



Salt.

Matterhorn Telecom Holding S.A. Annual Report 2024

March 27, 2025

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Salt Chairman's Letter

Dear investors, partners, clients and Salt team members,

As I look back on 2024, I am honoured to reflect on a year filled with significant achievements. Our strategy of providing Swiss consumers and businesses with high-quality telecommunications services at affordable rates, combined with our ongoing efforts to enhance customer satisfaction, has resulted in remarkable growth and strong financial performance across all business segments outperforming the market.

Sustained Customer Growth and Strong Financial Performance

In our Mobile business, we achieved another record year in customer growth. We now serve 1.7 million postpaid mobile subscribers, reflecting our ability to attract and retain customers with best-in-class services. This growth was supported by the launch of the Post Mobile offering in February 2024 and a strong performance in the SOHO (small office/home office) and small and medium enterprise segments, with Salt also increasingly attracting larger business customers. Salt Home, our broadband offering including ultra-fast internet, TV and fixed telephony, also continued its strong growth, exceeding 265,000 subscribers. With these remarkable figures, Salt was number 1 in Switzerland in terms of mobile and broadband organic subscriber growth.

The solid operational momentum was a key driver of another record year in revenue growth and profitability. Even as we continued to invest into our network, products and services to support growth, we successfully sustained our EBITDA margin and free cash flow conversion rate.

Further Progress in Implementing our Growth Strategy

We have continued to implement our growth strategy and have achieved further milestones. This includes the strengthening of our multi-brand portfolio with the launch of Post Mobile in partnership with Swiss Post. With Post Mobile, we combine our excellent products and services with Swiss Post's strong brand and extensive distribution network. We also strengthened our MVNO portfolio by adding Spusu and launched GoMo+. With the GoMo brand, Salt is targeting a digital-savvy and cost-conscious audience. The newly launched product is one of the most affordable Swiss unlimited offers on the market and additionally offers 3GB of roaming in Europe.

Distribution capacity has also been expanded. In addition to continuously strengthening its digital distribution channels, Salt is further expanding its network of physical stores to provide dedicated and personalised customer service. We are particularly proud of our two newly opened "Home of Salt" flagship stores at prime locations in Zurich and Geneva, where a dedicated team of experts provides personalised assistance and live technology demonstrations in a comfortable setup.

Cutting-edge Solutions and Enhanced Customer Experience

We also continued our tradition of groundbreaking technological innovation with the new Pro Office 40 Gbit/s plan for businesses standing out. The new plan offers the fastest commercially available fixed internet connection and equips businesses with the tools for AI-driven digital success, improving productivity and customer experience. We have also enhanced the Salt TV entertainment experience with the introduction of the Android TV-powered Salt TV Box, giving subscribers greater flexibility to integrate their preferred ecosystem and choose between Apple or Android OS. Furthermore, the Salt TV app for smart TVs now enables seamless streaming across multiple screens without the need for an additional TV box. Beyond innovation, we remain committed to delivering exceptional value to our customers. As part of this commitment, we will keep Salt Home prices unchanged until at least December 2026, ensuring affordability without compromising on quality. Our unique fibre-based broadband offering is now accessible to around 2.5 million Swiss households. This number is expected to reach three million by the end of 2025.

Top Rankings in Customer Surveys and Industry Assessments

In line with our commitment to quality, we continuously invested in our mobile network. For the second consecutive year, our mobile network was rated “outstanding” in the Connect mobile network test, confirming our commitment to excellence. Further evidence came from the telecom rating by Bilanz magazine, where Salt was named Best Universal Provider for residential customers for the fourth consecutive year and Best Universal Provider for SMEs for the second time, as well as from Ookla that recognized Salt as Switzerland’s fastest fixed internet in every quarter of 2024.

Enhanced Sustainability Focus and Reporting

In 2024, we continued to integrate Environmental, Social, and Governance (ESG) principles into our business, in line with evolving Swiss and European regulatory requirements. We focused on analysing ESG gaps, setting targets, and preparing for compliance with the Corporate Sustainability Reporting Directive (CSRD).

We are inspired by our achievements and the opportunities that lie ahead. Our commitment to delivering exceptional customer value through strategic investments, expanding our market presence, and leveraging next-generation technologies remains stronger than ever.

All of our accomplishments in 2024 are directly attributable to the exceptional dedication and relentless efforts of our team members. They deserve our deepest appreciation, gratitude, and respect. On behalf of the Board of Directors and the entire team, I would also like to thank our customers, investors and partners for their continued support.

Sincerely,

Marc Furrer
President of the Salt Board of Directors

Disclaimer

By reading or reviewing the report that follows, you agree to be bound by the following limitations.

This report has been prepared by Matterhorn Telecom Holding S.A. ("the Matterhorn Group") and its subsidiaries ("the Matterhorn Group") solely for informational purposes. The Matterhorn Group has included non-IFRS financial measures in this presentation. These measurements may not be comparable to those of other companies. Reference to these non-IFRS financial measures should be considered in addition to IFRS financial measures, but should not be considered a substitute for results that are presented in accordance with IFRS accounting standards by EU. This report should be read in conjunction with the consolidated financial statements for the twelve-month period ended December 31, 2024 which have been prepared in accordance with IFRS. Figures excluding IFRS15 and IFRS16 are based on Management accounts prepared at Salt Mobile SA level and are therefore excluding the operating expenses of the holdings in Luxembourg and the consolidation adjustments.

We present certain non-IFRS information in this report. This information includes EBITDA and Adjusted EBITDA, which are not metrics of performance or liquidity under IFRS. We define EBITDA as profit attributable to owners plus income tax expense, net finance costs, depreciation of right-of-use-assets, depreciation and amortization and result on disposal and other gains. We define Adjusted EBITDA as EBITDA adjusted for corporate and monitoring fees and restructuring, transition and transaction costs. We present this supplemental non-IFRS information because we believe that it is a useful indicator of our ability to incur and service our indebtedness. EBITDA, Adjusted EBITDA and similar measurements are used by different companies for different purposes and are often calculated in ways that reflect the circumstances of those companies. Caution should be exercised in comparing EBITDA and Adjusted EBITDA as reported by us to similar measurements reported by other companies.

Certain statements contained in this report that are not statements of historical facts, including, without limitation, any statements preceded by, followed by or including the words "targets", "believes", "expects", "aims", "intends", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, constitute forward-looking statements, notwithstanding that such statements are not specifically identified. Examples of forward-looking statements include, but are not limited to: (i) statements about future financial and operating results; (ii) statements of strategic objectives, business prospects, future financial condition, budgets, projected costs and projected levels of revenues and profits of the Matterhorn Group, its management or its boards of directors; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements.

Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions which are difficult to predict and outside of the control of the management of the Matterhorn Group. Therefore, actual outcomes and results may differ materially from what is

expressed or forecasted in such forward-looking statements. We have based these assumptions on information currently available to us but, if any one or more of these assumptions turn out to be incorrect, actual market results may differ from those predicted. While we do not know what impact any such differences may have on our business, if there are such differences, our future results of operations and financial condition could be materially adversely affected. You should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date on which such statements are made. The Matterhorn Group expressly disclaims any obligation or undertaking to disseminate any updates or revisions of any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events. In addition, past performance of the Matterhorn Group is not indicative of future performance. The future performance of the Matterhorn Group will depend on numerous factors which are subject to uncertainty.

Proformas and estimates included in this report are based on estimates of the Matterhorn Group management, and there can be no assurance that these estimates or expectations are or will prove to be accurate. Our internal estimates have not been verified by an external expert, and we cannot guarantee that a third party using different methods to assemble, analyse or compute data would obtain or generate the same results.

To the extent available, the industry, market and competitive position data or prediction contained in this report come from official or third-party sources believed to be reliable. We have not verified the accuracy and completeness of such information contained in this report. Our competitors may define our and their markets differently than we do. In addition, past performance of the Matterhorn Group is not indicative of future performance.

The subscriber data included in this presentation, including average revenue per user ("ARPU"), subscriber numbers and churn, are derived from management estimates, are not part of our financial statements or financial accounting records and have not been audited or otherwise reviewed by outside auditors, consultants or experts. Our use or computation of the terms ARPU or churn may not be comparable to the use or computation of similarly titled measures reported by other companies in the telecommunications industry. The ARPU reported in this report is an average of the ARPU of our Postpaid and Prepay mobile customers. ARPU is a non-IFRS measure and should not be considered in isolation or as an alternative measure of our performance under IFRS. Postpaid mobile subscribers are counted in our subscriber base as long as they have an active contract, for both handset and mobile broadband services, but exclude machine-to-machine subscriptions. Prepay subscribers are reported if their SIM card is connected to our network and they have had at least one chargeable or recharge event or have received at least one incoming traffic event (excluding, among other things, traffic initiated by us) within the last 435 days.



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Matterhorn Telecom Holding S.A.
Management Report 2024

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Management Report 2024

The Board of Directors of Matterhorn Telecom Holding S.A. ("the Management") ("the Company" or "we") is pleased to present the management report of the Company and its subsidiaries (hereafter "the Group") for the year ending December 31, 2024. The Management report was approved on March 25, 2025 by the Board of Directors of Matterhorn Telecom Holding S.A.

Operational and Financial Overview

Important Events

Credit Rating Update

In July 2023, S&P Global Ratings upgraded the long-term issuer credit and issue ratings on Matterhorn Telecom Holding S.A. (Matterhorn Telecom), the parent company of Salt, to 'BB-' from 'B+', and Fitch Ratings has assigned Matterhorn Telecom a first-time Long-Term Issue Default Rating of 'BB-'. The outlook for both ratings is stable.

In April 2024, Moody's Ratings affirmed its B2 rating of Matterhorn Telecom but changed Salt's outlook from stable to positive.

Refinancing Events

Financial Debt Issuance 2025

On January 16, 2025, the Group priced an offering of EUR 420.0 million aggregate principal amount of Senior Secured Notes due 2030 (the "Offering", announced on January 17th 2025). The Notes were priced at 100% of their aggregate principal amount and the coupon is 4.50% per annum.

In addition, the Company announced the allocation of a new 7-year term loan Facility B3 of EUR 430.0 million (the "Facility B3"), established as an additional facility pursuant to the Company's existing senior facilities agreement. The new facility was priced at par and an opening margin of 2.75% per annum.

The proceeds from both instruments, together with cash on balance sheet, were used to (i) redeem in full the Group's existing Senior Secured Notes due November 2027, (ii) fully repay commitments under the Group's existing term loan facility due September 2026, and (iii) pay certain fees and expenses relating to the financing.

On March 11, 2025, the Group also announced the syndication of a new EUR 25.0 million term loan facility as an additional facility under the existing Facility B3 agreement. The new facility has substantially the same terms as, and will be fungible with, the Facility B3. The

proceeds from the drawing under the new facility were used for general corporate purposes (including repayment of 'mark to market' amounts in relation to a hedge portfolio restructuring).

Financial Debt Issuance 2024

On May 22, 2024, the Group announced the Pricing of a Private Placement of its CHF-Denominated Senior Secured Notes. Matterhorn Telecom S.A. entered into a private placement ("Private Placement") pursuant to which it issued CHF 100.0 million in aggregate principal amount of Senior Secured Notes due 2028 (the "Notes"), which have the same terms as its existing CHF-denominated senior secured notes. The Private Placement closed on June 3, 2024.

The proceeds from this Private Placement was used to (i) refinance a portion of its existing indebtedness on its maturity, and (ii) pay certain fees and expenses relating to the Private Placement.

On January 26, 2024, the Group announced the syndication of a new EUR 150.0 million term loan facility availed by Matterhorn Telecom S.A. ("Borrower") as an incremental facility under its existing senior facilities agreement. The new facility was priced at an OID (Original Issue Discount) of 99.5, and has substantially the same terms as, and is fungible with, the Borrower's existing term loan facility (including with respect to the applicable margin).

The facility was drawn down on February 28, 2024.

The proceeds from the drawing under this new facility together with the proceeds from the CHF 100 million 5.25% Senior Secured Notes due 2028 were used to (i) redeem in full, at maturity, the EUR 246.5 million aggregate principal amount of 2.625% senior secured notes due 2024 issued by the Company on September 19, 2019, and (ii) pay certain fees and expenses relating to the financing.

Review and Development of the Company Business and Financial Position

Financial Performance

Total revenue for the twelve-month period ended December 31, 2024 increased by CHF 19.5 million, or +1.7% compared to previous year. This increase was primarily driven by:

- An increase in operating revenue, excl. incoming, of CHF 41.5 million, or +4.8%, a variance mainly attributable to:
 - The increase in postpaid service revenues of CHF 35.9 million, mainly driven by the continued development and success of our Salt Home product (Ultra-Fast Broadband offering) and the growth in B-to-C and B-to-B mobile subscriptions combined with the positive impact from the price increase in September 2023. This was partly offset by the continued decrease in the Postpaid Mobile Average Revenue Per User.
 - The increase in other services revenue of CHF 6.7 million, mainly driven by the new MVNO contract with Lyca Mobile starting in Q2 2023 and Spusu in Q3 2024, higher visitor roaming revenues (mostly offset on the cost side) as well as higher collection revenues.
 - Partially offset by the continued decline in prepay service revenue of CHF (1.1) million.
- Decrease in incoming revenue of CHF (0.8) million, or -1.3% whereas the effect of a growing subscriber base mainly compensates for the decrease in the average voice usage and less transit traffic. This evolution is mostly offset on the cost side which is impacted by the same effects.
- A decrease in equipment and other revenue of CHF (21.2) million, or -11.5% related to a decrease in sales with hardware (mobile devices), more particularly during H1 2024.

The net result for the financial year ended December 31, 2024 is a gain amounting to CHF 165.6 million.

A more detailed financial analysis is presented in the Matterhorn Telecom S.A. High Yield Report.

The management does not foresee any major changes in the coming financial years and expects to continue its Mobile and Home activities in a similar manner.

As at December 31, 2024, the Company does not hold any of its own shares.

Operational Performance – Superior Performance in Customer Growth

In 2024, Salt was the No1 performer in mobile organic subscriber growth in Switzerland. Indeed, Salt increased its mobile postpaid subscriber base by +142'300 subscribers, compared to an increase of +119'600 in 2023, marking the fourth consecutive year of the highest net additions in the last ten years. This outstanding performance was achieved through:

- The strong momentum in B-to-C mobile net adds, including 38 consecutive quarters of positive net adds in core brands combined with good traction in secondary brands, which translated into the best annual net add performance in the last ten years,
- The accelerated momentum in the B-to-B business with the best annual net add performance in the last ten years, marking the third consecutive year of the highest net additions in the last ten years.

This solid performance was also achieved thanks to the strengthening of our growth platform notably through an enhancement of the customer experience confirmed by the improvement of Salt Mobile's network quality for the seventh consecutive year and keeping the "outstanding" rating in the Connect test¹ for the second consecutive year, placing Salt at par with the two other MNOs in Switzerland. Salt was also awarded "best universal provider" based on a customer survey (BILANZ Magazine²) on both residential customers and large companies.

In 2024, Salt was also the No1 performer in broadband subscriber growth. Salt Home benefited from continued growth in its subscriber base, driven by the success of the ultra-fast broadband offer with the fastest fixed internet in Switzerland³.

(1) Connect Mobile Network Test 2025

(2) Swiss business magazine BILANZ, August 2024

(3) Salt Home recognised fastest fixed internet in Switzerland by Ookla in February 2025 (based on real use tests in 2024)

Research and Development

During the year, the labour expenses capitalised as intangible assets amounted to CHF 5.4 million (CHF 5.1 million for the year ended December 31, 2023).

Impact of Exchange Rate Movements

The Group operates mainly in the currency of its country (CHF). However, the Group is subject to foreign currency risk arising from borrowings and future commercial transactions which can be done in EUR or USD (purchase of handsets or roaming costs for example). The Group is therefore exposed to fluctuations of the EUR and USD relative to the CHF. These currency fluctuations can have an impact on the results of operations.

To minimise its currency exposure, the Group has in place a policy regarding foreign exchange management, which is monitored and followed-up by Group Treasury, using hedging instruments. As much as possible, the Group uses foreign currency inflows for its foreign currency outflows. If necessary, the Group buys foreign currency shortly before the transaction. If any material exposure arises, the Group

may enter into foreign exchange rate hedging instruments.

The Group enters into and expects to generally continue to enter into, hedging foreign exchange transactions (notably Cross-Currency Swaps) to effectively exchange a portion of its payment obligations for interest, principal, amortisation and premium, if any, of such indebtedness from EUR to CHF. The Group believes such foreign exchange hedging transactions will enable it to match the currency of its interest expense to the currency of its revenue more accurately.

Please refer to the Note 10 and the Note 11 of the consolidated financial statements for the year ended December 31, 2024 for more detailed information.

Important Events Since the Balance Sheet Date

Over the first quarter 2025, the Group announced the pricing of an offering of EUR 420.0 million aggregate amount of Senior Secured Notes as well as the allocation of a new 7-year term loan Facility of EUR 430.0 million (the "Facility B3"). In addition, the Group announced the syndication of a new EUR 25.0 million term loan facility as an additional facility under the existing Facility B3. Please refer to the "Important Events" section for more detailed information.

In March 2025, the Group restructured its hedging portfolio to align with the terms of facilities raised over the first quarter of 2025.

For the EUR 430.0 million term loan bond (Facility B3) priced at Euribor 3M + 2.75%, the Group restructured the existing cross-currency swaps that covered the former EUR 469.0 million term loan bond which was priced at Euribor 3M + 2.375%, aligning to new nominal (reduced by EUR 39.0 million) and new Euribor 3M spread.

In addition, the Group entered into a new cross currency swap in order to hedge the EUR 25.0 million additional facility under the existing Facility B3 agreement dawned in March 2025.

For the EUR 420.0 million Senior Secured Note priced at 4.5%, the Group restructured the existing cross-currency swaps that covered the former EUR 380.0 million Senior

Secured Note which was priced at 4.0%. The Group:

- Repaid 'mark to market' amounts in relation to the hedge portfolio restructuring, using proceeds from the EUR 25.0 million add-on from Facility B3.
- Increased the EUR 140.0 million cross-currency swap to EUR 179.96 million, and extended the maturity from 2027 to 2030 with a mandatory break-clause in 2028 and with a decrease in the hedging rate from 2.977% to 2.681%.
- Extended the maturity of the EUR 240.0 million cross-currency swap from 2027 to 2030 with a mandatory break-clause in 2028 and with a decrease in the hedging rate from 3.42% to 3.233%.

In addition, the Group unwound EUR 18.7 million of its EUR 675.0 million cross currency swap on the Senior Secured Notes due September 2026 to reflect the repurchase of EUR 18.7 million principal amount of its 3.125% Senior Secured Notes due 2026 on the open market.

In January 2025, the Group proceeded to the repayment of share premium for an amount of CHF 160.0 million to its shareholders.

Principal Risks and Uncertainties

Market Risk and Fair Value of Financial Assets and Liabilities

The Note 11 of the consolidated financial statements for the year ended December 31, 2024 provides information on market risk and fair value of financial assets and liabilities.

Legal Risks

Salt top legal risks are managed by Salt's legal department to ensure compliance with the regulations in force in Switzerland.

Cyber Security Risks

The Information Security is based on recognised international standards and best practices such as ISO/IEC 27002 "Code of Practice for Information Security Controls" and ISO/IEC 27001 "Information Security Management Systems – Requirements".

The availability of Salt's IT and mobile infrastructure as well

as the confidential handling of sensitive data are crucial for Salt and the services provided to its customers. Salt's Corporate Security Department is an in-house department with highly qualified and certified resources (CISM / CRISC / CCISO / CISSP) reporting to the Executive Management to ensure direct, independent and fast interaction.

Safety and Environmental Risks

The Group strives to comply in all material respects with applicable environmental and health and safety laws, and all related permit requirements.

Risks Related to Our Market and Our Business

The Company and its subsidiaries, including in particular Salt, are subject to important risks, uncertainties and other factors, including:

- Our results of operations could be materially adversely affected by volatile or uncertain economic and geopolitical events.
- Our results of operations depend on economic developments in Switzerland, our primary market.
- The Swiss telecommunications market is mature, saturated, competitive and subject to price erosion.
- We also face high levels of competition from resellers and MVNOs.
- We face increasing competition from alternative telecommunications services, such as OTT.
- Our future growth depends on customer preferences and market acceptance of innovative products.
- Our ability to execute our strategies depends on a number of significant factors, some of which are beyond our control.
- If we fail to maintain or further develop our direct and indirect distribution and customer care channels, our ability to sustain and further grow our subscriber base could be materially and adversely affected.
- The success of our mobile and Home operations depends on our ability to attract and retain mobile and Home subscribers.

