing technology to boost guest experience while providing an integrated hardware and software solution through both at-visions and swissnet Group's product range. Moving forward, swissnet Group plans to further explore accretive acquisition opportunities, as well as delve deeper into the value chain and focus on multiple layers of growth including organic growth through its nascent businesses and harvesting cross selling the entire product offering across all existing customers, further internationalization and accretive acquisitions.

III.   Internationalization through Dubai and Spain Franchise Enabler

The institutionalization of the Dubai and Spain franchise enabler is a pivotal development in the Group's internationalization strategy. This initiative is particularly significant for recent acquisitions like Frederix and Socialwave, which until now, haven't had a presence in the Middle East region. The establishment in Dubai presents enormous opportunities for growth, allowing these entities to tap into a vibrant, burgeoning market. This move not only diversifies their market reach but also creates a conduit for the introduction of our comprehensive suite of services to a new, high-potential customer base. The strategic positioning in Dubai serves as a linchpin for the Group's expansion efforts, providing a gateway to untapped markets and a multitude of growth opportunities in the region and beyond. Growing demand for innovative social media strategies in Spain, particularly in the hospitality and gastronomy sectors, also motivates the expansion of swissnet Group in Spain. Annual revenue of EUR 600,000 is expected in Spain and rollouts and upselling of existing clients, e.g. Müller, are planned. The Group expanded its MENA operations in 2025 establishing a regional hub and recruiting a CEO of swissnet International and of swissnet MENA (Roger Tabbal). Swissnet is now positioned to capitalize on the growing demand for digital

and ICT solutions in the region. A key milestone in the company's international expansion and MENA growth strategy is its win of the first 7-digit AED contract with multinational Abu Dhabi headquartered hotel chain as of April 2025. Most recently, the Company launched a strategic partnership with Clemenceau Medical Center Hospital, a prominent multinational hospital chain headquartered in Dubai. Under the terms of this collaboration, swissnet MENA will implement a cyber-resilient backup and recovery solution, integrated with a robust cloud disaster recovery strategy. This comprehensive initiative is designed to modernize Clemenceau Medical Center Hospital's data protection infrastructure, fortify business continuity, and enhance overall security and operational resilience. The Group also opened a swissnet APAC, a wholly owned subsidiary of swissnet MENA with headquarters in Singapore.

IV.   Up- and Cross-sell/New Products

Our strategic approach to lead generation leverages the existing business framework, significantly bolstered by the recent acquisitions, which have brought thousands of new customers into the Group, vastly expanding our market reach and potential for customer engagement. This influx of clients provides a fertile ground for cross-selling and up-selling opportunities, allowing us to present a broader range of our now-enhanced service portfolio. By effectively engaging these new and existing customers, we're set to boost customer retention, maximize revenue from each client, and drive sustainable growth.

V.   Streamlined Solutions and Comprehensive Customer Journeys

The debut of our new Whitelabel-App and the consolidation of our software systems represent a transformative stride in enhancing the customer experience. These advancements are designed to drastically improve onboarding times and provide a seamless, integrated platform for our users. Our unified software environment addresses a broad customer journey, ensuring that every touchpoint is intuitive, consistent,   and   value-driven.

This strategic integration of technologies empowers us to deliver a truly holistic, end-to-end customer journey in the field of location-based marketing. By combining our solutions into a seamless ecosystem, we enable clients to move effortlessly from the initial onboarding phase through to advanced product usage, data-driven optimization, and long-term value creation.

Our offering now covers the entire customer lifecycle: from the first point of contact and digital engagement, to personalized content delivery, performance analytics, and continuous service improvements. This allows clients to fully leverage their location-based marketing potential while reducing friction and complexity across all operational stages.

By addressing a wide range of customer needs and interaction points, we are in a strong position to significantly increase customer engagement, enhance satisfaction, and foster lasting loyalty. This, in turn, translates into higher retention rates, more frequent repeat business, and increased referrals from satisfied clients.

Ultimately, the breadth and depth of the customer journey we now support reflect our strategic focus on delivering not just isolated products, but fully integrated, value-

driven solutions. These solutions are designed to resonate with our clients' operational realities and strategic goals—creating measurable impact and sustainable growth.

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 conflicts in Ukraine and Middle East 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, swissnet 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. swissnet 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

Looking ahead, swissnet Group is strategically poised for a period of robust growth and innovation. Our focus will be on streamlining our core areas of growth, seamlessly integrating our product offerings into a comprehensive portfolio, and unlocking cost efficiencies through the centralization of key group functions. The recent acquisitions of Frederix, Netopsie, Socialwave, T2 and Kadsoft and 2025 Lokalee and Swissnet ICT have notably broadened our business scope, enabling us to provide our customers with a richer array of cutting-edge solutions from a unified platform, thereby propelling our ongoing growth trajectory. Lokalee provided us with access to AI-powered SaaS platform for personalized lifestyle recommendations, events, and activities curated by local insiders, while Swissnet strenghtened our core offering.

As we advance, we are optimistic about the fiscal landscape that lies before us. This progression is not just about hitting financial milestones; it's about solidifying our profitability as a bedrock for sustained growth into FY 2025 and beyond.

Our vision extends further than organic growth; we are actively scanning the horizon for lucrative acquisition opportunities that align with our mission and enhance our value proposition. Additionally, we are committed to deepening our involvement across the value chain, ensuring we remain pivotal in the digital transformation narratives of businesses in various sectors.

In essence, the road ahead for swissnet Group is one of expansion, innovation, and unwavering commitment to delivering unparalleled value to our customers, stakeholders, and the broader market.

Berg, 30 June 2025

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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