- Customer satisfaction levels that are lower than our competitors' customer satisfaction levels could adversely affect our ability to acquire new and maintain existing customers.
- The legal relationships we maintain with our customers are generally based on standard contracts and forms; any ambiguities or errors in the documentation could therefore affect a large number of customer relationships.
- We depend on our key partners and other third parties for the provision of certain services. Our relationships with certain suppliers of services and equipment are critical to conducting our business.
- There can be no assurance that we will be successful with respect to acquisitions, dispositions, joint ventures, partnerships or other strategic transactions, and our business, financial condition and results of operations may be adversely impacted.
- We depend on an open, independent and non-discriminatory economic and political environment, allowing us to choose our partners freely and based on economic, environmental and social aspects.
- We are dependent on roaming arrangements with other international telecommunications operators.
- We depend on our wholesale resellers, MVNOs and third-party partners to access a broader and more diverse base of subscribers and grow our subscriber base and/or revenues.
- We may not be able to maintain the benefits from our IT transformation initiatives and to fully complete outstanding initiatives.
- Our inability to adequately predict customer demand for data, calls and roaming services could result in increased costs and decreased profitability.
- The telecommunications industry has been, and will continue to be, significantly affected by rapid technological change, and we may not be able to effectively anticipate or react to these changes.
- Our business is capital intensive. We cannot assure you that we will have sufficient liquidity to fund our capital expenditure programmes or our ongoing operations in the future.
- Equipment and network systems failures could result in reduced user traffic and revenue, require unanticipated capital expenditure or harm our reputation.
- Our business may be adversely affected by actual or perceived health risks and other environmental requirements relating to mobile telecommunications transmission equipment and devices, including the location of antennas.
- Continuing uncertainties, moratoria through local planning regulations and opposition of the public against, in particular, building permits and the 5G roll out may adversely impact our business, financial condition and results of operations.
- Our business may be adversely affected by our ability to maintain and increase our network coverage.
- Any failure to comply with license conditions may jeopardise our licenses, which are required to operate our mobile business.
- We could lose the contractual rights-of-way or other network access on which we rely.
- We are subject to extensive regulation and have recently been, and may in the future be, adversely affected by regulatory measures applicable to us or our partners.
- We are exposed to risks in relation to compliance with anti-corruption laws and regulations and economic sanctions programmes.
- Efforts to regulate specific aspects of the telecommunications market, such as full protection of the mobile network against power outages, may adversely affect our business, financial condition and results of operations as well as materially obstruct and hinder our ability to maintain and increase our network coverage and quality.
- We are exposed to changes in MTRs and other rates such as roaming tariffs.
- We are exposed to the risk of fraudulent or otherwise improper behaviour by customers, distribution partners, suppliers, employees and others, which our risk management and internal controls may not prevent or detect.

- Our shareholder and certain of our affiliates are highly engaged in our business, and adverse changes to our relationship could cause our operations to suffer.
- We may not be able to attract and retain key personnel and may experience difficulty or incur costs in replacing such personnel and in integrating new personnel.
- Our pension liability may reduce our cash flows, profitability, financial condition, net assets, distributable reserves and our ability to pay dividends.
- Our insurance may not be adequate to cover losses or liabilities that may arise.
- We face legal and regulatory dispute risks. in particular relating to our network, to legal and civil, tax, regulatory and competition proceedings as well as commercial disputes, which if adversely resolved, could have a material adverse effect on our business, financial condition, results of operations and reputation.
- We may not achieve our Environmental, Social and Governance (ESG) targets.
- Failure to meet increasing ESG regulatory requirements may result in reputational harm, loss of business or limit access to sustainable finance, as well as to the imposition of fines and other regulatory constraints.
- Our business is subject to cybersecurity risks and increasing data security requirements by financial institutions, certain other corporate customers and governmental entities may adversely affect our business and profitability.
- Failure to adequately comply with the applicable laws and regulations on the protection of personal data, as well as with information security policies, or to safeguard against breaches of such policies could adversely affect the Company's operations and could damage our business, reputation, financial position and results of operations.
- We may be subject to legal liability associated with providing online services or content.
- Our business may be adversely affected by health epidemics which may have a material impact on our business, financial condition and results of operations.
- Failure to renew one of our licenses, which are required to operate our mobile business.
- We do not have direct contracts with all of our key sourcing partners.
- We depend on third-party telecommunications providers over which we have no direct control for the provision of certain of our services.
- Our success depends on the effective execution of our strategy.
- The assumptions made in preparing our financial targets and outlook may prove incorrect, incomplete or inaccurate.
- We are subject to increasing operating costs and inflation risks which may adversely affect our earnings.
- The interests of our principal shareholder may conflict with your interests and we rely on NJJ's expertise for conducting our business.
- Continuing uncertainties and challenging conditions in the global economy may adversely impact our business, financial condition and results of operations.
- We collect and process subscriber data as part of our daily business, and the leakage of such data may violate laws and regulations which could result in fines, loss of reputation and subscriber churn and adversely affect our business.
- We may be subject to legal liability associated with providing online services or content.
- Our leverage and debt service obligations could adversely affect our business and prevent us from fulfilling our obligations pursuant to the terms of our debt.
- We are subject to restrictive debt covenants that may limit our ability to finance our future operations and capital needs and to pursue business opportunities and activities.

- We will require a significant amount of cash to meet our obligations under our indebtedness and to sustain our operations, which we may not be able to generate or raise.
- We may be able to incur more debt in the future, which may make it difficult for us to service our debt and impair our ability to operate our business.
- Our financings may bear interest at floating rates. Such floating rates could rise significantly, increasing our costs and reducing our cash flow.
- Exchange rate fluctuations could adversely affect our financial results.
- Our interest and cross-currency swap agreements may expose us to credit default risks and potential losses if our counterparties fall into bankruptcy.
- We may be subject to financial risks related to Swiss and foreign tax compliance.
- In order to maintain our high-quality network operations, we require a steady supply of hardware for replacement and upgrade purposes. If the supply of that hardware is restricted, e.g. due to global supply chain challenges and/or political restrictions, maintaining the quality of our network will become more challenging.
- Network operations require a steady supply of electricity. If Switzerland is faced with electricity restrictions, this could have an impact on our cost base, as well as our revenue generating ability, as our services would be severely impacted.
- Any failure to comply with the documentation of the financial debt and financial markets.

Material Affiliate and Associate Transactions

We engage in transactions with our principal shareholder and other entities owned by or affiliated with our shareholders in the ordinary course of business. The following discussion is a brief summary of certain material arrangements, agreements and transactions we have with related parties.

NJJ Service Agreement

We entered into a service agreement with our principal shareholder, NJJ, on October 15, 2015 relating to the provision of certain consulting services. NJJ provides us with operational support on strategic matters, such as business and technical development, capital expenditures, relationships with major business partners or negotiation with banks and other financial institutions. NJJ also provides us with advice on accounting, legal and tax matters, marketing and communication, human resources and various other matters.

On September 17, 2024, we entered into a service agreement with IT Solutions Factory. We provide them with technical and consulting services.

Riviera Solutions Factory Agreement

On March 8, 2021, we entered into a master agreement for IT services with Riviera Solutions Factory, an IT systems and logistics company owned by our principal shareholder.

Riviera Solutions Factory provides us with software development services.

IT Solutions Factory Agreement

On May 27, 2016, we entered into a master IT services agreement with IT Solutions Factory, an IT systems and logistics company owned by our principal shareholder. IT Solutions Factory provides us with software development services. The agreement is renewable automatically for terms of one year from December 31, 2016 and can be terminated by either party upon three months' notice. IT Solutions Factory receives payment in an amount equal to a fixed daily fee multiplied by the number of days where services were provided.

Monaco Telecom Agreement

On November 1, 2016, we entered into a master services agreement with Monaco Telecom, a Telecom and IT company in which our principal shareholder has a majority interest. Monaco Telecom provides us with international carrier services.

On May 25, 2020, we entered into a framework agreement with Monaco Telecom regarding cloud computing services.

Network Solutions Factory

Network Solutions Factory provides us with technical support services including radio planning, transmission planning, network configuration management, software upgrades, network supervision services, a service management centre and optimisation of our network under a services agreement. Network Solutions Factory also provides network operations services to other NJJ telecommunications companies.

Althaia Consulting

On August 1, 2020, we entered into an agreement with Althaia Consulting Sàrl for the provision of consulting services and operational support for network and IT operations, such as strategic analyses for the development and evolution of IT, network and infrastructure, as well as relationships with key IT and network business partners.

Exedra Consulting

Exedra Consulting provides us with B-to-B strategic and operational consulting services.

Eircom

We provide Eircom Limited, a fixed, mobile and broadband telecommunications company in Ireland in which our ultimate controlling owner has a majority interest, with some software development activities, customer care services, as well as managed services and wholesale roaming P&L services.

Roaming operations

As part of our international roaming operations, we have entered into roaming agreements with foreign telecommunications operators over which Xavier Niel has control or significant influence (notably Free Mobile). We also provide roaming management services for some of our affiliates.

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Sustainability Report 2024



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Letter to Stakeholders

Dear Valued Stakeholders,

In 2024, we continued integrating Environmental, Social, and Governance (ESG) principles into our business, aligning with evolving Swiss and European regulatory requirements. We focused on analysing ESG gaps, defining objectives, and preparing for compliance with the Corporate Sustainability Reporting Directive (CSRD).

To support transparency, we have taken steps to provide clearer information about our ESG efforts. Internally, we strengthened our ESG approach by establishing a cross-functional focus group and increasing employee engagement through awareness initiatives.

On the environmental front, we focused on energy management and continued efforts to improve the efficiency of our network infrastructure. We also expanded our plug-in hybrid fleet, initiated a photovoltaic installation, and advanced plans to relocate to a more energy-efficient headquarters.

Our circular economy initiatives remained a focus, with our device buy-back programme continuing and new in-store concepts introduced to highlight refurbished phones.

On the social and governance fronts, we continued our efforts in data privacy and cybersecurity, formalised a Responsible Procurement Policy and Supplier Code of Conduct, and completed our first child labour risk assessment. These steps reflect our focus on compliance, risk management, and responsible business practices.

Looking ahead, we will continue refining ESG reporting, strengthening supply chain transparency, and embedding sustainability into daily operations. Our goal remains the same: to meet regulatory expectations while ensuring practical and responsible progress in ESG.

Sincerely,

Marc Furrer
President of the Salt Board of Directors

Franck Bernard
Chief Financial Officer

ESG Update and Context

In the past years, there has been a significant tightening of both Swiss and European ESG-related regulations, announcing a new era of corporate transparency and responsibility with regard to sustainability. The Swiss Code of Obligations (CO), and its Articles 964 et seq., have extended corporate reporting requirements and have introduced corporate due-diligence obligations to provide more transparency in specific supply chains. Moreover, the entry into force of the Climate and Innovation Act and its corresponding ordinance on 01 January 2025, lays the path towards a Net Zero target by 2050 for Switzerland.

In the European context, the Corporate Sustainability Reporting Directive (CSRD) must be integrated into corporate strategies. In spite of the ongoing evolution of the regulatory framework, especially at EU level, investors and society continue to expect transparency, sustainable business practices and sound risk management. Companies must stay agile, ensuring compliance while preparing for potential regulatory shifts.

In the coming years, telecommunication companies will need to place greater emphasis on key areas to keep pace with evolving regulations and growing stakeholder expectations. Supply chain transparency will remain a key focus as increased scrutiny demands more rigorous due diligence to ensure ethical and sustainable practices. At the same time, data security and privacy will stay at

the forefront of the agenda, driven by concerns about cybersecurity risks and user data protection. Beyond cybersecurity, network resilience, properly managing risks and business continuity are extremely important for a telecommunications operator, recognised as a critical infrastructure by authorities. Moreover, as AI technology continues to evolve, companies must carefully assess its applications, ensuring it is used responsibly and in alignment with ethical, security, and regulatory considerations. Finally, reducing environmental impacts is also a significant aspect of corporate responsibility, with growing requirements to mitigate, measure and report emissions.

Salt Mobile SA, is not bound by specific reporting requirements under Art. 964a-i CO but falls under the due diligence obligations of Art. 964j ss CO. Its parent company, Matterhorn Telecom S.A., however, falls under the EU's CSRD. As a critical infrastructure operator with an extensive supply chain, Salt has a duty to comply with these regulations. However, its commitment to addressing these issues extends beyond legal obligations and Salt is well positioned to meeting the evolving expectations of stakeholders in the ESG landscape.

Salt ESG Governance and Structure

Salt's Sustainability report documents the company's commitment to transparency and responsible corporate practices. The report is crafted and updated by a team of employees from different business units, each contributing to unique insights and expertise.

Oversight of this team is provided by a member of the Salt Management Board, Franck Bernard, Chief Financial Officer at Salt, acting as sponsor, he ensures the development and follow-up of the ESG Strategy across the company. Regular reviews are also conducted with Max Nunziata, Chief Executive Officer. Further, Marc Furrer, Chairman of the

Salt Board of Directors, plays a crucial role in overseeing the process, offering a broader perspective and integrating ESG efforts into the overall corporate governance framework. Regular exchanges, including presentations, are held with the Salt Board of Directors and shareholders—at least once a year—to review ESG strategy and progress. This structure underscores the company's commitment to ESG principles at every organisational level.

Facts and Achievements, 2024

- Salt focused on analysing ESG gaps, developing targets, and preparing for compliance with the Corporate Sustainability Reporting Directive (CSRD). This work laid the foundation for enhanced ESG transparency, ensuring alignment with evolving regulatory requirements and stakeholder expectations.
- Salt enhanced the visibility of its ESG activities by increasing both internal and external awareness of its initiatives. Internally, ESG topics were covered in all-hands meetings, ensuring employees were informed and engaged. Externally, Salt took steps to communicate its sustainability efforts more transparently to stakeholders.
- Salt launched a dedicated ESG page on its website, offering stakeholders greater visibility into the company's sustainability initiatives and commitments.
- Salt prepared a set of priority ESG objectives to shape its long-term sustainability roadmap, ensuring a structured and measurable approach to ESG progress.
- Salt established a dedicated ESG focus group with representatives from various departments to drive progress on key sustainability topics. This group will work on a range of ESG initiatives, with a particular focus on enhancing female recruitment and developing practical tips for customers to adopt a more sustainable lifestyle.

Outlook, 2025 and Beyond

- Salt will further enhance the visibility of its ESG actions by increasing both internal and external awareness of its ESG initiatives.
- Internally, Salt will perform a series of awareness programmes and targeted trainings aimed at embedding ESG values across the organisation.
- Building on the initial ESG disclosures, Salt will continue to expand and refine the ESG information available on its website, providing greater transparency on sustainability initiatives, progress, and key performance indicators.
- Moving forward, Salt is dedicated to the continuous integration of ESG commitments into its procedures and processes, with a particular emphasis on Human Resources and Procurement.
- As Salt continues to strengthen its ESG reporting framework, ESG objectives will be gradually published and disclosed, ensuring transparency while aligning with industry best practices and regulatory developments.

Materiality Analysis

In 2022, Salt conducted its first materiality assessment, which was updated in 2023 to gradually align with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) by incorporating the double materiality principle. For 2024, the company further refined its approach, focusing on stronger

alignment with stakeholder priorities and financial or risk management relevance while strengthening the selection and validation process for material topics.

Methodology

Salt's 2024 double materiality assessment followed a structured five-step process to ensure a comprehensive evaluation of material topics.

Step 1: Understanding the Context

Salt analysed its value chain, stakeholder landscape, and emerging ESG trends to determine whether new impact, risk, and opportunity drivers (IROs) needed to be considered. The assessment incorporated CSRD-ESRS guidelines for regulatory alignment, industry benchmarking for sector-specific insights, and stakeholder expectations to ensure financial and strategic relevance.

Step 2: Identification of Topics and IROs

The 2023 materiality list was reviewed to confirm its validity while integrating new elements influenced by regulatory changes and industry trends identified in step 1.

Step 3: Assessment of Material Topics

Topics were evaluated using the double materiality principle:

Impact Materiality: Impacts on stakeholders are assessed primarily through surveys and interviews with stakeholders and/or their representatives.

Financial Materiality: Risks and opportunities for Salt are evaluated based on the inputs from Salt corporate risk management, especially concerning their potential financial effects and likelihood.

Step 4: Determination of Material Topics

Following the assessment, Salt consolidated and prioritised the identified topics based on their impact materiality, financial materiality, and stakeholder input. This process led to the selection of 16 key material topics, ensuring that the final list reflects both Salt's business priorities and evolving sustainability challenges.

Step 5: Validation and Reporting

The results underwent management validation, including review by the Management Board and Board of Directors and discussions with shareholder representatives. This process ensured that Salt's materiality assessment remains relevant, transparent, and aligned with both sustainability challenges and business priorities, while reinforcing the link between ESG topics and corporate decision-making.

Refining Material Topics in Response to Regulatory and Market Changes

The 2024 assessment brought several adjustments to material topic prioritisation, driven by regulatory developments and business evolutions. A closer alignment of financial materiality with Salt's risk register strengthened the link between the financial valuation of ESG risks and corporate risk management.

Regulatory changes, particularly the revised Ordinance on Telecommunications Services (OTS), introduced network hardening constraints, prompting a significant repositioning of "Regulatory Environment" as an increasingly material

topic. Additionally, declining energy prices influenced the relevance of "Energy Efficiency," leading to a reassessment of its strategic importance.

These updates ensure that Salt's materiality assessment remains aligned with both evolving regulations and market conditions.

Material Topics

Investments in Network

Ensuring continuous investments in network development and maintenance to provide a high-performance, resilient and reliable service for Salt's customers.

Regulatory Environment

Ensuring compliance with all relevant regulations, while proactively monitoring and adapting to regulatory changes affecting the industry.

Cybersecurity

Ensuring the security and resilience of Salt's network and IT infrastructure through robust equipment, skilled personnel, training, and policies, protecting customer data and maintaining service availability.

Customer Satisfaction

Proactively monitoring customer satisfaction, addressing complaints, and leveraging feedback to enhance Salt's products and services.

Data Privacy

Ensuring high standards of personal data protection for customers, employees, suppliers, and partners, with a focus on confidentiality, transparency in data management, and responsible use of emerging data related technologies.

Strategic Governance and Transparent Reporting

Ensuring an expert, integrity-driven leadership that defines a robust corporate strategy while maintaining transparent financial and non-financial reporting and fostering open dialogue on business conduct.

Working Conditions, Health & Skills

Providing competitive wages and benefits to attract and retain talent, while supporting employees through positive management-employee relations, skill development programmes, and youth education initiatives. Prioritising health and safety to prevent workplace accidents and promote employee well-being.

Safe Products and Services

Ensuring the safety and compliance of Salt's products and services, adhering to radiation regulations, protecting youth, and promoting safe internet and social media use.

Ethics and Business Values

Adhering to the highest ethical standards in all business dealings and decision-making, internally and externally. Promoting strong business values, preventing corruption and unethical behaviour, and facilitating the reporting of concerns.

Risk Management

Proactively identifying, managing and mitigating risks to minimise adverse impacts on Salt's business and stakeholders.

Sustainable Product Lifecycle

Reducing electronic, packaging, and construction waste through eco-design, repair, refurbishment, and digitalisation, while ensuring proper recycling and waste treatment.

Diversity and Inclusion

Ensuring a fair and inclusive workplace by promoting equal opportunities, preventing discrimination, and addressing pay gaps.

Accessible Products and Services

Ensuring that Salt's products, services, and digital platforms are inclusive and accessible to all users, including individuals with disabilities, while enhancing the physical accessibility of Salt stores to provide a seamless experience for all customers.

Supply Chain Human Rights

Preventing and addressing human rights risks in Salt's supply chain, including child labour, forced labour, and worker rights.

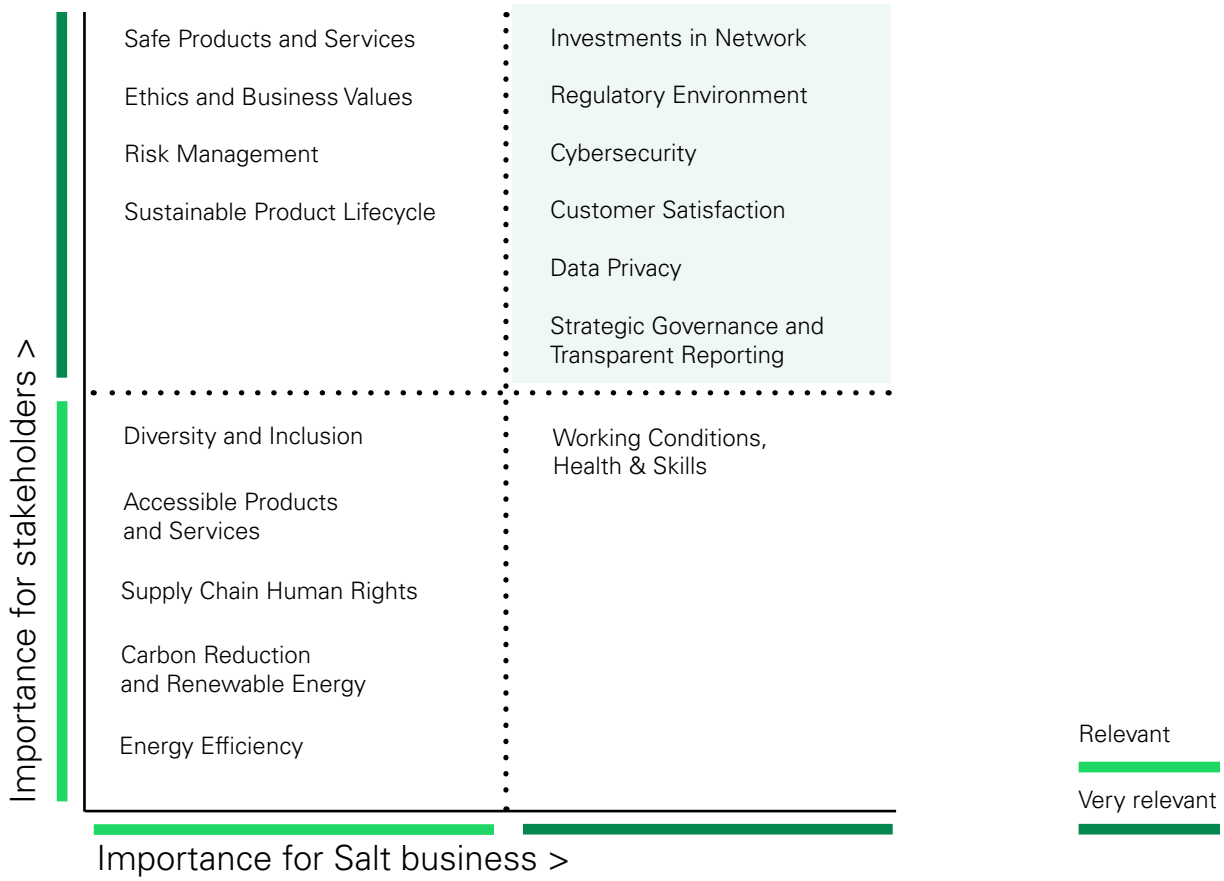
Carbon Reduction and Renewable Energy

Reducing direct and indirect greenhouse gas emissions from Salt's operations while implementing strategies to mitigate climate change impacts and transition to renewable energy sources.

Energy Efficiency

Reducing electricity consumption across network infrastructure, data centres, office spaces, consumer devices and Salt stores, while improving efficiency in fuel, heating, and other energy forms.

Materiality Map



ESG Key Priorities

Throughout 2024, we have dedicated our efforts to defining and working on clear ESG priorities that align with our strategic priorities and values. While we make progress on this front, we are actively working on setting-up a robust measurement framework allowing us to track and validate the impact of our measures. While we are not yet disclosing full KPI sets, we are committed to tracking our progress and will share key indicators as we advance in our journey.

The following priorities reflect our commitment to integrating sustainability, responsibility, and transparency into our business operations. Each focus area, shaped by the results of our materiality analysis, outlines the key steps we are taking to drive positive impact for our stakeholders, the Swiss population, businesses, the global community and the planet laying the foundation for measurable progress in the years ahead.

Investments in Network

Maintaining Outstanding Network Quality and Performance

We are committed to delivering top-tier connectivity to our customers. Our goal is to maintain our outstanding network quality by continuously enhancing our infrastructure and optimising network performance, helping to close the digital gap and ensure equitable access to reliable and affordable communication. This commitment is reflected in Salt's Outstanding rating awarded by Connect, a recognition we are determined to uphold through continuous improvements and investments.

Advancing 5G Transformation

We are accelerating the evolution of our mobile network to predominantly 5G technology. This transition will enable faster speeds, lower latency, and improved connectivity.

Customer Satisfaction

Building Brand Trust & Smart Choice Recognition

We strive to be recognised as the smart choice in telecommunications by fostering trust, transparency, and exceptional service at attractive prices. Through consistent quality and customer-centric innovation, we aim to strengthen our brand perception and deliver a superior customer experience. These efforts are assessed through independent third-party recognition, experience-based ratings, Net Promoter Score (NPS), and customer retention metrics.

Delivering Fast & Efficient Customer Support

Ensuring a seamless customer experience is a priority. We are committed to providing easily accessible and efficient care services.

Working Conditions, Health & Skills

Enhancing Employee Satisfaction & Employer Attractiveness

We are committed to creating a dynamic and supportive work environment where employees feel valued, engaged, and empowered. We strive to attract, retain, and nurture top talent while continuously monitoring relevant indicators, including employee turnover, to assess workplace engagement, well-being, and long-term commitment.

Developing Talent & Skills

We are committed to fostering a culture of continuous learning and growth. Our focus is on creating an environment where learning is encouraged, relevant, and aligned with both individual and business goals.

Diversity & Inclusion

Promoting Diversity & Equality

We are committed to fostering a diverse workforce, advancing women's representation in the tech industry, and promoting equal opportunities through inclusive hiring and career development initiatives. To ensure fairness and equity, we are committed to measuring and monitoring the gender pay gap and will progressively implement tracking mechanisms, working towards continuous improvement in pay parity.

Supply Chain Human Rights

Ensuring Ethical Supply Chains

We are committed to promote human rights throughout our supply chain. We aim to assess key Tier 1 suppliers against human rights and sustainability standards, reinforcing responsible sourcing practices.

Training Purchasers on Child Labour Risks

To strengthen ethical procurement, we are committed to training our purchasing teams on child labour risks, equipping them with the knowledge to identify and mitigate human rights violations in our supply chain. Our goal is to ensure that all employees involved in procurement across the company receive this training, reinforcing responsible sourcing practices at every level.

Strategic Governance and Transparent Reporting

Strengthening Non-Financial Disclosures

Transparency is a cornerstone of our ESG strategy. We continuously improve our non-financial reporting to align with regulatory and stakeholder expectations, adopting the CSRD/ESRS reporting standards in due time and striving to improve our ESG ratings.

Cybersecurity, Data Privacy, Ethics, and Business Values

Fostering a Conscious Workforce

We recognise the critical importance of data protection and ethical business practices. Our employees undergo training in cybersecurity, data privacy, and ethics to reinforce a culture of security and trust. We actively track and measure training coverage, ensuring notably that employees in roles with higher exposure to corruption risks receive targeted training to strengthen compliance and ethical decision-making.

Inspiring Confidence in Data Protection

Our commitment to safeguarding sensitive information reinforces trust and reliability for customers, partners, and stakeholders. Our investments in cybersecurity measures ensure that we maintain the highest standards of data protection and integrity.

Regulatory Environment

Ensuring Compliance with Regulatory Standards

We are committed to operating our mobile network infrastructure within strict regulatory frameworks and upholding the highest safety standards. This includes full compliance with non-ionizing radiation limits, ensuring that our network infrastructure meets all legal requirements to protect communities and the environment.

Energy Efficiency

Enhancing Energy Efficiency Across Operations

We are taking proactive steps to increase energy efficiency in our operations, implementing measures to limit energy consumption as our customer base and data usage grow. While overall service usage may increase, our focus is on optimising resource use to mitigate the impact of this growth and drive sustainability in a rapidly expanding digital landscape.

Carbon Reduction and Renewable Energy

Aligning Climate Goals with 1.5°C Targets

We are committed to developing science-based climate targets that align with limiting global warming to 1.5°C, in line with the objectives of the Paris Agreement. We are actively working to measure and mitigate our carbon footprint through a set of diverse actions including renewable energy investments and efficiency programmes.

Sustainable Product Lifecycle

Implementing Sustainable Product Practices

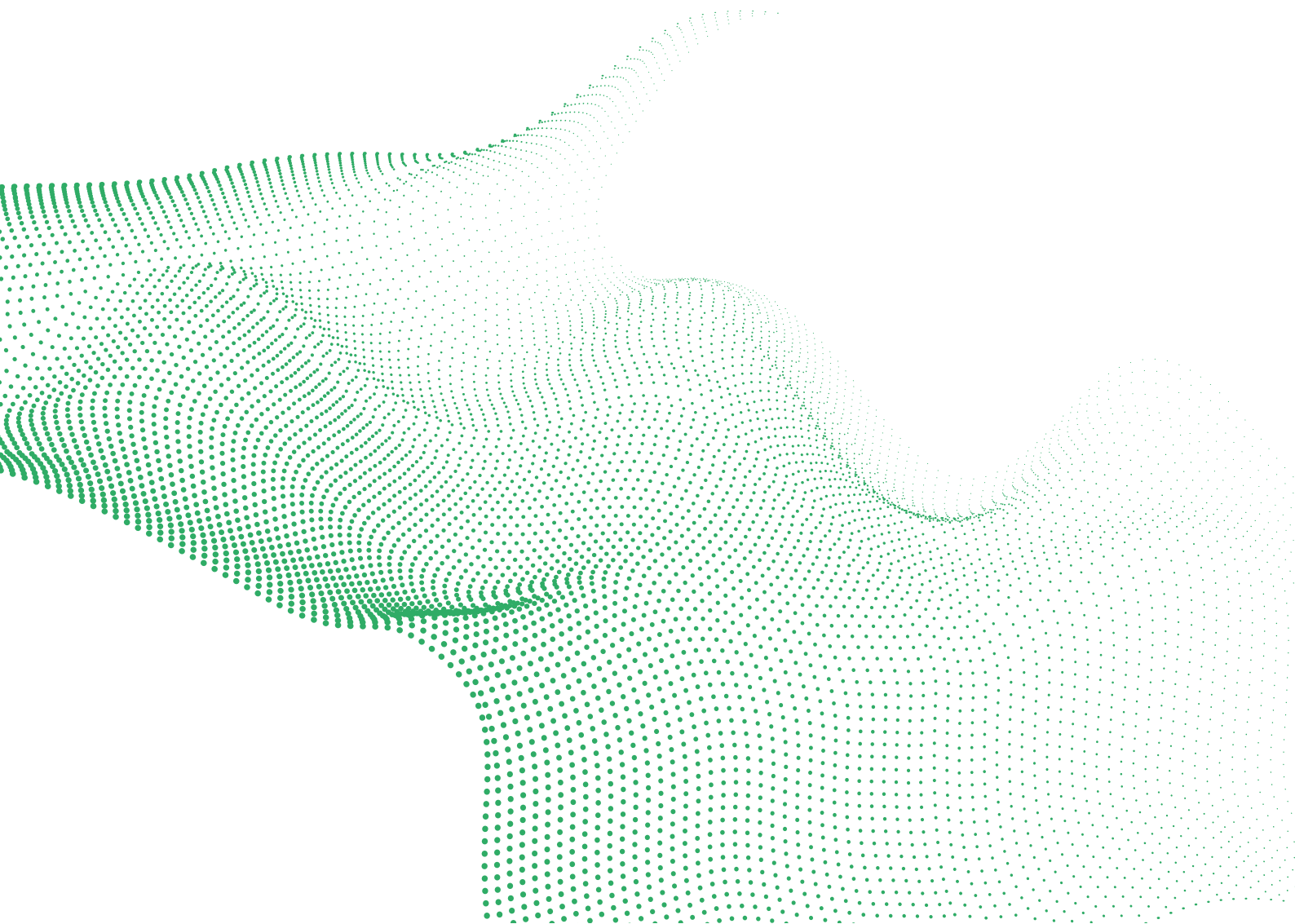
We are embedding sustainability into our product lifecycle by encouraging responsible device use and supporting circular economy principles.

Applying Eco-Design to Next-Generation CPE

We will strengthen eco-design principles in all new generations of customer premises equipment (CPE), reducing environmental impact while maintaining high-performance standards.

Environment

Salt is committed to minimising its environmental footprint and integrating sustainability across its operations. This chapter outlines the company's approach to energy management, including initiatives to enhance energy efficiency. It also details Salt's efforts to reduce CO2 emissions, underlining its dedication to a sustainable future. Additionally, it highlights how the company is continuously improving its products, services, and business practices to support environmental protection.



Carbon Footprint

Salt's greenhouse gas (GHG) emissions are measured in accordance with the GHG Protocol standard with the support of myclimate, an independent non-profit organisation with extensive expertise in corporate carbon footprints. The calculations are carried out by myclimate using data from the ecoinvent database, various external studies and Salt's own data.

Scope 1 relates to direct emissions from the combustion of fossil fuels for Salt's car fleet and owned or rented buildings (offices, data centres) and refrigerants.

Scope 2 relates to direct emissions from electricity and district heating for Salt's network (mobile base stations, access and core networks), offices and data centres.

Scope 3, which represents the majority of Salt's carbon footprint, covers the indirect emissions related to Salt's operations and supply chain, in particular the purchased/ capitalised goods and services. Scope 3 also includes electricity and heating emissions from rented Salt Stores.

Salt Carbon Footprint

In Tons of CO2 Eq.	2024	
Scope 1 (direct emissions due to the combustion of fossil fuels for heating and mobility and to refrigerants)	793	1.59%
Scope 2 (emissions due to electricity "market-based" and district heating)	477	0.95%
Scope 3 Upstream (purchased goods and services, capital goods, fuel- and energy-related activities not in scope 1 or 2, waste, business travel, employee commuting, upstream transportation and leased assets)	43,018	85.98%
Scope 3 Downstream (use and end-of-life treatment of sold products, downstream leased assets)	5,743	11.48%
Scope 3 (indirect emissions related to Salt operations and supply chain)	48,761	97.46%
Total Emissions	50,031	100%

Location- and Market-Based Emissions Related to Electricity in Scope 2

In Tons of CO2 Eq.	2024	
"Location-based" emissions (using Switzerland average mix of energy sources)	940	
"Market-based" emissions (based on Salt energy contracts and certified electricity, as reported in above table)	471	

Fleet vehicles are allocated to Regional Sales Managers and Field Sales Representatives, as well as Network Project Managers and Field Technicians, whose roles require frequent travel, access to destinations not well served by public transport, or the need to transport equipment and goods. The vehicle fleet is comprised of 163 vehicles at the end of 2024. This includes 47 thermal vehicles with emissions of above 115g of CO2 per kilometre, according to the WLTP standard, and 116 plug-in hybrid electric vehicles

(PHEV) emitting only 35 CO2 g/km, as per the WLTP standard, which have been incrementally incorporated into the fleet since 2020. Salt's main offices are all equipped with vehicle charging stations and the company is actively promoting a culture of energy-efficient and environmentally conscious driving among its employees. In support of sustainable energy practices, Salt is also contributing to the installation costs for home charging stations for employees driving corporate cars.

Salt has measures to limit unnecessary travel in place, notably allowing employees to partially work from home, where possible. In addition, the company favours video conferencing over physical travel and enforces a travel policy that encourages the use of public transport, especially trains, to minimise the environmental impact.

Additionally, Salt actively pursues various strategies to minimise the use of resources in its daily activities. These efforts include the regular review and digitalisation of processes to reduce paper consumption where appropriate. Salt uses FSC-certified paper for all customer invoices and collection letters.

Facts and Achievements, 2024

- For the first time since the implementation of the first carbon footprint calculation in 2021, Salt engaged in a detailed review of the calculations and data sources. This work included in particular a walk through the entire financial accounts and led to the identification of some emissions that were not completely reported, in particular in the purchased services, a better coverage of the company holdings and several emission factor corrections (notably for scope 2 electricity, scope 3 waste and employee commuting).
- No restatement of past years' emissions has been performed. But if 2024 calculations had not been changed, 2024 carbon footprint would have been circa 4,000 tons lower than in 2023 according to the previous approach, mainly driven by a lower purchase volume in devices, the efforts of some key suppliers to reduce their product footprint and a lower purchase of network radio equipment.
- Salt's vehicle fleet grew to 163 vehicles at the end of 2024, up from 120 in 2023, negatively impacting scope 1 emissions. This increase is primarily driven by the expansion of sales activities, requiring greater mobility to support business growth.
- Salt has added 46 PHEVs to its fleet, bringing the total to 116, fully replacing gas-hybrid vehicles and nearly all diesel/petrol cars. The replacement excludes those used by network field technicians who require vehicles for transporting heavy goods.
- Salt analysed its emission hotspots and identified the first actions and the level of effort needed to set proper reduction targets, while respecting the planned evolution of Salt business. As scope 3 represents almost 98% of its emissions, Salt also analysed how much of its purchases were made from suppliers having set reduction targets, in particular in line with Science Based Target initiative (SBTi).

Outlook, 2025 and Beyond

- Salt will assess in which ways it can further improve the data quality of reported emissions.
- As expressed in its ESG priorities, Salt will set reduction targets, aiming to align with the Science Based Targets initiative (SBTi) and the 2015 Paris Agreement.
- In 2025, Salt will order minimum 20 fully electric vehicles as a second step toward fleet electrification.
- Salt's HQ move to Prilly (Malley), scheduled for Q3 2025, will enhance sustainability by relocating to a more energy-efficient building and improving public transport access. Salt is transforming a former store space into office space on Zurich's Bahnhofstrasse, offering a more central location with better public transport access. We expect that employees can be partially relocated from the current Zurich office at Hardturmstrasse to this new space in Q2 2025.
- New locations are well accessible by public transport, therefore, a shift toward public transport, reducing car dependency and promoting more sustainable commuting habits is expected.

Energy

Salt is employing a multifaceted approach to reduce its energy consumption. The company conducts energy analysis to identify areas of high consumption or inefficiencies, enabling targeted interventions. Since 2021, Salt has made a significant transition towards sustainability in its energy consumption. The company's main offices and its main internal data centre are today powered entirely by renewable electricity sources. Specifically, the locations in Renens, Crissier, and Biel utilise electricity generated from Swiss hydroelectric sources, while the Zurich office is supplied by Swiss and European energy from hydro, wind and solar sources. Salt has extended this commitment to renewable energy to its external data centre located in the Zurich area.

Refurbishments to improve energy consumption and efficiency are carried out wherever possible on Salt's premises and in the network. Over the past years, Salt has advanced its network modernisation efforts by upgrading its Radio Access Network (RAN) to newer, more energy-efficient platforms. Salt has pursued to reallocate radio equipment from ground-based shelters to elevated positions atop the masts, leveraging natural air cooling. This shift significantly reduces power consumption. Additionally, by performing optical- electronic conversion directly on the mast-top elements, Salt effectively minimises energy losses. Besides, Salt has further enhanced its network infrastructure by increasing the use of fibre optics at its radio sites. This reduces the reliance on microwave technology, leading to a notable decrease in electricity consumption.

Salt implements energy-efficient solutions across its offices, including lighting systems and automated controls to minimise unnecessary energy consumption and reduce costs whenever possible. Employees have been informed about energy-saving best practices in order to foster an energy-conscious culture. Awareness raising about energy efficiency goes beyond the company's perimeter: Salt also reaches out to customers, for instance via social media channels. Remote work policies and green transportation initiatives such as a hybrid car fleet and prioritising public transportation, whenever possible, further contribute to the company's energy-saving objectives.

Salt is part of a collaborative energy optimisation programme in partnership with NJJ managed Telecom companies such as EIR and Monaco Telecom. This joint initiative facilitates the exchange of best practices and efficient energy solutions by leveraging collective expertise, reinforcing Salt's commitment to continuous improvement in energy efficiency.

Beyond its direct operations, Salt actively engages with its supply chain to promote sustainable practices. Among other examples, the company has chosen a printing partner for paper invoices and collection letters that not only claims carbon neutrality but also operates on 100% renewable electricity. Furthermore, the company's paperless initiatives underscore its commitment to reducing paper-related energy consumption. Salt remains committed to continuous improvement, regularly updating and expanding its energy-saving initiatives to embrace emerging technologies and industry best practices.

Facts and Achievements, 2024

- In 2024, Salt consumed 72,180 MWh of energy (vs 65,900 MWh in 2023), of which 93.7% was electricity, 3.8% vehicle fuels (diesel, petrol, gas), 2.3% heating fuels (oil, gas) and 0.2% district heating.
- Salt again achieved electricity savings in 2024 in its Radio Access Network (RAN), while consumer data traffic increased by about 25%- the energy consumption per bit transported was 0.08 kWh in 2024 (vs 0.09 kWh in 2023). These results are in particular achieved through swapping to more efficient RAN equipment. In parallel, Salt continued to upgrade sites to the more efficient 5G technology.
- Salt enhanced the energy efficiency of its data centres by expanding the use of cold aisle containment, reducing cooling-related power consumption. Adjustments to sealing and free cooling configurations further improved energy efficiency across data centre operations.
- Salt initiated a small photovoltaic (PV) installation at its Crissier office.
- Salt continued to lay the groundwork for relocating its headquarters to Prilly (Malley), a site designed for low energy consumption and certified with the Swiss Minergie quality label.
- Salt performed an internal energy saving awareness campaign.
- Salt relocated its office in Balzers, Liechtenstein. Services previously hosted there were moved to the Salt Switzerland data centres, reducing overall energy consumption through more efficient infrastructure.

Outlook, 2025 and Beyond

- Salt will continue to enhance its telecommunications infrastructure by advancing the upgrade of its Radio Access Network (RAN).
- Salt will consistently advance its strategy to transition towards more sustainable electricity sourcing.
- A small photovoltaic (PV) installation in the Crissier Office was powered on in January 2025, with a larger installation set to be operational later in 2025. The installation is intended for self-consumption, covering part of the site's energy needs.
- Cooling systems at the Crissier office is set to be replaced with a more energy-efficient solution using lower global warming potential gases, enhancing sustainability and reducing environmental impact.
- Salt's HQ move to Prilly (Malley), scheduled for Q3 2025, will enhance sustainability by replacing natural gas heating with energy-efficient ground/water heat pumps and geothermal probes.
- Salt will continue to phase out outdated mobile technologies.

Circular Economy and Sustainable Offers

Salt is committed to promoting the principles of a circular economy through a set of actions. For products where Salt has an influence on the design or the sourcing, the focus is on longevity, ensuring that products have longer life cycles to reduce the need for constant replacement. Examples include the Salt Home Fibre Box or SIM cards; Salt offers e-SIM technology, an environmentally friendly alternative to traditional SIM cards that significantly reduces plastic waste. The commitment to green practices extends to the choice of materials and packaging, with notably recycled materials and natural inks preferred for packaging solutions wherever possible and relevant.

Salt's take-back and recycling programmes encourage customers to return old devices for responsible disposal or refurbishment, contributing to the circular flow of materials. To reduce waste, especially e-waste, Salt offers attractive SIM-only offers that allow and encourage customers to continue using their perfectly good devices. SIM-only offers are the most frequently chosen option by customers. Furthermore, Salt promotes device longevity through 36-month commitment contracts for device offers, extending the usage period beyond the regular 24-month cycle and reducing premature replacements. In addition, Salt offers device repair services and an innovative 'Keep & Care' programme, which insures existing devices against

drops and display breakage, the most common issues faced by customers. This encourages users to keep their device longer rather than replacing it when damaged. Salt has also introduced in-store display concepts, specifically designed to promote refurbished phones, further encouraging customers to choose more sustainable alternatives.

Salt also engages with suppliers, manufacturers and stakeholders to promote a more sustainable supply chain. Salt is actively working to raise awareness of the environmental impact of electronic equipment. Educating and engaging customers is crucial to encourage responsible usage and participation in take-back schemes. In addition, life cycle assessments are conducted to identify environmental hotspots and areas for improvement in products. Staying informed about and complying with relevant environmental regulations and standards is a priority.

Finally, Salt is also committed to reducing waste in its day-to-day operations, from office activities to network maintenance, in order to minimise the environmental impact of its operations.

Facts and Achievements, 2024

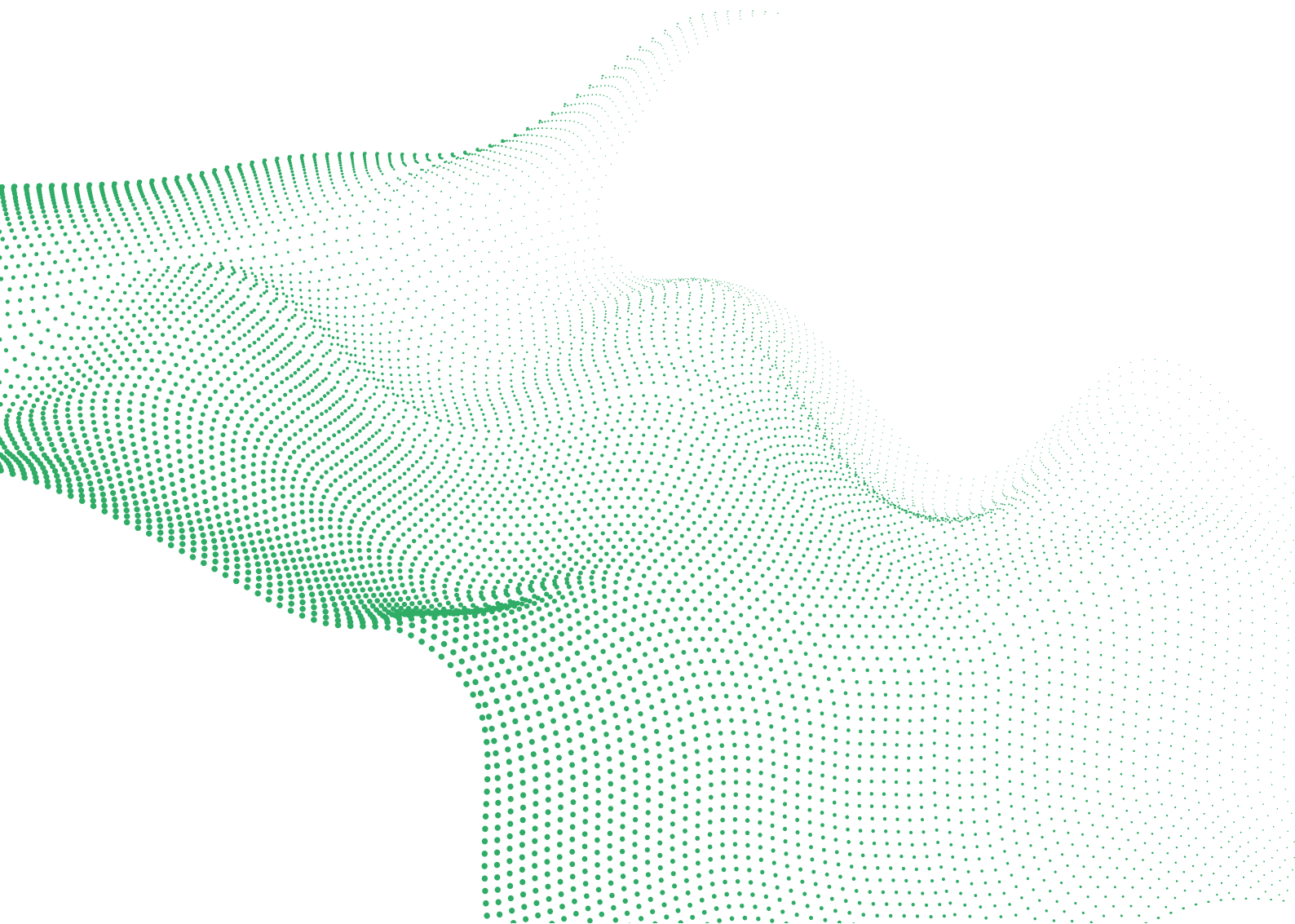
- Salt successfully pursued its Revendo Buy-Back programme launched in Summer 2022. In 2024, it has resulted in the buy-back of over 6,500 devices.
- In 2024, Salt introduced the Eco Wallbay and Eco Desk concepts, specifically designed to promote refurbished phones in Salt Stores, with three units successfully installed. The rollout of the remaining seven planned units has been rescheduled to 2025.
- Salt launched an Android TV Box, designed with sustainability in mind, featuring recycled materials, eco-friendly packaging to reduce its environmental impact.
- Salt has refurbished 27,000 router boxes, extending their lifecycle and reducing electronic waste.
- Salt continued its ongoing efforts to promote the sustainable use of mobile devices through multiple social media posts, raising awareness of the importance of circular economy practices.
- Salt continued its network equipment resale programme, in the context of a major Radio Access Network (RAN) refresh and the 5G rollout.

Outlook, 2025 and Beyond

- By the end of 2025, Salt will have installed 19 Eco Wallbay and Eco Desk units, further expanding this initiative across Salt Stores.
- Salt will continue awareness campaigns for sustainable mobile device use on its social media channels.
- Salt will continue to make attractive device buy-back offers.
- Salt will continue reselling network equipment as part of its RAN upgrade and 5G rollout in 2025.

Social

Salt recognises its responsibility toward employees, customers, supply chain's workers and the broader community. This chapter presents the company's initiatives to foster a safe, inclusive, and customer-focused environment. It outlines the measures in place to ensure employees' health and well-being, as well as the company's commitment to customer satisfaction and youth protection. A new section on supply chain management highlights Salt's approach to responsible sourcing and supplier engagement, reinforcing ethical and sustainable business practices. Through these efforts, Salt aims to create a lasting positive impact on society.



Employees, Culture and Community

Salt's workforce, encompassing individuals from over 61¹ different nationalities, reflects the company's dedication to creating a diverse environment. At the heart of the organisation are core values: Personal, Simple, Sincere, Original, and Efficient. These values guide interactions, decision-making, and innovation, fostering a culture that values individuals, encourages transparency, embraces innovation, and prioritises efficiency.

Salt's streamlined and efficient organisational structure is characterised by minimal management layers. Open communication and direct interactions are a cornerstone of the corporate culture. Employees are encouraged to share feedback directly, with open channels available all the way up to the CEO and Management Board. Their input is valued and welcomed at every level. Additionally, regular all hands meetings and different initiatives encourage creative contributions, ensuring that all employees are well informed and that every voice is heard.

Salt provides fair and competitive compensation, including flexible working hours, ample holiday time (5 to 6 weeks), modern and ergonomic workplaces, and free mobile subscriptions as well as subsidised Broadband and TV services. It fully funds loss of earnings health insurance and offers flexible, individual pension plans where employees choose their contribution degree in a financially robust pension fund. Additionally, Salt does not implement the coordination deduction for pensions, thereby providing its employees with insurance coverage above the legal minimum. This aims at supporting in particular employees with lower incomes and those working part-time. A home office policy allows employees to partially work remotely and part-time work is available, whenever it is compatible with the nature of the position. On top, Salt celebrates milestones like births, weddings, and work anniversaries with gifts and paid leave. It offers health tips and discounts on health-improving products through its benefits platform as well as a large range of other product offers and discounts.

Salt offers maternity and paternity leave benefits that exceed legal requirements. For maternity leave, employees with over one year of service receive full salary payment for 112 days. Employees with less than a year of service are eligible for 98 days of maternity leave at 100% salary, exceeding the legal standard of 80%, which includes a cap. Similarly, paternity leave is provided at 100% salary for 10 days, exceeding the legal standard of 80%, which includes a cap.

Salt acknowledges the importance of pay equity and ensures that salaries for new hires align both with industry standards and internal gender-neutral references to maintain fairness. Salt is on the official company "white list" of Travail.Suisse, which means that an equal pay analysis was conducted in accordance with the Federal Act on Gender Equality and audited by an independent party. A fair gender-neutral recruitment process is in place. In Switzerland and Liechtenstein, 62% of employees, particularly in sales and call centre roles, are under standardised salary grids, ensuring equal pay for men and women. These salary grids are available to employees in order to provide transparency on compensation structures. Furthermore, ongoing initiatives, including employer branding activities, aim to attract a more diverse talent pool and achieve a better-balanced male/female ratio.

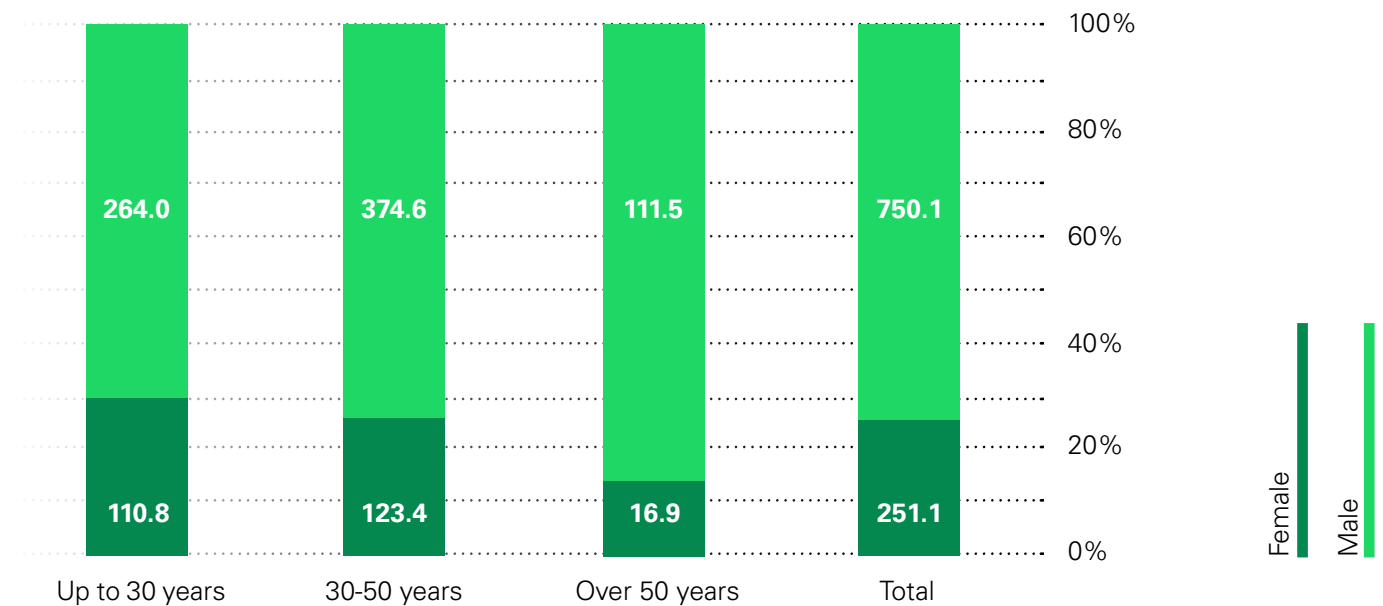
Recognising the importance of continuous learning, the company has implemented training programmes and employs apprentices and trainees to equip its workforce with the necessary skills to thrive in the industry. Furthermore, Salt regularly collaborates with a local university by engaging in student business projects that provide students hands-on, real-world experiences. This partnership not only fosters innovation and learning but also strengthens ties with the academic community. With regards to the global workforce, training programmes for managers, sales-force, and call centre agents are in place to enhance leadership, sales, and service capabilities and foster personal development.

Social interactions are valued, both formally and informally, through initiatives such as organised social gatherings across different offices and departments. These initiatives aim to foster cross-departmental exchanges and enhance social interactions beyond traditional office spaces. Extending its commitment beyond the workplace, the company provides employees with one paid day annually for voluntary activities. This initiative reflects the belief in actively contributing to the betterment of the communities it operates in.

Overall Salt aims to create a workplace that prioritises diversity, well-being and training. The journey is ongoing, with a commitment to continuous improvement for the benefit of employees, stakeholders, and the broader community.

(1) in Switzerland and Liechtenstein, incl. apprentices and trainees – excl. Salt Services S.A. (Portugal)

Staff Breakdown by Gender and Age



Staff breakdown by gender and age, for Switzerland and Liechtenstein with apprentices and trainees (in FTEs)

Facts and Achievements, 2024

- By the end of 2024, the company reached 1,195 Full Time Employees (FTE)².
- On 31.12.24, the company's workforce included people from 61³ different nationalities.
- Salt successfully employed 67³ apprentices and 5³ trainees in various departments such as Sales, Logistics, Customer Care, IT, Marketing, Finance, and HR, as of 31.12.24.
- 38% of the apprentices who completed their training in July 2024 in Switzerland continued their professional journey with the company.
- Women comprised 26.0%³ of the company's workforce as of 31.12.24, slightly surpassing the Swiss ICT industry's average of 25%, according to a digitalswitzerland research (2024).
- Female representation in top management stood at 11%⁴.
- The company implemented improved training for managers, equipping them with skills for effective absence management and fostering a positive work environment.
- Salt launched a leadership training programme, enhancing managerial skills and fostering professional growth.
- Salt has taken preparatory steps to enable an equal pay analysis update, ensuring an accurate measurement of progress in the future.
- Salt is participating in local career fairs to attract young talent, actively showcasing female career paths in tech to inspire the next generation of professionals.

(2) incl. Salt (Liechtenstein) AG and Salt Services SA (Portugal), excl. apprentices and trainees
 (3) in Switzerland and Liechtenstein, incl. apprentices and trainees – excl. Salt Services SA (Portugal)
 (4) 1 female member, among 9 Management Board members.

Outlook, 2025 and Beyond

- Salt will conduct an equal pay analysis, reinforcing the company's dedication to pay equity.
- Salt will actively continue to work on enhancing the company's image as a desirable employer and further focus on attracting top talent.
- Salt will further strengthen the onboarding process to ensure smoother integration of new employees.
- Salt will further promote its Volunteering Day, encouraging employee participation in community service and social responsibility initiative.
- In the coming years, Salt will continuously support Swiss youth education, with ongoing initiatives and strengthen the company's university partnerships.
- Salt will continue to elaborate training programmes for managers and employees in general.
- Salt will continue reviewing and reinforce the use of gender-neutral job descriptions and titles, further enhancing inclusivity in recruitment and attracting a diverse talent pool.
- As of May 2025, back office employees will have the option to work from home up to one day per week. This initiative aims to foster collaboration and strengthen team dynamics by ensuring a balance between flexibility and in-person interactions, enhancing both productivity and engagement.

Health and Safety

Salt prioritises health and safety through a set of measures and policies. Committed to providing a safe workplace, the company has established specific occupational health and safety policies and procedures. Salt monitors regulations and best practices, ensuring a vigilant adherence to industry standards for the well-being of its employees and stakeholders.

The company has established policies, guidelines and measures to address psychosocial risks, ensuring a framework that promotes employee mental and physical well-being. Additionally, it implements initiatives aimed at reducing both turnover and absenteeism, fostering a stable and engaged workforce.

To ensure quick responses to health or other safety emergencies, employees undergo training on protocols with both floor marshals and designated health contacts in offices, in compliance with the law. Additionally, Salt conducts digital and physical awareness campaigns to keep employees informed about potential risks and safety measures.

Physical safety measures are implemented across facilities, including offices, data centres, Salt Stores and antenna sites, with ergonomic considerations for workstations promoting employee well-being. Regular trainings to maintain a healthy and safe working environment are in place.

To further support employees in professional or personal challenges, Salt offers both internal and external solutions. Internally, employees have confidential access to an Ethics Advisor, the Health & Safety and Governance Manager and an HR team available at all times. Externally, the company partners with Movis, a 24/7/365 support service accessible through web platform or phone hotline. This Employee Assistance Programme acts also as external person of trust.

To mitigate psychosocial risks for employees, Salt provides awareness materials and guidance based on documentation from the Swiss State Secretariat for Economic Affairs (SECO), the federal authority responsible for labour and employment standards. These resources ensure that staff receive appropriate protection and support in their work environment. To facilitate accessibility, the documentation is available across various internal platforms.

Salt maintains a robust health crisis readiness and response plan, enabling back-office employees to work remotely when necessary. This flexibility ensures business continuity and employee safety in the event of public health challenges. These initiatives collectively underline the company's commitment to fostering a safe and healthy work environment.

Facts and Achievements, 2024

- In 2024, Salt defined an action plan to reduce the number of incidents and illnesses among its employees and continued implementing H&S training programmes, including first aid, healthy management, and anti-aggression training.
- Overall, Salt trained 240 employees on health and safety topics.
- First aid training sessions were held in the company's main office sites: Biel, Renens, and Zurich.
- 16 site visits were conducted to ensure compliance with occupational health and safety standards in Salt Stores, while also providing coaching to store managers on health and safety practices.
- A dedicated communication campaign was implemented to raise employee awareness on topics such as preventing falls and slips on stairs, which accounted for 24% of workplace accidents in 2024— a leading cause of incidents.
- To enhance employee safety, Salt launched an anti-aggression training, equipping sales employees with strategies to handle aggressive situations, which represent the second most common cause of workplace incidents.
- Field technicians working on and around antennas received mandatory training, and their climbing safety equipment underwent regular compliance checks to ensure adherence to safety requirements.
- Absenteeism significantly decreased compared to the previous year. This was driven by several initiatives, including comprehensive absence management training for line managers, enhanced support for employees returning to work, a focus on healthy management practices, and stricter controls on medical certificates.
- In 2024, Salt employees experienced 25 occupational accidents in Switzerland and Liechtenstein. The overall occupational accident rate remained low.
- Out of 25 occupational accidents 12 were minor accidents (no, or less than three days' absence from work). 11 of these minor occupational accidents, lead to no absence from work at all.
- Despite an increase in staff from 2023 to 2024, the use of MOVIS consultation services declined. Over both years, consultations were evenly distributed across genders and nationalities. While the user profile evolved between the two years, topics addressed remained a mix of work-related and personal matters.
- Salt participated in the Bike to Work challenge, encouraging employees to adopt a more active and sustainable mode of transportation while promoting well-being and team spirit.

Outlook, 2025 and Beyond

- Salt will expand anti-aggression training, rolling it out fully to all relevant employees to enhance workplace safety and incident prevention.
- The company will conduct fire extinguisher training sessions, ensuring employees are prepared to respond effectively in case of fire emergencies.
- With its relocations to new offices in Zurich and Prilly (Malley) in 2025, Salt will enhance workplace environments by improving ergonomic standards and further integrating health and safety considerations into office designs. These efforts aim to promote employee well-being, reduce physical strain, and create safer, more efficient workspaces.
- The company will enhance H&S onboarding for store employees, strengthening training on workplace safety measures from day one.
- Salt will further encourage employees to take part in activities such as running events, promoting health, well-being, and team engagement.
- Salt will continue to carry out compliance assessments and improvements, particularly in alignment with new regulations.

Youth, Consumer and Customers

Prioritising the reliability, availability and quality of services, Salt consistently invests in infrastructure and technology, aiming to continually enhance the overall customer experience. The company is committed to delivering outstanding and affordable mobile and fixed network services to consumers and companies across Switzerland. Its consistent year-on-year improvements in the renowned Connect Mobile Network test are tangible evidence of this commitment. Besides making continuous investments in its own mobile network, Salt is endorsing the widespread deployment of Fibre-To-The-Home (FTTH) technology in Switzerland, which is widely recognised as the most advanced and future-proof fixed access technology available. Through these efforts Salt aims to continuously improve the user experience and ensure access to high quality connectivity in every part of Switzerland.

In terms of its customer base, Salt has a customer centric approach and is committed to continuously improving its service over a wide variety of interaction channels - digitally through mobile applications and chatbots, as well as through its call centres and its extensive network of Salt Stores. Salt constantly monitors its Net Promoter Score (NPS) and places a strong focus on customer satisfaction and loyalty. In addition, the company proactively gathers customer feedback through a variety of touch points: one-on-one conversations across care and sales channels, extensive surveys and careful monitoring of social media interactions. This multifaceted approach enables Salt to stay in touch with its customers' needs and preferences and adapt accordingly.

To continuously elevate customer service standards, the company meticulously tracks key performance indicators such as response times and first-time resolution rates. Friendliness and quality of interactions are also key drivers for overall customer satisfaction. Regular training and coaching programmes are organised to improve specific areas and overall customer service levels.

Salt's dedication to accessibility and inclusivity is evident through initiatives aimed at enhancing the experience for individuals with disabilities. Adaptations are made in Salt Stores and products but also across digital platforms, including websites and apps. For example, the large majority of Salt Stores are accessible to people with disabilities. Another prominent example is the development of a dedicated Apple TV remote control tailored for less tech-savvy users. To address digital accessibility issues, Salt has appointed an Accessibility Officer dedicated to ensuring digital inclusivity.

As part of its community engagement initiatives, Salt has implemented customer education plans covering various topics, among others energy-saving practices for mobile and fixed internet users as well as general education on mobile phone functionalities. Leveraging primarily digital channels and social media, the company provides valuable recommendations, contributing to an informed and engaged customer community.

As part of its commitment to youth protection, Salt complies with legal requirements and promotes the safe and responsible use of telecommunications services for minors and youth in general. It actively informs customers of this commitment on its website and collaborates with the Swiss Child Protection and the Swiss Telecommunications Association (asut) on awareness campaigns.

Finally, Salt is committed to ethical marketing practices, transparency and honesty in customer communications. In addition, its proactive communication strategy ensures that customers are well informed about their options, including the ability to block premium contents and adjust roaming services and expenses according to their needs.

Facts and Achievements, 2024

- Salt's Mobile network again reached the "outstanding" rating in the 2024 edition of the prominent Connect Mobile Network test and was ranked second in the nPerf Mobile Network report.
- Salt was elected Switzerland's fastest fixed internet provider by Ookla®, "Best Performing Internet Connection" by nPerf and won the Regional Fixed-Network Provider Connect test with an "outstanding" rating.
- Salt was designated "Best Universal Provider" for residential customers and SME companies in the BILANZ telecommunication rating.
- Salt maintained its "very good" rating in both Connect Mobile and Fixed Hotlines service tests.
- Salt maintained 99.9% mobile network population coverage in Switzerland.
- Salt continued to enable the digital life of its subscriber in all its activities (work, labour and sports) and pursued its PS5, Apple watch and TCL watch offers.

Facts and Achievements, 2024

- Salt maintained its mobile subscription rates and reaffirmed its commitment to keeping Salt Home broadband prices stable until at least December 2026, staying true to its philosophy of offering high-quality connectivity at very attractive prices.
- Salt provided customers with a mobile app that enables users to perform a wide range of tasks independently, making account management easier and reducing the need for customer support interactions. In 2024 alone, the app was downloaded more than 350,000 times, reflecting strong adoption and a growing preference for digital self-service.
- In 2024, Salt raised awareness on digital accessibility through regular campaigns across multiple teams and dedicated resource spaces were introduced on Salt's internal platforms.
- Significant steps were taken to enhance accessibility, including appointing an Accessibility Officer within the IT team, conducting compliance audits of GoMo's public and customer areas.
- Salt supported the national awareness campaign on sextortion, launched by Swiss Child Protection (Kinderschutz Schweiz), to help protect young people from online risks. Salt actively raised awareness by sharing the campaign video across its social media channels.
- Salt launched a dedicated ESG section on its main website, providing transparency on its environmental, social, and governance initiatives and paving the way for more comprehensive disclosures for consumers and the public.
- Salt has optimised its invoicing processes by aligning the payment terms for Mobile and Home services, ensuring greater coherence and consistency. This lays the groundwork for a more convergent product offering in the future.
- Salt has enhanced its GoMo offering by introducing roaming, responding directly to customer demand and ensuring greater flexibility for users who travel.
- Salt has enhanced its bot technology, making it more conversational, providing customers with a smoother and more efficient service experience.
- Salt has significantly expanded its residential FTTH footprint, reaching 460,000 additional households in one year, and introduced the Pro Office 40 Gbps Fiber offer tailored to the needs of business customers.
- Salt launched a Smart TV app, enabling users to stream their programmes on multiple TVs at home or in secondary residences across Switzerland, without the need for an additional TV box.
- Salt introduced a TV Box powered by Android TV OS, offering an alternative to Apple TV and giving customers the flexibility to choose their preferred ecosystem.

Outlook, 2025 and Beyond

- Salt will continue to digitalise and simplify its processes, with a strong focus on expanding self-service options, and improving and implementing AI-powered bot technology across its brands for more seamless and efficient customer interactions.
- Salt aims to further enhance the roaming experience for mobile customers by offering greater flexibility.
- Salt aims to broaden its range of available devices, continuously exploring new options to offer customers greater choice and flexibility.
- In 2025, Salt adjusted its pricing in response to rising costs, applying increases only to a portion of its mobile customer base while maintaining its commitment to price stability for Salt Home until at least December 2026.
- Salt will expand its connectivity offerings by providing satellite services via Direct-to-Cell technology from Starlink, complementing its classic mobile network as soon as the necessary regulatory approvals are obtained.

Outlook, 2025 and Beyond

- Salt will continue to evaluate and improve accessibility for individuals with disabilities, in Salt Stores, with a particular focus on new locations.
- Salt will provide training for teams responsible for creating and managing web pages and digital documents to integrate accessibility principles into web, mobile, and PDF design while continuously updating resources and monitoring implemented improvements.
- The company will enhance transparency by publishing accessibility compliance declarations on all GoMo sites, launching a dedicated "Accessibility" page in Salt's digital spaces, and conducting audits to ensure ongoing compliance and progress.
- Salt will strengthen its user-centric approach by engaging with Swiss disability associations and customers with disabilities through workshops, user tests, and collaborations to enhance accessibility across Salt TV, the MySalt mobile app, and digital platforms.
- Salt will continuously expand its ESG website section, regularly adding more information, updates, and practical tips to help customers get better involved in sustainable practices.

Supply Chain

Sustainability is an important element of Salt's supply chain approach, driven by evolving regulatory frameworks and the growing expectations of stakeholders. To meet these demands, Salt is continuously strengthening its purchasing processes, enhancing due diligence efforts, and engaging more closely with suppliers to promote responsible business practices.

Compliance with ethical standards is fundamental to Salt's supply chain operations. In line with Article 964j-I of the Swiss Code of Obligations (CO), Salt has been required since 2023 to assess and report on child labour risks in its supply chain. The company published its first child labour risk assessment report in June 2024, reinforcing its commitment to human rights due diligence.

At the same time, Salt has seen a sharp increase in ESG-related expectations from business partners and clients, particularly with regard to ESG ratings that provide standardised measures of sustainability performance and ensure greater transparency and comparability. Recognising this need, Salt has adapted its purchasing processes to be further in line with these frameworks, integrating clearer sustainability criteria. This has contributed to strengthening its commitment to responsible sourcing.

To formalise these commitments, Salt introduced two key policies in 2024: the Responsible Procurement Policy and the Supplier Code of Conduct. These policies establish sustainability requirements for suppliers, ensuring responsible sourcing practices, ethical business conduct, and environmental responsibility. ESG criteria are now part of Salt's supplier selection process, with sustainability assessments embedded into RFPs and supplier agreements.

Salt also applies enhanced due diligence to purchasing decisions with potential serious environmental or human rights implications. These assessments ensure that Salt not only complies with legal requirements but also actively mitigates risks in its supply chain.

By integrating sustainability into procurement, Salt fosters ethical and responsible business relationships, ensuring that suppliers align with its commitment to transparency, fairness, and long-term environmental stewardship.

Facts and Achievements, 2024

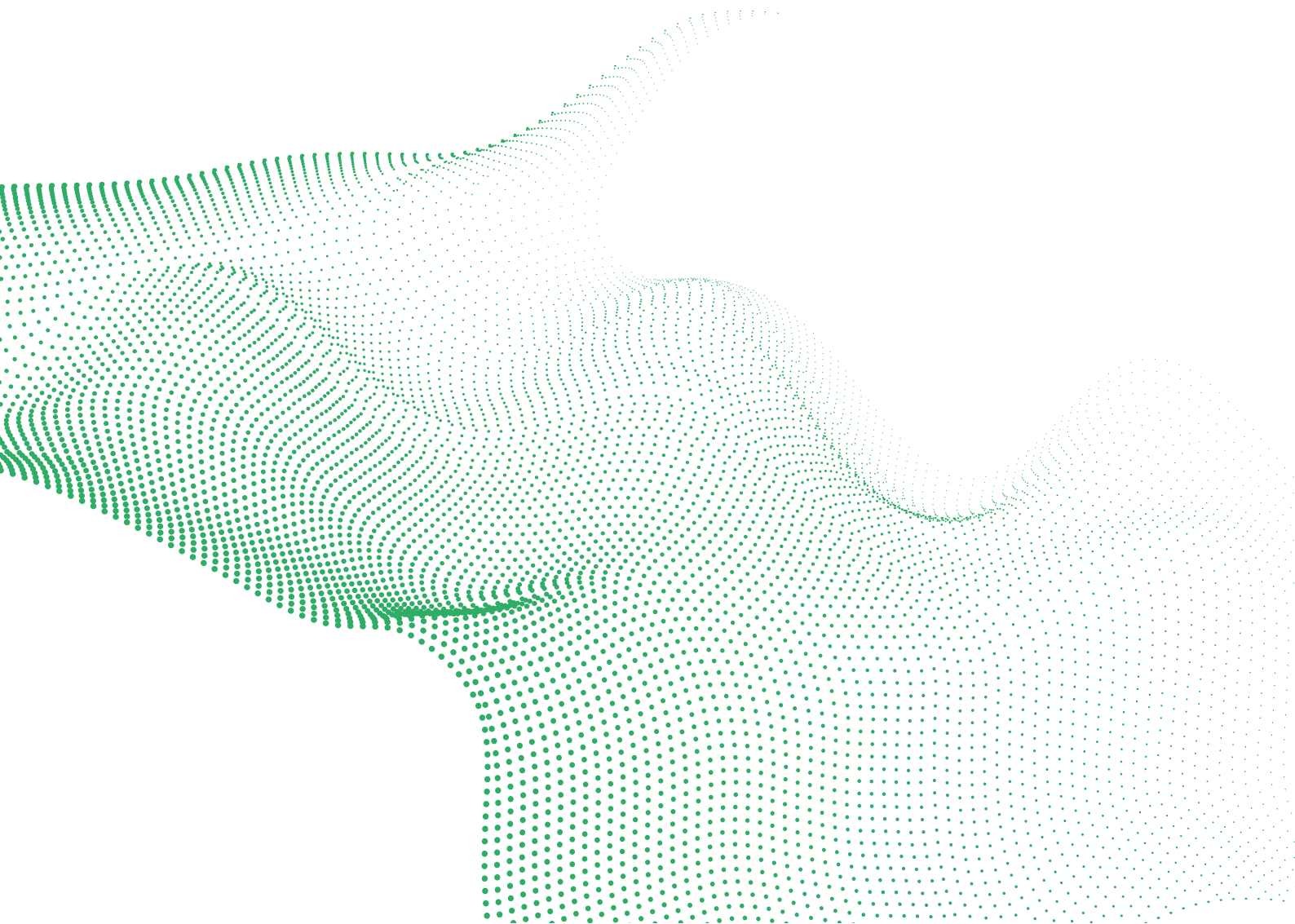
- Salt introduced a Responsible Procurement Policy and Supplier Code of Conduct (CoC) in June, setting sustainability and ethical business standards for its suppliers and ESG considerations were further integrated into procurement processes.
- The first suppliers signed Salt's Supplier Code of Conduct, formally committing to ethical business practices and sustainability standards.
- In accordance with Article 964j-I CO, Salt published its first child labour risk assessment report in June.

Outlook, 2025 and Beyond

- Salt will continue integrating sustainability criteria across its supply chain, with a focus on environmental impact, human rights, and ethical business practices.
- Purchasing processes will be updated, to incorporate enhanced sustainability criteria, and employees involved in purchasing decisions will receive specialized training on ESG standards and responsible sourcing practices.
- Salt will continue to expand supplier adherence to the Supplier Code of Conduct, making it a standard requirement in all Request for Proposal (RFP) processes.
- Salt will publish its second child labour risk assessment report, in compliance with Article 964j-I CO.
- Salt will introduce risk-based purchasing segmentation, prioritising due diligence efforts on high-risk suppliers, regions, products and services.
- In the coming years, Salt will establish key performance indicators (KPIs) to measure progress in supply chain sustainability.

Governance

Salt upholds high standards in corporate governance, ethics, and compliance to ensure responsible business practices. This chapter provides an insight into the company's framework for ensuring integrity and accountability at all levels. It also highlights measures in data privacy and cybersecurity, reflecting Salt's commitment to safeguarding sensitive information and maintaining stakeholder trust. Additionally, this section offers transparency on leadership and shareholder structures, reinforcing the company's dedication to ethical leadership and responsible decision-making.



Management and Shareholders

Salt Mobile SA (“Salt”) is owned, through one or more holding entities, by NJJ. NJJ was established in 2010 as the private holding venture of Xavier Niel, a prominent entrepreneur and telecom investor. NJJ is committed to fostering long-term shareholder value and achieving operational and financial excellence across its business portfolio.

In this corporate structure, Matterhorn Telecom Holding S.A., Luxembourg, maintains complete ownership of Matterhorn Telecom S.A., Luxembourg. Matterhorn Telecom S.A., in turn, holds full ownership of Salt, the primary operating entity located in Switzerland.

Salt Mobile SA has two wholly-owned affiliate companies, Salt Services SA, which operates in Portugal, and Salt (Liechtenstein) AG, which operates in Liechtenstein.

Salt’s Board of Directors is composed of industry professionals whose expertise and insights play a crucial role in shaping the company’s strategic direction.

Matterhorn Telecom Holding S.A. – Board of Directors

Name	Position	Independence Status ⁵	Tenure (since)	Gender
Franck Bernard	Member	Dependent	2018	Male
Pierre-Emmanuel Durand	Member	Dependent	2022	Male
Tigran Khachatryan	Member	Dependent	2023	Male
Christine Valette	Member	Independent	2023	Female
Olivier Rosenfeld	Member	Dependent	2015	Male

Matterhorn Telecom S.A. – Board of Directors

Name	Position	Independence Status ⁵	Tenure (since)	Gender
Franck Bernard	Member	Dependent	2018	Male
Pierre-Emmanuel Durand	Member	Dependent	2022	Male
Tigran Khachatryan	Member	Dependent	2023	Male
Christine Valette	Member	Independent	2023	Female
Olivier Rosenfeld	Member	Dependent	2015	Male

Salt Mobile SA – Board of Directors

Name	Position	Independence Status ⁶	Tenure (since)	Gender
Marc Furrer	Chairman	Independent	2021	Male
Pierre-Alain Allemann	Member	Dependent	2019	Male
Pierre-Emmanuel Durand	Member	Dependent	2020	Male
Xavier Niel	Member	Dependent	2016	Male

(5) Appendix D “Independence criteria” of the “X Principles of Corporate Governance”, Luxembourg Stock Exchange, 2024: <https://www.luxse.com/regulation/corporate-governance>

(6) “Swiss Code of Best Practice for Corporate Governance”, economiesuisse, 2023: https://economiesuisse.ch/sites/default/files/publications/swisscode_e_web.pdf

Salt Mobile SA - Management Board

The Salt Management Board consists of a blend of long-standing and newer members. Many members have been with the company for years, rising through the ranks and gaining a deep understanding of Salt's culture and operations. Their long tenure provides valuable continuity and stability. Meanwhile, recent changes to the Management Board have brought fresh perspectives. This blend of expertise and new ideas ensures the Management Board is well-positioned to address current challenges while seizing future opportunities.

The Management Board maintains a close partnership with the Board of Directors and NJJ representatives to ensure strategic and operational alignment throughout the organisation. By adopting a hands-on leadership style, the Management Board stays actively involved in daily operations and key decisions, driving the company's strategic goals with agility and efficiency.

Name	Position	Tenure (since)	Gender
Massimiliano (Max) Nunziata	Chief Executive Officer (CEO)	2023	Male
Fabrice Allegro	Chief Marketing Officer	2025	Male
Christian Aveni	Chief Business Officer	2019	Male
Franck Bernard	Chief Financial Officer	2017	Male
Nina Hagmann	Chief Corporate Affairs Officer & General Counsel	2020	Female
Luis Hernández González	Chief Strategy & Business Development Officer	2021	Male
Lars Keller	Chief Sales Officer	2018	Male
Stefano Orlando	Chief Customer Operations Officer	2016	Male
Eric Wolff	Chief Technology Officer	2015	Male

Learn more about the dedicated individuals on our website: salt.ch/management

Board and Management changes, 2024

- In 2024, the Salt Board of Directors structure was optimised following the resignation of two independent (Alexandra Reich, Libor Voncina) and two dependent (Franck Brunel, Olivier Rosenfeld) board members. The non-replacement is part of a strategic effort to streamline the board structure, enhancing its agility and decision-making capacity.
- In 2024, 80% of the Matterhorn Telecom S.A and Matterhorn Telecom Holding S.A Boards of Directors, 100% of the Salt Board of Directors and 88% of Salt's Management Board members are male.

Outlook, 2025 and Beyond

- Fabrice Allegro joined the Management Board as Chief Marketing Officer in January 2025. Throughout 2024, interim management was provided by Salt's CEO, Max Nunziata.

Corporate Governance, Compliance and Ethics

Salt's commitment to ethical business practices is embedded in its operations and corporate culture. The company has established a framework of policies and guidelines, ranging from a Code of Ethics and Ethics Guidelines to robust compliance and management regulations, ensuring integrity and transparency in all aspects of its business.

Central to the company's ethical approach is its Code of Ethics, which encapsulates its core values and serves as a guiding principle for all decision-making processes. Additionally, the Salt Ethics Guidelines provide instructions on how to prevent and respond to conflicts of interest, gifts, solicitation of bribes, fraud and other unethical behaviour. Besides, Salt has put in place a whistle-blower mechanism, which empowers employees to report any unethical or illegal activity, ensuring a safe and transparent working environment. Any reported violation undergoes a rigorous investigation, with appropriate measures implemented as necessary, up to and including termination of employment.

Further strengthening its commitment to responsible business conduct, Salt has introduced a Social Responsibility and Sustainability Policy, which outlines the company's approach to sustainable business practices and its impact on society.

Salt requires its suppliers to adhere to comparable ethical standards and regulations, particularly concerning human rights and anti-corruption practices. This expectation is formalised in Salt's Supplier Code of Conduct, in contractual agreements and is reinforced by audit rights to ensure compliance.

Salt's Fraud Management Policy addresses the deliberate exploitation of processes, controls or technical weaknesses

to gain an advantage, avoid obligations, cause financial loss or other damage to Salt, its subsidiaries or third parties. It encourages employees to report any issue they may encounter.

Salt's Risk Management Policy specifies the roles and responsibilities for enterprise risk management. The company uses a centralised risk management framework, with risks classified by nature of risk. This framework considers Salt's external and internal contexts, including its strategic objectives. Each identified risk is quantified on the basis of its likelihood of occurrence, and its potential impact and Salt's risk appetite. Salt holds risk committees twice a year to proactively identify and address potential threats at an early stage, ensuring the company's continued stability and success.

In terms of regulatory compliance, the company sets a high standard by following relevant applicable regulations. This includes notably strict adherence to licensing requirements, spectrum usage, and compliance with the Swiss Telecommunications Act.

Salt's Management Regulations define the management structure and the separation of roles between Salt's Board of Directors and the Management Board, as well as Salt's internal organisation, in accordance with the Swiss Code of Obligations.

Finally, the Salt Signature Policy regulates the internal and external signatures within Salt and towards third parties and provides for the legal control of each of Salt's commitments towards third parties.

Facts and Achievements, 2024

- Salt has continued legal monitoring in Switzerland and the EU, including on Environmental, Social, and Governance (ESG) aspects.
- Salt has further strengthened its business continuity strategy.
- Salt's Risk Management Policy was revamped, detailing roles and refining the processes for identifying, analysing and assessing risks using the Open FAIR methodology.
- Salt has further integrated ESG in its supply chain by formalising and releasing a Responsible Procurement Policy.
- Salt has completed its first due diligence report on child labour.
- In 2024, Salt investigated reports of misconduct and policy violations, taking appropriate action where necessary.

Outlook, 2025 and Beyond

- Salt will continue to prepare for the implementation of the EU Corporate Sustainability Reporting Directive (CSRD), which will be applicable to Matterhorn Telecom Holdings S.A. as of the 2027 reporting year, latest (depending on the final decision made about the pending “Omnibus” proposal).
- Salt will conduct a review and update of its Ethics Guidelines to align with international recommendations.

Data Privacy and Cyber Security

As part of its commitment to data privacy compliance and cyber security, Salt has taken a number of measures to ensure the highest standards of confidentiality, integrity and availability as well as data protection, including implementing high levels of security for its network and IT infrastructures. Adhering strictly to the Swiss data protection law, the company has established policies and guidelines for data handling, storage, and sharing. This underlines Salt’s commitment to safeguarding customer data against unauthorised access, leakages and breaches.

Salt ensures transparency by maintaining comprehensive privacy statements on its website, providing clear information for customers, partners, employees, and job applicants on how their data is collected, used, and managed. The company enables customers and website visitors to control their personal data through advanced privacy and management tools. A mandatory e-learning programme on data protection is in place for customer service and store staff, ensuring privacy protection measures are consistently applied in customer interactions.

The implementation of cybersecurity frameworks provides a systematic approach to managing sensitive information, ensuring it remains secure. Additionally, the company places a high priority on employee awareness. Individual sessions are held with internal stakeholders and regular wider education of employees on data protection and cybersecurity best practices is carried out, recognising that a well-informed workforce is a key defence against cyber threats.

Continuous investments in advanced cybersecurity technologies reflect the company’s proactive approach. These technologies are complemented by regular security

audits, which help identify and rectify any vulnerability, thereby reinforcing the security infrastructure.

In preparation for potential cyber incidents and data breaches, Salt has established comprehensive incident response plans and procedures to mitigate damage. These plans are part of a broader strategy for business continuity and recovery, ensuring the company can quickly rebound from any cyber-attacks while minimising impact.

In preparation for the possibility of a data breach, the company has developed processes to efficiently report and manage such incidents, prioritising transparency and accountability. Additionally, the company extends its security standards to suppliers and partners, particularly those with system access, ensuring a secure and compliant supply chain.

Regular audits and compliance checks, including third-party audits, are conducted to verify adherence to the Swiss data protection law and cybersecurity standards. Cybersecurity risk assessments are performed routinely, enabling the company to stay ahead of emerging threats. Additionally, the company has put in place a comprehensive Bug Bounty programme. The company’s Security Operation Centre (SOC) monitors security threats. By assessing and managing these risks regularly, the company ensures a secure digital environment for its customers and operations.

Salt is committed to the secure handling, storage and controlled access of customer data, integrating robust cybersecurity measures with responsible data governance to maintain trust, privacy and transparency.

Facts and Achievements, 2024

- Salt maintained and expanded awareness campaigns, with a particular focus on data protection, security and privacy.
- Salt has reviewed and strengthened the agreements with its partners, in particular with the indirect channel partners, to reinforce data privacy compliance and protection.

Outlook, 2025 and Beyond

- Salt will continue to strengthen its employee awareness campaigns, emphasising data security, privacy, particularly in the context of rapidly developing technologies.
- Salt will introduce enhanced awareness campaigns and targeted training programmes through an e-learning platform to mitigate phishing, fraud, and other cybersecurity threats.
- Salt will continue to enhance employee training programmes to deepen their expertise in handling, processing, and archiving personal data. Covering customer, employee, partner, and supplier data, these improvements will ensure the entire workforce understands and follows best practices in data governance and protection.
- Salt is dedicated to continuously refining processes and tools, with a strong focus on reinforcing data security and cybersecurity.
- Salt is committed to ongoing monitoring and implementation of industry best practices in cybersecurity to ensure the highest level of protection.

Salt contribution to UN Sustainable Development Goals (SDGs)

SDG 3: Good Health and Well-being



- Implementing robust employee health and safety measures.
- Providing mental health support through the Employee Assistance Programme (Movis).
- Conducting anti-aggression training for customer-facing employees.
- Promoting employee well-being through initiatives like Bike to Work.

SDG 4: Quality Education



- Offering apprenticeship and trainee programmes to support youth employment.
- Providing training and development programmes for employees.
- Partnering with universities to support student research.

SDG 5: Gender Equality



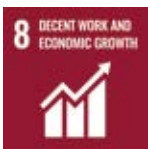
- Monitoring gender pay equity and ensuring compliance with Swiss regulations.
- Encouraging women in tech through inclusive hiring.
- Supporting equal career development opportunities at all levels of the organisation.

SDG 7: Affordable and Clean Energy



- Sourcing 100% renewable energy for main offices and data centres.
- Increasing energy efficiency in network infrastructure.
- Expanding PHEV and electric vehicle fleet and charging stations for employees.

SDG 8: Decent Work and Economic Growth



- Ensuring fair and competitive compensation and benefits.
- Strengthening ethical supply chain practices and supplier risk assessments.
- Supporting Swiss businesses with innovative and efficient telecom solutions

SDG 9: Industry, Innovation, and Infrastructure



- Expanding 5G network for digital transformation.
- Implementing smart energy-saving technologies in telecom operations.
- Developing eco-friendly customer equipment (Fiber Box, Android TV Box).

SDG 10: Reduced Inequalities



- Enhancing accessibility of digital platforms for users with disabilities.
- Appointing an Accessibility Officer to oversee inclusivity efforts.

SDG 11: Sustainable Cities and Communities



- Working towards improving network accessibility for emergency situations and disaster response.

SDG 12: Responsible Consumption and Production



- Promoting device refurbishment, repair and resale programmes.
- Reducing e-waste through take-back and recycling initiatives.
- Deploying refurbished router boxes.
- Reselling, donating, and recycling network and IT equipment

SDG 13: Climate Action



- Measuring and reducing carbon footprint in operations and supply chain.
- Working on reducing CO2 emissions, aiming to align with Science-Based Targets initiatives (SBTi).
- Investing in renewable energy and energy-efficient infrastructure.

SDG 16: Peace, Justice, and Strong Institutions



- Ensuring strong data privacy and cybersecurity measures.
- Implementing whistle-blower and anti-corruption policies.
- Strengthening compliance and governance frameworks.

SDG 17: Partnerships for the Goals



- Partnering with telecom industry peers on sustainability initiatives.
- Engaging NGOs and government agencies on youth protection projects.

Disclaimer

This report contains certain statements that are deemed to be forward-looking statements. Forward-looking statements are not historical facts; they are based upon current expectations and assumptions regarding anticipated developments and other factors. They are not guarantees of future performance or achievement since they are subject to numerous assumptions, known and unknown risks, and uncertainties, which are outside Salt's control and are difficult to predict. Forward-looking statements speak only as of the date they are made, and various factors could cause actual performance or achievement to differ materially from that expressed or implied by these forward-looking statements. Salt assumes no duty to and does not undertake to update forward-looking statements until the publication of the next report.

The achievement of our climate ambitions depends, in part, on broader societal shifts in consumer demands and technological advancements, each of which are beyond our control. Should society's demands and technological innovation not shift in parallel with our pursuit of our energy transition plan, our ability to meet our climate ambitions will be impaired.

A woman with long brown hair and glasses is smiling while talking on a black mobile phone. She is wearing a green knitted cardigan over a white collared shirt. She is sitting at a wooden desk with a laptop, a notebook, and a pen. The background is softly blurred, showing a window with light coming through.

Salt.

Matterhorn Telecom Holding S.A. Financials

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Audit report

To the Shareholder of
Matterhorn Telecom Holding S.A.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of Matterhorn Telecom Holding S.A. (the “Company”) and its subsidiaries (the “Group”) as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

What we have audited

The Group’s consolidated financial statements comprise:

- the consolidated statement of profit or loss for the year then ended;
 - the consolidated statement of other comprehensive income / (loss) for the year then ended;
 - the consolidated statement of financial position as at 31 December 2024;
 - the consolidated statement of changes in equity for the year then ended;
 - the consolidated statement of cash flows for the year then ended; and
 - the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.
-

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the consolidated financial statements” section of our report.

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

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the Management Report but does not include the consolidated financial statements and our audit report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above 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. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, 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.

Responsibilities of the “Réviseur d'entreprises agréé” for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism 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 the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- conclude on the appropriateness of the 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit 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 audit report. However, future events or conditions may cause the Group 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;
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities and business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to 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.

Report on other legal and regulatory requirements

The Management Report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 26 March 2025

Tal Ribon

Consolidated Statement of Profit or Loss

(in thousands of Swiss Francs)	Notes	2024	2023
Revenue	4	1'136'219	1'116'728
Access, backbone, interconnection and content costs	5	(118'916)	(117'862)
Commercial expenses and cost of equipment sold	5	(238'125)	(241'527)
Network, IT, property expenses and other purchases	5	(64'194)	(60'411)
Wages, salaries and post-employment benefits	9	(129'002)	(110'601)
Capitalised self-constructed assets	9	14'564	13'669
Other operating expenses	12	(33'203)	(28'420)
Other operating income	12	8'072	5'274
Gain on disposal and other gains	14	1'649	3'417
Restructuring, transition and transaction costs		(692)	(470)
Corporate and monitoring fees	16	(4'000)	(4'000)
Depreciation and amortization	6	(200'721)	(240'617)
Depreciation of right-of-use assets	13	(49'562)	(47'328)
Operating profit		322'089	287'852
Finance costs	10	(128'415)	(103'927)
Finance income	10	15'942	9'947
Finance costs, net		(112'473)	(93'980)
Profit before tax		209'616	193'872
Income tax expenses	7	(44'051)	(37'277)
Profit attributable to owners		165'565	156'595

The accompanying notes are an integral part of the consolidated financial statements

Consolidated Statement of Other Comprehensive Income / (Loss)

(in thousands of Swiss Francs)	Notes	2024	2023
Profit		165'565	156'595
Gain (loss) on cash flow hedge	10	(7'055)	6'816
Cost of hedging	10	3'006	(2'501)
Deferred tax on items recognized directly in other comprehensive (loss) / income	7	1'121	(1'144)
Net other comprehensive income / (loss) to be reclassified to profit and loss in subsequent periods		(2'928)	3'171
Remeasurement of defined benefit obligation	9	355	(3'835)
Deferred tax on items recognized directly in other comprehensive income	7	17	588
Net other comprehensive income (loss) not to be reclassified to profit and loss in subsequent periods		372	(3'247)
Other comprehensive (loss) after tax		(2'556)	(76)
Total comprehensive income		163'009	156'519

The accompanying notes are an integral part of the consolidated financial statements

Consolidated Statement of Financial Position

(in thousands of Swiss Francs)	Notes	December 31, 2024	December 31, 2023
ASSETS			
Non-current assets			
Goodwill	6	1'313'793	1'313'793
Other intangible assets	6	857'527	854'891
Property, plant and equipment	6	541'281	542'683
Right-of-use assets	13	237'307	220'156
Trade receivables and contract assets	4,11	43'979	46'600
Other non-current assets	11,12	9'388	9'102
Prepaid expenses	12	9'215	9'657
Deferred tax assets	7	2'744	1'040
Total non-current assets		3'015'234	2'997'922
Current assets			
Inventories	5	28'847	25'979
Trade receivables and contract assets	4,11	199'883	241'970
Other current assets	11,12	2'466	1'667
Derivative assets	10	1'021	642
Prepaid expenses	12	38'730	38'293
Cash and cash equivalents	11,12	360'621	385'565
Total current assets		631'568	694'116
TOTAL ASSETS		3'646'802	3'692'038

The accompanying notes are an integral part of the consolidated financial statements

Consolidated Statement of Financial Position

(in thousands of Swiss Francs)	Notes	December 31, 2024	December 31, 2023
EQUITY AND LIABILITIES			
Equity			
Share capital	12	8'200	8'200
Share premium	12	287'546	285'428
Retained earnings		(82'003)	(95'450)
Other reserves		(18'016)	(15'460)
Total equity		195'727	182'718
Non-current liabilities			
Long-lived assets payables	11	416'501	399'810
Borrowings and other financial liabilities	10,11	1'649'902	1'499'162
Lease liabilities	11,13	668'250	662'505
Employee benefits obligations	9	2'077	7'231
Provisions	8	30'857	30'078
Other liabilities	12	500	500
Deferred income	4	1'472	1'904
Derivative liabilities	10	196'740	138'148
Deferred tax liabilities	7	5'004	7'401
Total non-current liabilities		2'971'303	2'746'739
Current liabilities			
Trade payables	11	130'753	105'543
Long-lived assets payables	11	112'450	136'993
Income tax payable	7	58'787	55'182
Borrowings and other financial liabilities	10,11	45'481	268'208
Lease liabilities	11,13	60'053	57'248
Employee benefits obligations	9	29'003	17'133
Provisions	8	1'357	2'403
Other liabilities	12	25'333	22'340
Deferred income	4	16'155	19'015
Derivative liabilities	10	400	78'516
Total current liabilities		479'772	762'581
TOTAL EQUITY AND LIABILITIES		3'646'802	3'692'038

The accompanying notes are an integral part of the consolidated financial statements

Consolidated Statement of Changes in Equity

(in thousands of Swiss Francs)	Notes	Share capital	Share premium	Cash flow hedging reserve	Actuarial gains & losses	Cost of hedging reserve	Retained earnings	Total equity
Balance at January 1, 2023		8'200	283'375	(32'857)	17'473	-	(69'992)	206'199
Profit attributable to owners		-	-	-	-	-	156'595	156'595
Gain (loss) on cash flow hedge	10	-	-	6'816	-	(2'501)	-	4'315
Remeasurement of defined benefit obligation	9	-	-	-	(3'835)	-	-	(3'835)
Deferred tax on items recognized directly in other comprehensive income / (loss)	7	-	-	(1'807)	588	663	-	(556)
Total comprehensive income		-	-	5'009	(3'247)	(1'838)	156'595	156'519
Interim dividend	12	-	-	-	-	-	(182'053)	(182'053)
Contribution from Shareholder to Share Premium	12	-	182'053	-	-	-	-	182'053
Share Premium repayment	12	-	(180'000)	-	-	-	-	(180'000)
Balance at January 1, 2024	-	8'200	285'428	(27'848)	14'226	(1'838)	(95'450)	182'718
Profit attributable to owners		-	-	-	-	-	165'565	165'565
Gain (loss) on cash flow hedge	10	-	-	(7'055)	-	3'006	-	(4'049)
Remeasurement of defined benefit obligation	9	-	-	-	355	-	-	355
Deferred tax on items recognized directly in other comprehensive income / (loss)	7	-	-	1'911	17	(790)	-	1'138
Total comprehensive income		-	-	(5'144)	372	2'216	165'565	163'009
Interim dividend	12	-	-	-	-	-	(152'118)	(152'118)
Contribution from Shareholder to Share Premium	12	-	152'118	-	-	-	-	152'118
Share Premium repayment	12	-	(150'000)	-	-	-	-	(150'000)
Balance at December 31, 2024		8'200	287'546	(32'992)	14'598	378	(82'003)	195'727

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

(in thousands of Swiss Francs)	Notes	2024	2023
OPERATING ACTIVITIES			
Profit attributable to owners		165'565	156'595
Adjustments to reconcile profit/(loss) to funds generated from operations			
Depreciation and amortization	6	200'721	240'617
Depreciation of right-of-use assets	13	49'562	47'328
Change in other provisions	8,9	(4'261)	(2'292)
Income tax recognized in the income statement	7	44'051	37'277
Finance costs net	10,11	112'473	93'980
Other non-cash transaction		1'222	847
Net result on disposal of businesses and other gains	14	(1'649)	(3'417)
Gain on disposal of property, plan and equipment		(693)	(719)
Change in inventories, trade receivables and trade payables			
Change in inventories	5	(2'868)	(2'324)
Change in trade receivables	4	44'193	(13'733)
Change in trade payables	11	23'916	(2'281)
Change in other receivables and payables		9'065	(2'948)
Income tax paid	7	(43'409)	(46'935)
Change in deposits		(286)	(241)
Net cash provided by operating activities		597'602	501'754
INVESTING ACTIVITIES			
Purchases of property, plant and equipment	6	(109'976)	(123'598)
Purchases of intangible assets	6	(86'364)	(82'957)
Proceeds from sale of assets disposed		693	719
Interest income received on short term investments		8'712	2'718
Net cash used in investing activities		(186'935)	(203'118)
FINANCING ACTIVITIES			
Issuance of debt instruments	10,11	242'800	100'000
Debt instruments issuance costs	10,11	(2'869)	(1'596)
Repayment of Swap	10	(5'367)	(11'431)
Repurchase of debt instruments	10	(326'821)	(15'946)
Repayment of lease liabilities	10,11	(55'547)	(56'358)
Repayment of other financial debt	10	(27'285)	(3'585)
Interest paid and other financial charges	10	(110'592)	(96'827)
Other financial income		-	184
Share premium repayment	12	(150'000)	(180'000)
Net cash used in financing activities		(435'681)	(265'559)
Net change in cash and cash equivalents		(25'014)	33'077
Cash and cash equivalents at beginning of period		385'565	356'234
Effect of exchange rates changes on cash and cash equivalents		70	(3'746)
Net change in cash and cash equivalents		(25'014)	33'077
Cash and cash equivalents at end of period	12.2	360'621	385'565

The accompanying notes are an integral part of the consolidated financial statements

Note 1 – Description of business and basis of preparation of the consolidated financial statements

1.1 Description of business

Matterhorn Telecom S.A. and Matterhorn Telecom Holding S.A. were incorporated as at March 25, 2015 as Luxembourg public limited liability Companies (S.A.) governed by the laws of the Grand Duchy of Luxembourg. Their registered office is established in Luxembourg-city and their address is 148, boulevard de la Pétrusse L-2330 Luxembourg - R. C. S. Luxembourg: B195766.

On November 21, 2025, the board of directors resolved to transfer the registered office of Matterhorn Telecom Holding S.A. from 53, boulevard Royal L-2449 Luxembourg to 148, boulevard de Pétrusse L-2330 Luxembourg with effect as from December 16, 2024.

NJJ Suisse Animation SAS "The Company" (parent of Matterhorn Telecom Holding S.A.) is the ultimate parent entity for financial information purpose and the ultimate controlling party is the Niel family.

Salt Mobile S.A. and its subsidiaries (hereafter "Salt Switzerland") provide consumers, businesses and other telecommunication operators with a wide range of services including mobile telecommunications, data transmission, Internet / TV / Fixed Telephony and other value-added services.

1.2 Basis of preparation of the consolidated financial statements

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as endorsed by the European Union.

These consolidated financial statements have been prepared under the historical cost convention with the exception of derivative financial instruments, financial assets at fair value through profit or loss and the defined benefit pension plan that are measured at fair value.

The consolidated statement of cash flows for the comparative figure has been re-presented. Interest income of CHF 2.7 million from short-term investments, previously reported under net cash used in financing activities within the "Other financial income" line, has been re-presented under net cash used in investing activities. Additionally, CHF -3.6 million, previously included in the "Purchases of property, plant and equipment and intangible assets" line within the investing activities, has been reclassified under "Repayment of other financial debt" within financing activities. These reclassification do not affect neither the consolidated statement of income profit or loss nor the consolidated statement of financial position.

Finally, "Capitalised self-constructed assets" have been separated from "Wages, salaries, and post-employment benefits" and are now presented on the face of the Consolidated Statement of Profit or Loss.

These consolidated financial statements as at December 31, 2024 and the related consolidated statements of profit and loss, comprehensive income, changes in equity and cash flows for the period from January 1, 2024 to December 31, 2024 were approved and authorised for issue on March 25, 2025 by the Board of Directors of Matterhorn Telecom Holding S.A..

1.2.1 New standards and Amendments to IFRS affecting amounts reported in the financial statements

The Group has applied the following amendments for the first time for their annual reporting period commencing January 1, 2024.

Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1

Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date.

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either on or before the reporting date, this needs to be considered in the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants with which the entity must comply within 12 months of the reporting date.

These amendments have no impact on the consolidated financial statements of the Group as of December 31, 2024. The classification of current and non-current portion of the liabilities is determined in accordance with the rights at the closing date.

Lease liability in sale and leaseback – Amendments to IFRS 16

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments have no impact on the Group's consolidated financial statements as of December 31, 2024.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Group has a supplier finance arrangement, the characteristics of the arrangement are described under the note 10.6.

1.2.2 New and revised IFRS in issue but not yet effective

The Group has not early adopted any IFRS as endorsed by the European Union, which is not yet effective.

The Group expects changes from the application of IFRS 18 applicable from 1 January 2027 and with retroactive impacts on 2026 consolidated financial statements. The Group will need to review the presentation of the Income statement and notably, will need to disaggregate the impacts generated from the investing activities from the impacts in regards to the financing activities. Moreover the Group will need to identify the management-defined performance measures (MPMs) and provide the reconciliation with the consolidated financial statements.

1.3 Use of critical estimates and judgements

In preparing the Group financial statements, the Group's management makes estimates, judgements and assumptions, insofar as many elements included in the financial statements cannot be measured with precision. These estimates and underlying assumptions are revised if the underlying circumstances evolve or in light of new information or experience.

Consequently, estimates made as at December 31, 2024 may subsequently be changed. The underlying assumptions used for critical estimates are as follows:

	Nature of critical estimate and judgement
Note 4 : Revenue and Trade Receivables	Determination of the bad debt based on an assessment of the future recoverable amount using the expected loss credit model. Key assumptions of the postpay revenue recognition relates to the allocation to each identified performance obligation on the basis of relative stand-alone selling prices and timing (at a point in time versus over time)
Note 6 : Impairment	Key assumptions used to determine recoverable amounts: discount rate, perpetual growth rate, expected cash flows
Note 8 : Provisions	Provisions for dismantling: churn rate, inflation rate, discount rate and restoring cost
Note 9 : Employee benefits (Pension)	Discount rate, inflation rate, salary increases, mortality table
Note 13 : Lease	Right-of-use assets and lease liability valuation (assessment of whether a contract contains a lease, lease term, probability to exercise a renewal option and discount rate)

The consolidated financial statements have been prepared on the assumption that the Group is a going concern and will continue its operations under the scope defined above.

1.4 Audit fees

The Group's consolidated financial statements are audited by PricewaterhouseCoopers, Luxembourg. The total fees are shown below:

(in thousands of Swiss Francs)	2024	2023
Audit fees	522	510
Audit-related fees	245	138
Other services	33	80
Fees	800	728

Note 2 – Accounting policies

This note describes the accounting policies applied to prepare the consolidated financial statements for the years ended December 31, 2024 and December 31, 2023. The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

2.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control on the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit / (loss) and other comprehensive income / (loss) from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup transactions and balances are eliminated in consolidation.

2.2 Business combinations and goodwill

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred to the former owners of the acquiree by the Group, and the equity interests issued by the Group in exchange for control of the acquiree. Transaction costs are recognised as a profit or loss as incurred.

At the acquisition date, the identifiable assets and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefits arrangements are recognised and measured in accordance with IAS 12 and IAS 19 respectively and;
- assets that are classified as held for sale in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Assets, liabilities, income and expenses of a subsidiary are included in the consolidated financial statements until the date the Group loses the control on the subsidiary. Gain and loss related to the divestment are recognized through the income statement for the difference between the fair value of the proceeds and the carrying value of the net assets.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of identifiable assets, liabilities and contingent liabilities taken over, regardless of the level of the investment held, is recognised as goodwill. Goodwill is not amortised, but tested annually for impairment.

Therefore, the evolution of general economic and financial trends, the different levels of resilience of the telecommunication operators with respect to the decline of local economic environments, the changes in the market capitalisation values of telecommunication companies, as well as actual economic performance compared to market expectations represent external indicators that are analysed by the Group, together with internal performance indicators, in order to assess whether an impairment test should be performed more than once a year.

IAS 36 requires that these tests be performed at the level of each Cash Generating Unit (CGU) or groups of CGUs which are likely to benefit from acquisition-related synergies, within an operating segment. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. This allocation is reviewed if the Group changes the level at which it monitors return on investment for goodwill testing purposes. To determine whether an impairment loss should be recognised, the carrying value of the assets and liabilities of the CGUs or groups of CGUs is compared to recoverable amount. The recoverable amount of a CGU is the higher of its fair value less costs of disposal and its value in use.

The Company considers that the smallest group is the operational segment described in Note 3.

Impairment loss for goodwill is recorded in operating expenses and is never reversed subsequently.

Intangible assets acquired in business combinations and recognised separately from goodwill are initially recognised at their fair value at the acquisition date.

Contingent consideration, if any, is recognised against the acquisition cost at the acquisition date. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

2.3 Associates

Associates are companies where the Group has the power to exercise a significant influence but does not exercise control. Significant influence may be obtained when the Group has 20% or more of the voting rights in the investee or has obtained a seat on the Board of Directors or otherwise participates in the policy-making process of the investee.

Associates are accounted for using the equity method. The net assets and results are adjusted to comply with the Group's accounting policies. The carrying amount of goodwill arising from the acquisition of associates is included in the carrying amount of investments in associates and joint ventures.

2.4 Segment reporting

The operating segment is the component of the Group that engages in business activities and which operating result is based on the internal reporting to the Chief Operating Decision-Maker in order to determine the allocation of resources and to assess of the operating segment's performance.

2.5 Effect of changes in foreign exchange rates

Functional and presentation currency

The Swiss Franc (CHF) is the functional currency of all entities within the Group and is the Group's presentation currency.

Transactions in foreign currencies

Transactions in foreign currencies are converted into the entities' functional currency at the exchange rate of the transaction date. Monetary assets and liabilities are remeasured at the exchange rate of the end of each reporting period and the resulting translation differences are recorded in the income statement, in finance income or finance expenses.

Both for transactions qualifying as hedge accounting and for transactions qualifying as economic hedge, the change in fair value of derivatives that can be attributed to changes in exchange rates is recorded in financial result. As the hedged item is not recognised in the statement of financial position in the context of a cash flow hedge of a highly probable forecast transaction, the effective portion of change in fair value of the hedging instrument is recorded in other comprehensive income and reclassified in:

- profit or loss in accordance with the precedent method with respect to financial assets and liabilities;
- the initial cost of the hedged item with respect to the non-financial assets and liabilities.

2.6 Revenue

Revenue from the Group activities is measured and accounted for in accordance with IFRS 15 "Revenue from Contracts with Customers".

Service sales

Revenue from mobile telecommunication access subscription fees, is recognised on a straight-line basis over the minimum contract term, which is generally 12 or 24 months. Revenue related to out of bundle operations is recognised when the service is rendered.

Fixed-network services comprise principally the basic charges for fixed telephony, broadband and TV connections as well as the domestic and international telephony traffic of individuals. Revenues related to monthly flat rate subscription are recognised on a straight-line basis over the term of the contract. Revenue related to out of bundle operations is recognised when the service is rendered.

Revenue from incoming and outgoing telephone calls, including those from the wholesale of traffic data, are recognised when the service is rendered.

Equipment sales

Revenue from equipment sales is recognised at the time the customer takes delivery of the good (point in time).

Build-to-Suit (BTS) sites sales

According to the master service agreement signed with Swiss Infra Services S.A. on August 5, 2019, the Group builds network sites to be then sold to Swiss Infra Services S.A. when available for use. The revenue from the sale is recognized when the site is transferred. Under IFRS 16, this transaction is considered as a sale and lease-back transaction.

Content sales

The accounting for revenue sharing arrangements and supply of content depends on the analysis of the facts and circumstances surrounding these transactions. The revenue is recognized on a gross basis when the Group acts as a principal. The Group is considered as a principal if it controls the specified services or goods before it is transferred to the customer. Otherwise the revenue is recognized on a net basis.

Promotional offers

Revenues are stated net of discounts. Certain commercial offers include a free service over a certain period (time-based incentives) when the customer commits to a fixed period contract. In such circumstances the total revenue generated under the contract is spread over the fixed and non-cancellable contract period.

Separable components of bundled offers

Some products sold by the Group, through its direct channel, include two components: equipment (e.g. a mobile handset / TV box) and service (fix or mobile). As far as a sale with multiple products or services is concerned, the Group analyses all deliverables in the contract to identify the different performance obligations. The fixed or determinable total amount in the contract is allocated to each identified performance obligation on the basis of relative stand-alone selling prices. Non-refundable activation fees are not considered as a separate performance obligation. They are included in the contract price and allocated on a relative stand-alone selling prices basis to the individual performance obligations under the customer contract.

2.7 Subscriber acquisition and retention costs, advertising and related cost

Subscriber acquisition and retention costs

Subscriber acquisition and retention costs, mainly commissions paid to retailers and employees, are capitalized in the statement of financial position and amortized over the contract term if they are directly related to obtaining a contract. This results in the recognition of prepaid expenses under current assets on the statement of financial position.

Advertising and related costs

Advertising, promotion, sponsoring, communication and brand marketing costs are expensed when incurred.

2.8 Other intangible assets

Intangible assets mainly consist of licenses, content rights, customer contracts, indefeasible rights of use, development costs and software.

Gross value

Intangible assets are initially recognised at their acquisition or production cost. When intangible assets are acquired in a business combination, their cost is determined in connection with the purchase price allocation based on their respective market value. When their market value is not readily determinable, cost is determined using generally accepted valuation methods based on revenues, costs or other appropriate criteria.

Internally generated trademarks and subscriber bases are not recognised as assets.

Indefeasible Rights of Use (IRUs) acquired by the Group correspond to the right to use cable or capacity transmission cable granted for a fixed period and packages of connection to our FTTH customers. IRUs are recognised as assets when the Group has the specific indefeasible right to use an identified portion of the underlying asset, generally optical fibers or dedicated wavelength bandwidth, and the duration of the right corresponds to the major part of the economic life of the underlying asset. The instalments to be paid for the Group IRUs are spread over a number of years. The related liability is presented as long-lived asset payables with a current and a non-current portion. There is no IRUs contract that meet the criteria of recognition and measurement of IFRS 16 Leases. The IRU(s) acquired since 2023 have been discounted using the incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group and makes adjustments specific to the lease, e.g. term, country and currency.

The Group's research and development projects mainly relate to the upgrade of the network architecture or functionality and the development of service platforms aimed at offering new services to the Group's customers. These projects generally give rise to the development of software. An intangible asset arising from development is recognised if, and only if, the Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure the expenditure attributable to the intangible asset during the development phase.

Amortisation

Intangible assets are amortised on straight-line basis over their expected useful life:

Licenses	15 to 17 years
Software	3 to 5 years
Customer relations	1 to 11 years
Other intangible assets	5 to 20 years

Licenses to operate mobile telephone networks are amortised over the license period from the date when the license is ready to be used. The right to operate a mobile network is recorded in an amount corresponding to the fixed portion of the royalties due when the license was granted. The variable user fee is expensed as incurred.

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

2.9 Property, plant and equipment

Gross Value

Fixed assets are recognised at their purchase or production cost, which includes costs directly attributable to bringing the asset to the location and to a working condition for its intended use. It also includes the initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located, representing the obligation incurred by the Group.

The cost of networks includes design and construction costs, as well as costs related to the improvement in equipment and facility capacity.

The total cost of an asset is allocated to its different components. Each component is accounted for separately when the components have different useful lives or when the pattern in which their future economic benefits are expected to be consumed by the entity varies. Depreciation rate and method of such components are different accordingly.

Maintenance and repair costs are recognised in profit or loss as incurred, except where they serve to increase the productivity or useful life of the asset.

Depreciation

Depreciation is based on the cost of a property, plant and equipment less any residual value and reflects the pattern in which the future economic benefits of the asset are expected to be consumed. Thus, the asset is usually depreciated on the straight-line basis over the following estimated useful lives:

Buildings	10 to 30 years
Network: Switching, transmission and other network equipment	5 to 10 years
Network: Cables and civil works	15 to 30 years
IT equipment: Computer hardware	3 to 5 years

These useful lives are reviewed annually and are adjusted if they differ from previous estimates. These changes in accounting estimates are recognised prospectively.

2.10 Impairment of non-current assets

At the end of each reporting period, the Group reviews the carrying amount of its property, plant and equipment and intangible assets with definite useful life to determine whether there is any indication that those assets have suffered an impairment loss.

Indicators of impairment include events or circumstances occurring during the period (such as obsolescence, physical damage, significant changes to the manner in which the asset is used, worse than expected economic performance, a drop in revenues or other external indicators).

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the impairment loss (if any). Goodwill is tested for impairment in the last quarter of each financial period, or when there is any indication of impairment.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use, which is assessed using the discounted cash flows method based on management's best estimate of the set of economic conditions. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of cash-generating units to which the asset belongs to.

The impairment loss recognised is equal to the difference between the net book value and the recoverable amount.

2.11 Financial assets and liabilities

Financial assets and liabilities are recognised initially at fair value. They are subsequently measured either at fair value or at amortised cost using the effective interest method depending on the category in which they are classified.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. This calculation includes all fees and points paid or received between parties to the contract.

2.11.1 Financial assets to be measured at amortised cost

This category mainly includes trade receivables, cash, certain deposits, as well as other loans and receivables. These instruments are recognised at fair value upon origination and are subsequently measured at amortised cost using the effective interest method. Receivables with no stated interest rate are measured at initial nominal amount unless there is any significant impact resulting from the application of an implicit interest rate.

The loss allowances for loan and receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of minimum 6 months before the closing date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery from the company. Indicators that there is no reasonable expectation of recovery include, amongst others, a failure to make contractual payments for an extended period of time.

Impairment losses on trade receivables are presented as customer bad debt within in other operating expenses.

Financial assets are fully or partially derecognised when:

- the rights to receive cash flows from the asset have expired;
- an obligation to pay the cash flows received from the asset to a third party has been assumed and the risk and rewards have been substantially transferred;
- the rights to receive cash flows from the asset have been transferred to a third party and all the risks and rewards of the asset have been substantially transferred.

2.11.2 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are:

- assets held for trading that the Group acquired principally for the purpose of selling them in the short term, and where the Group does not have the ability to exert either control or significant influence;
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of recent actual pattern of short-term profit-taking;
- derivative assets not qualifying for hedge accounting.

2.11.3 Financial liabilities to be measured at amortised cost

Borrowings and other financial liabilities at amortised cost are recognised upon inception at fair value, and subsequently measured at amortised cost using the effective interest method. Current interest-free payables are booked at their nominal value.

Issuance costs that are directly related to the acquisition or issuance of a financial liability are deducted from its carrying value. The costs are subsequently amortised over the life of the liability by using the effective interest method.

Within the Group, some financial liabilities at amortised cost are subject to hedge accounting. They mostly relate to foreign currency borrowings in order to hedge future cash flows against changes in currency value (cash flow hedge).

2.11.4 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss consist mainly of derivative instruments described below.

2.11.5 Recognition and measurement of hedging derivatives

Derivatives are financial assets or liabilities measured at fair value through profit or loss and are classified in a separate line item of the statement of financial position when they qualify for hedge accounting.

Hedge accounting designation:

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items.

The Group enters into cross-currency / interest rate swaps that have similar critical terms as the hedged item, such as reference rate, payment dates and notional amount. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness. As all critical terms matched during the year, there is an economic relationship.

Hedge ineffectiveness for cross-currency / interest rate swaps may occur due to the credit value/debit value adjustment on the interest rate swaps.

The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Cash flow hedges that qualify for hedge accounting:

The cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular interest rate and/or currency risk associated with a recognised asset or liability or a highly probable forecast transaction (such as a future purchase or sale) and could affect profit or loss. The hedged item being not recognised, the effective portion of changes in fair value of the hedging instrument is recognised in other comprehensive income. Such amounts are recycled to profit or loss when the hedged financial asset or hedged financial liability affects the income statement. When the hedged item is not a financial asset or a financial liability, such amounts are reclassified in its initial cost.

Hedge accounting is terminated when the hedged item is no longer recognised, when the Group voluntarily revokes the designation of the hedging relationship, or when the hedging instrument is terminated or exercised. The accounting consequences are that amounts booked in other comprehensive income are immediately reclassified in profit or loss when the future cash flows are not expected to occur anymore or, in all other cases, when the hedged item affects profit or loss. Subsequent changes in the value of the hedging instrument are recorded in profit or loss.

2.12 Inventory

Inventory mainly comprises handsets, TV boxes and related accessories for resale and is measured at the lower of their cost and their net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs necessary to make the sale.

Inventory also includes the work in progress related to the sites built to be sold within the Built to Suit Program under the Master Services Agreement signed with Swiss Infra Services SA on August 5, 2019. When the sites are sold, the related construction cost is presented in cost of equipment sold.

Obsolete, defective or slow-moving inventories have been written down to estimated net realisable value. The recoverable amount of inventory is calculated based on inventory age and turnover.

2.13 Income and deferred taxes

The current and deferred income tax expense is reviewed each year and includes both current and deferred taxes.

Current tax is measured by the Group at the amount expected to be paid to or recovered from the tax authorities of each country, based on its interpretation with regard to the application of tax legislation.

Deferred taxes are recognised for all temporary differences between the book values of assets and liabilities and their tax basis, as well as for unused tax losses, using the liability method taking into account the tax rates, which are enacted or substantially enacted at the end of the reporting period. Deferred tax assets are recognised only when their realisation is considered probable.

Deferred tax assets arising from tax losses are not recognised under certain circumstances specific to each tax entity, and particularly when:

- entities cannot assess the probability of the tax loss carryforwards being set off against future taxable profits, due to forecasts horizon and uncertainties as to the economic environment;
- entities do not expect to use the losses within the timeframe allowed by tax regulations;
- tax losses are uncertain to be used due to the risks of divergent interpretations with regard to the application of tax legislation.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.14 Provisions

A provision is recognised when the Group has a present obligation towards a third party as resulting from a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

The obligation may be legal, regulatory or contractual or it may represent a constructive obligation deriving from the Group's actions where, by an established pattern of past practice or published policies creating a valid expectation on the part of other parties that the Group will discharge certain responsibilities.

The estimate of the amount of the provision corresponds to the probable outflow of resources likely to be incurred by the Group to settle its obligation.

Contingent liabilities are disclosed in the Notes to the financial statements. They correspond to:

- probable obligations resulting from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Group's control; or
- present obligations arising from past events that are not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability.

Litigation

In the ordinary course of business, the Group is involved in a number of legal and arbitration proceedings and administrative actions. The costs that might result from these proceedings are only accrued when they are probable and when their amount can be quantified or estimated within a reasonable range. The amount of provision recorded is based on a case-by-case assessment of the risk level, and events arising during the course of legal proceedings may require a reassessment of this risk.

Restructuring

Provisions for restructuring costs are recognised only when the restructuring has been announced and the Group has drawn up or has started to implement a detailed formal plan, prior to the end of the reporting period.

Asset Retirement Obligation

The Group is required to dismantle equipment and restore sites and office buildings. Provision is measured as the best estimate of the amount required to settle its obligations (on a per site basis for mobile antennas). These dismantling costs are calculated on the basis of the identified costs for the current financial year, extrapolated for future years using the best estimate of future trends in prices, inflation, etc., and are discounted at a risk-free rate based on market yields on high quality corporate bonds (same discount rate as the one used for the employee benefits).

This estimate is revised at the end of each reporting period and adjusted, when appropriate. The asset to which the provision relates is also adjusted for the corresponding amount.

The majority of this obligation is not expected to result in cash outflow within a year, the full provision is reported under non-current provision.

2.15 Employee benefits

The Group is affiliated to a legally independent pension fund. The annual contributions to this fund are made by both employee and employer in accordance with unchanged regulatory provisions. This is a defined contribution plan according to Swiss legislation, but it qualifies as a defined benefit plan under IAS 19 due to the constructive obligation of the employer to guarantee a minimum rate of interest and a fixed conversion rate.

The plan is providing several categories of coverage and the employees' contributions are based on various percentages of their gross salaries. All employees are entitled to participate in the plan for retirement, disability or death. The Group's contributions exceed those of the employees. The risks of disability and death are entirely reinsured by an insurance company.

The Group's obligation in respect of its defined benefit plan is calculated by estimating the amount of the future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value of the obligation, and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary in accordance with the projected unit credit method using information available at year end. Current pension entitlements are charged to income in the period in which they arise. Actuarial gains and losses are recorded in full under other comprehensive income in the reporting period in which they arise.

2.16 Cash & cash equivalents

Cash and cash equivalents comprise cash on hand and at banks, deposits and other highly liquid investments with an original maturity of three months or less.

2.17 Lease

The Group leases various network sites, offices, stores and vehicles. Rental contracts are typically made for fixed periods, but may have extension options as described below.

The Group assess whether a contract contains a lease at the inception of the contract. The contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The criteria to be considered to meet the definition of a lease are the follows:

- The contract specifies the right to use an asset,
- The Group has the right to obtain substantially all of the economic benefit from the use of the asset over the period of use, and
- The Group has the right to direct the use of the asset.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

The Group does not apply any exemption for short term leases or low value leases.

Lease liabilities include the net present value of the fixed lease payments.

Extension options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension options held are exercisable only by the Group and not by the respective lessor.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease liabilities are remeasured in the following cases:

- Change in the lease payment due to a change in the discount rate
- Change in the lease term or in the extension option assessment
- Change in the lease contract when the modifications are not accounted for a separate lease

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. Extension options in offices, stores and vehicles leases have not been included in the lease liability, because the Group could replace the assets without significant cost or business disruption.

Extension options for the network sites have been considered when they are reasonably certain to be extended.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group and makes adjustments specific to the lease, e.g. term, country and currency.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Sale and leaseback transaction

When the Group (the seller-lessee) transfers an asset to another entity (the buyer-lessor) and leases that asset back from the buyer-lessor, the Group assess whether the transfer of the asset is a sale. The Group applies the requirements for determining when a performance obligation is satisfied in IFRS 15 to determine whether the transfer of an asset is accounted for as a sale of that asset. If the transfer of an asset satisfies the requirements of IFRS 15 to be accounted for as a sale of the asset the Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained by the Group.

According to the master service agreement signed with Swiss Infra Services S.A. on August 5, 2019, the Group builds network sites to be then sold to Swiss Infra Services S.A. when available for use. The revenue from the sale is recognized when the site is transferred. Under IFRS 16, this transaction is considered as a sale and lease-back transaction. The gain or loss made in this transaction is recognized over the duration of the lease.

The lease liability and the corresponding right of use asset are calculated based on the discounted lease payments using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group and makes adjustments specific to the lease, e.g. term, country and currency.

Note 3 – Segment Information

The Group is reporting one operating segment. The operating segment is reported based on the internal reporting to the Chief Operating Decision Maker (CODM), and has been prepared in accordance with the Group's accounting policies. The CODM is using EBITDA (excluding the gain on disposal and other gains, holding companies impacts and IFRS 15 and 16 adjustments) as the main measure of performance and for resource allocation purposes.

No measures of assets or liabilities are being reported regularly to the CODM.

The Group activity is mainly operated in Switzerland.

(in thousands of Swiss Francs)	2024	2023
Services revenue	1'038'703	1'001'744
Equipment revenue and other revenue	104'604	114'413
Revenue reported to CODM	1'143'307	1'116'157
EBITDA reported to CODM	479'004	467'096

Revenue reconciliation

(in thousands of Swiss Francs)	2024	2023
Revenue reported to CODM	1'143'307	1'116'157
Impact IFRS 15	(7'088)	571
Revenue	1'136'219	1'116'728

EBITDA reported to CODM to profit before tax reconciliation

(in thousands of Swiss Francs)	2024	2023
EBITDA reported to CODM	479'004	467'096
Impact IFRS 15 and 16	92'114	105'508
EBITDA Holding companies and other top consolidation adjustment	(395)	(224)
Result on disposal and other gains	1'649	3'417
Depreciation and amortization	(200'721)	(240'617)
Depreciation of right-of-use assets	(49'562)	(47'328)
Operating profit	322'089	287'852
Finance costs	(128'415)	(103'927)
Finance income	15'942	9'947
Finance costs, net	(112'473)	(93'980)
Profit before tax	209'616	193'872

Note 4 – Sales**4.1 Revenue**

(in thousands of Swiss Francs)	2024	2023
Services revenue	973'165	932'445
Equipment revenue and other revenue	163'054	184'283
Revenue	1'136'219	1'116'728

Services revenue is recognized over time whereas equipment revenue is recognized at a point in time.

The Group applies the practical expedient from IFRS 15.121 to the non-disclosure of the transaction price allocated to unsatisfied subscription based performance obligations since the Group's right to consideration corresponds directly with the value to the customers. With respect to bundle offers with a sale of a subsidised device together with a subscription service, estimated revenues of CHF 132.6 million is expected to be recognised from such contracts in the coming years (CHF 35.1 million in 2026 and 2027).

In 2024, the equipment revenue and other revenue includes the proceeds from the sale of sites under Build-to-Suit program with Swiss Infra Services S.A. for CHF 6.0 million (CHF 4.8 million in 2023).

4.2 Trade receivables and contract assets

Trade receivables and contract assets are presented as follows at the face of the statement of financial position:

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Contract assets	55'409	63'412
Trade receivables	241'462	279'404
Allowance for doubtful receivables	(53'009)	(54'246)
Trade receivables and contract assets	243'862	288'570

Contract assets mainly include deferrals related to the sale of bundled offers. When subsidised devices are sold with a service contract, the allocation of the revenue for the delivered device based on standalone selling price results in an earlier revenue recognition. This results in the recognition of a contract asset.

The following table provides an ageing balance of gross trade receivables and contract assets:

(in thousands of Swiss Francs)	Expected Credit Loss rate	December 31, 2024	Expected Credit Loss rate	December 31, 2023
Past due - under 60 days	11%	37'494	7%	41'733
Past due - 60 to 120 days	19%	6'094	29%	3'010
Past due - over 120 days	85%	48'807	99%	46'042
Gross trade receivables and contract assets past due		92'395		90'785
Gross trade receivables and contract assets not past due	3%	204'476	2%	252'031
Gross trade receivables and contract assets		296'871		342'816

The Group outsources part of its receivables collection. Customer receivables are mainly transferred to an agency if overdue by 121 days or more. Enterprise and other partners customers are treated on a case by case basis. Receivables under servicing agreement are recognised in 2024 for a total value of CHF 44.4 million (CHF 41.6 million in 2023), most of them being covered by a bad debt provision amounting CHF 38.2 million (CHF 41.0 million in 2023).

Information about the credit quality of trade receivable and the Group's exposure to credit risk, foreign currency risk and interest rate risk can be found in Note 11.1.

Tables below provide an analysis of the changes in provision for trade receivables in the statement of financial position:

(in thousands of Swiss Francs)	January 1, 2024	Additions	Used	December 31, 2024
Allowance for doubtful receivables	(54'246)	(37'011)	38'248	(53'009)

(in thousands of Swiss Francs)	January 1, 2023	Additions	Used	December 31, 2023
Allowance for doubtful receivables	(43'874)	(28'455)	18'083	(54'246)

4.3 Deferred income

(in thousands of Swiss Francs)	December 31, 2024			December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
Customer contract liabilities	15'043	1'472	16'515	17'698	1'904	19'602
Other deferred income	1'112	-	1'112	1'317	-	1'317
Deferred income	16'155	1'472	17'627	19'015	1'904	20'919

Customer contract liabilities mainly corresponds to the deferral arising on the payment of prepaid cards and activation fees. The estimated revenue recognised in 2024 that was included in the customer contract liabilities balance at the beginning of the year amounts to CHF 12.2 million (CHF 11.2 million in 2023).

Note 5 – Operating costs and other costs

5.1 Access, backbone, interconnection and content costs

(in thousands of Swiss Francs)	2024	2023
Interconnection and roaming costs	(108'770)	(109'296)
Transmission lines	(495)	(308)
Content costs	(9'651)	(8'258)
Access, backbone, interconnection and content costs	(118'916)	(117'862)

5.2 Commercial expenses and cost of equipment sold

(in thousands of Swiss Francs)	2024	2023
Commercial expenses	(83'646)	(70'462)
Cost of equipment sold	(154'479)	(171'065)
Commercial expenses and cost of equipment sold	(238'125)	(241'527)

5.3 Network, IT, property expenses and other purchases

(in thousands of Swiss Francs)	2024	2023
Network and IT expenses	(27'055)	(25'252)
Property expenses	(8'617)	(9'078)
Subcontracting and professional services	(11'126)	(10'141)
Other purchases	(17'396)	(15'940)
Network, IT, property expenses and other purchases	(64'194)	(60'411)

5.4 Inventories

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Handsets and other devices	21'758	21'925
BTS under construction	8'543	6'162
Gross value	30'301	28'087
Provisions	(1'454)	(2'108)
Inventories	28'847	25'979

Note 6 – Long-lived assets

6.1 Goodwill

Goodwill as of December 31, 2024 amounts to CHF 1'313.8 million (CHF 1'313.8 million in 2023). As per IAS 36, goodwill is tested for impairment annually.

1. Key assumptions and impairment testing

A cash-generating unit to which goodwill has been allocated shall be tested for impairment at least annually by comparing the carrying amount of the unit, including the goodwill, with the recoverable amount of the unit:

- if the recoverable amount of the unit exceeds its carrying amount, the unit (including the goodwill allocated to it) is not impaired
- if the carrying amount of the unit exceeds its recoverable amount, an impairment loss must be recognized.

As described in the Note 2.4, the Group is operating on one segment which represents the unique CGU for impairment testing purpose.

At the end of each reporting period, an entity is required to assess whether the goodwill may be impaired (i.e. its carrying amount may be higher than its recoverable amount).

The basis chosen to calculate the CGU's recoverable value is the higher of its fair value less costs of disposal and its "value in use".

The following key assumptions have been used in the economic model (Discounted Cash Flows "DCF" model) used for impairment testing:

- Perpetual growth:	1% (1.5% in 2023)
- Discount rate (WACC) pre-tax:	5.6% (5.7% in 2023)

More specifically, perpetual growth rate considers both economic environment and market conditions. Economic environment assessment relies on economic growth projections built by public and private financial institutions.

The DCF model uses a projection of the most reliable information available as of the testing date and for the next 3 years in order to measure free cash flows generated by operations. The projection is based on approved Company's budget and business plan.

Based on the evaluation performed, no impairment charge has been recorded as of December 31, 2024 (no impairment as of December 31, 2023).

2. Sensitivity analysis

A sensitivity analysis has been performed on recoverable values, based on significant variations the discount rate after tax (+2%) or expected cash-flows after tax (-20%). As at December 31, 2024 and 2023, the outcome of the impairment test was no reasonable possible change in key assumptions described above would lead the carrying amount to exceed the recoverable amount.

6.2 Other intangible assets

Intangible assets were as follows as at December 31, 2024:

(in thousands of Swiss Francs)	December 31, 2024			
	Cost	Accumulated amortization	Accumulated Impairment	Net
Telecommunication licenses	364'297	(242'283)	-	122'014
Software	173'067	(150'317)	(4'516)	18'234
Customer contracts	680'846	(680'539)	-	307
Other intangible assets	958'232	(241'170)	(90)	716'972
Intangible assets	2'176'442	(1'314'309)	(4'606)	857'527

Intangible assets were as follows as at December 31, 2023:

(in thousands of Swiss Francs)	December 31, 2023			
	Cost	Accumulated amortization	Accumulated Impairment	Net
Telecommunication licenses	364'297	(220'576)	-	143'721
Software	163'471	(141'119)	(4'516)	17'836
Customer contracts	680'846	(671'987)	-	8'859
Other intangible assets	880'539	(195'974)	(90)	684'475
Intangible assets	2'089'153	(1'229'656)	(4'606)	854'891

Intangible assets under construction amounted to CHF 0.1 million as at December 31, 2024 (CHF 2.1 million as at December 31, 2023).

Movements in the Net Book Value of Intangible assets were as follows:

(in thousands of Swiss Francs)	Telecommunication licenses	Software	Customer contracts	Other Intangibles assets	TOTAL
Opening balance as at January 1, 2024	143'721	17'836	8'859	684'475	854'891
Additions	-	9'731	-	77'692	87'423
Amortization	(21'707)	(9'333)	(8'552)	(45'195)	(84'787)
Closing balance as at December 31, 2024	122'014	18'234	307	716'972	857'527

(in thousands of Swiss Francs)	Telecommunication licenses	Software	Customer contracts	Other Intangibles assets	TOTAL
Opening balance as at January 1, 2023	165'427	19'433	61'876	647'243	893'979
Additions	-	7'672	-	79'262	86'934
Amortization	(21'706)	(9'269)	(53'017)	(42'030)	(126'022)
Closing balance as at December 31, 2023	143'721	17'836	8'859	684'475	854'891

Other Intangible assets mainly include operating Indefeasible Rights of Use (IRUs) agreements that have been acquired for both our backhauling network (core and antennas) and our FTTH footprint.

6.3 Property, Plant and Equipment

Tangible assets were as follows as at December 31, 2024:

(in thousands of Swiss Francs)	December 31, 2024			
	Cost	Accumulated depreciation	Accumulated Impairment	Net
Land and buildings	138'833	(96'489)	(18'142)	24'202
Network	1'770'961	(1'204'540)	(68'578)	497'843
IT equipment	27'207	(19'880)	(4'777)	2'550
Other property, plant and equipment	81'462	(62'629)	(2'147)	16'686
Tangible assets	2'018'463	(1'383'538)	(93'644)	541'281

Tangible assets were as follows as at December 31, 2023:

(in thousands of Swiss Francs)	December 31, 2023			
	Cost	Accumulated depreciation	Accumulated Impairment	Net
Land and buildings	133'386	(92'849)	(18'142)	22'395
Network	1'699'795	(1'130'788)	(68'578)	500'429
IT equipment	25'906	(18'387)	(4'777)	2'742
Other property, plant and equipment	75'184	(55'920)	(2'147)	17'117
Tangible assets	1'934'271	(1'297'944)	(93'644)	542'683

Tangible assets under construction or paid in advance amounted to CHF 68.0 million as at December 31, 2024 (CHF 82.7 million as at December 31, 2023).

Movements in the Net Book Value of Tangibles assets were as follows:

(in thousands of Swiss Francs)	Land and buildings	Network	IT Equipment	Other property, plant and equipment	TOTAL
Opening balance as at January 1, 2024	22'395	500'429	2'742	17'117	542'683
Additions	5'800	101'153	1'301	6'278	114'532
Depreciation and Impairment	(3'993)	(103'739)	(1'493)	(6'709)	(115'934)
Closing balance as at December 31, 2024	24'202	497'843	2'550	16'686	541'281

(in thousands of Swiss Francs)	Land and buildings	Network	IT Equipment	Other property, plant and equipment	TOTAL
Opening balance as at January 1, 2023	21'583	456'987	2'467	19'892	500'929
Additions	5'093	143'358	1'570	6'328	156'349
Depreciation and Impairment	(4'281)	(99'916)	(1'295)	(9'103)	(114'595)
Closing balance as at December 31, 2023	22'395	500'429	2'742	17'117	542'683

The accelerated depreciation recognised in 2024 amounted to CHF 2.5 million and was mainly related to Network assets that are no longer in use (CHF 3.0 million in 2023).

6.4 Purchases of Property, Plant Equipment and Intangible assets

For cash flow statement purposes, purchases of Property, Plant, Equipment and Intangible assets were as follows:

(in thousands of Swiss Francs)	2024	2023
Additions or advances in property, plant and equipment and intangible assets	(201'955)	(243'283)
Adjustments of non cash-flow effect items		
Net Increase / (decrease) in amounts due to fixed assets suppliers	5'615	36'728
Total adjustments of non cash-flow effect items	5'615	36'728
Cash effect of purchases of property, plant and equipment and intangible assets	(196'340)	(206'555)
<i>of which purchases of property, plant and equipment</i>	<i>(109'976)</i>	<i>(123'598)</i>
<i>of which purchases of intangible assets</i>	<i>(86'364)</i>	<i>(82'957)</i>

Note 7 – Income Tax

7.1 Corporate income Tax expense

The Group is liable for income taxes. Matterhorn Telecom S.A. and Matterhorn Telecom Holding S.A., which are registered in Luxembourg, are subject to an income tax at a rate of 24.94% (24.94% in 2023).

In Luxembourg, tax losses incurred before 2017 can be carried forward indefinitely. Since 2017, tax losses can be carried forward for a maximum of seventeen years. In Switzerland, tax losses can be carried forward for a maximum of seven years.

Salt Mobile S.A. is liable for taxes in all Swiss cantons based on an inter-cantonal allocation at various rates. With this regard the current average tax rate is our estimated rate of 15.66% (15.66% in 2023) based on the statutory tax rates applicable in Switzerland, which can potentially vary in the upcoming years.

The Group is within the scope of the OECD Pillar Two model rules that came into effect from 1 January 2024. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

Under the legislation, the group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. All entities within the Group have an effective tax rate that exceeds 15%, except for one subsidiary that operates in the Principality of Liechtenstein where the statutory tax rate is 12.5%. In 2024 the Group recognised a current tax expense of CHF 0.1 million related to the top-up tax (2023: nil).

The income tax is broken down as follows:

(in thousands of Swiss Francs)	2024	2023
Current tax expense in respect of the current year	(47'014)	(44'523)
Deferred tax income	2'963	7'246
Total tax expense	(44'051)	(37'277)

7.2 Group Tax Proof

The reconciliation between effective income tax expense and the theoretical tax calculated based on the Luxembourg statutory tax rate is as follows:

(in thousands of Swiss Francs)	2024	2023
Profit before tax	209'616	193'872
Income tax rate	24.94%	24.94%
Theoretical income tax expense	(52'278)	(48'352)
<u>Reconciliation items:</u>		
Effect on deferred tax balances due to the change in income tax rate	(119)	57
Effect of different tax rates of subsidiaries operating in other jurisdictions	25'350	23'140
Deferred tax assets not recognized on tax loss carry forwards arising in the period	(56)	(75)
Effect of permanent differences due to interests on debt instruments which are not deductible	(19'145)	(16'225)
Utilisation of previously unrecognised tax losses	15'406	449
Reassessment of previous years deferred, current tax asset and liabilities	24	-
Change in unrecognized deferred tax asset on temporary differences	(13'209)	3'708
Other	(24)	21
Income tax expense recognised in profit or loss	(44'051)	(37'277)

7.3 Statement of financial position - tax position

The tax position by class of temporary difference is as follows:

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Pension	-	364
Intangible assets & Property, plant and equipment	(61'310)	(68'341)
Lease obligation	76'490	76'506
Hedge accounting	(74)	132
Revenue recognition	(15'808)	(14'996)
Other	(1'558)	(26)
Net deferred taxes - Group	(2'260)	(6'361)
- <i>Deferred tax assets</i>	<i>2'744</i>	<i>1'040</i>
- <i>Deferred tax liabilities</i>	<i>(5'004)</i>	<i>(7'401)</i>

7.4 Change in Group net deferred taxes

(in thousands of Swiss Francs)	December 31, 2023	Recognized as a profit or loss	Recognized in other comprehensive income	December 31, 2024
Pension	364	(381)	17	-
Intangible assets & Property, plant, equipment	(68'341)	7'031	-	(61'310)
Lease obligation	76'506	(16)	-	76'490
Hedge accounting	132	(1'327)	1'121	(74)
Revenue recognition	(14'996)	(812)	-	(15'808)
Other	(26)	(1'532)	-	(1'558)
Deferred taxes on temporary differences	(6'361)	2'963	1'138	(2'260)

(in thousands of Swiss Francs)	December 31, 2022	Recognized as a profit or loss	Recognized in other comprehensive income	December 31, 2023
Pension	-	(224)	588	364
Intangible assets & Property, plant, equipment	(78'300)	9'959	-	(68'341)
Lease obligation	78'984	(2'478)	-	76'506
Hedge Accounting	(35)	1'311	(1'144)	132
Revenue recognition	(13'674)	(1'322)	-	(14'996)
Other	(26)	-	-	(26)
Deferred taxes on temporary differences	(13'051)	7'246	(556)	(6'361)

Unused tax losses for which no deferred tax asset has been recognised amounted to CHF 368.8 million as of December 31, 2024 (CHF 430.2 million as of December 31, 2023). Unused tax losses were incurred by the Luxembourg holding companies.

Note 8 – Provisions

(in thousands of Swiss Francs)	January 1, 2024	Additions	Used	Released	Unwinding of discount rate	December 31, 2024
Restructuring provisions	-	-	-	-	-	-
Provisions for dismantling and restoring sites	30'078	2'300	(968)	(908)	355	30'857
Other provisions	2'403	406	(294)	(1'158)	-	1'357
Provisions	32'481	2'706	(1'263)	(2'066)	355	32'214
<i>of which non-current provisions</i>	30'078	2'300	(968)	(908)	355	30'857
<i>of which current provisions</i>	2'403	406	(294)	(1'158)	-	1'357

Note 9 – Employee benefits

9.1 Wages, salaries and post-employment benefits

(in thousands of Swiss Francs)	2024	2023
Wages, social contributions & individual incentive / bonus plans	(124'149)	(106'030)
Post-employment benefits	(4'853)	(4'571)
Wages, salaries and post-employment benefits	(129'002)	(110'601)

The wages, social contributions & individual incentive / bonus plans include the wages, bonus and related social charges. Post-employment benefits include the net service costs.

The number of FTEs (excluding apprentices and trainees) at the end of 2024 was 1'195 (1'097 in 2023).

9.2 Non-Current Employee benefits obligation

(in thousands of Swiss Francs)	2024	2023
Post employment benefit	-	2'326
Other non-current employee benefit	2'077	4'905
Non-Current Employee benefits obligation	2'077	7'231

The other non-current employee benefit relates to retention bonuses to be paid after a given service period.

The Group provides retirement benefits to its employees as required by Swiss law through a Pension Fund that is a separate legal entity. The Group's employees are insured for the risks of old age, death and disability.

The plan's benefits are based on age, salary and on an individual old age account. The plan is financed by contributions paid by the employees and by the employer. The assets of the Pension Fund are invested in qualified insurance policies Equities, Bonds, Real Estate, Alternative Investments and Cash, in accordance with organizational guidelines and investment regulations.

The Board of Trustees consists of an equal number of employer and employee representatives and is responsible for managing the Foundation in accordance with Swiss law. Per the regulatory framework, a temporary funding shortfall is permitted. The Board of Trustees must take appropriate measures to solve the shortfall within a reasonable timeframe. If those measures do not lead to the desired results, the Pension Fund may temporarily charge remedial contributions to employers, insured persons and pensioners. The employer contribution must at least equal the aggregate contributions levied from the insured persons.

The main risks to which the Group is exposed in relation to operating defined benefit plan are:

- market and liquidity risks: these are the risks that the investments do not meet the expected returns over the medium to long-term, and/or that there is a mismatch between cash inflow and cash outflow. The structure of the portfolios is reviewed and asset-liability matching analyses are performed on a regular basis to minimize both risks.
- mortality risk: the assumptions adopted by the Group make allowance for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plan and consequently increases in the plan's liabilities. Mortality assumptions are reviewed on a regular basis to mitigate this risk.

All Swiss plans qualify as defined benefit plans under IAS 19. Under Swiss accounting principles, the Pension Plan Salt Mobile SA is overfunded by 117.8% as of December 31, 2024 (December 31, 2023: 108.5%).

The standard retirement age is 65. Employees are entitled to early retirement with a reduced old-age pension. The amount of the old-age pension is the result of multiplying the individual retirement savings account at the time of retirement by a conversion rate set out in the pension-fund rules. The retirement benefits can also be paid out in the form of a capital payment either in full or in part. In case of early retirement, the employer also finances an OASI bridging pension until the standard retirement age. One of the benefits provided by the Group is a temporary disability pension up to retirement. This disability pension is independent of the years of service. Disability and death risks are reinsured by an external insurance company.

Actuarial valuations of the plan assets and of the defined benefit obligation were carried out by an external actuarial expert. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

The expected service cost for the year ending December 31, 2025 is CHF 6.5 million.

The principal assumptions used for the purpose of the actuarial valuations were as follow:

	December 31, 2024	December 31, 2023
Discount rate	0.95%	1.50%
Salary increase	1.00%	1.50%
Cost-of-living adjustment	0.00%	0.00%
Interest credit on total account balance	1.25%	1.50%
Mortality and disability - Swiss official tables	Swiss BVG 2020	Swiss BVG 2020

The evaluation is done on a yearly basis.

The amount recognised in the consolidated statement of financial position in respect of the Group's defined benefit retirement plan is as follow :

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Present value of funded obligations	(161'589)	(138'752)
Fair value of plan assets	161'589	136'426
Employee benefit obligations	-	(2'326)

The amount recognised in the consolidated statement of profit / (loss) in respect of the defined benefit plan is as follows:

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Service costs	(4'614)	(4'249)
Administration expenses	(239)	(322)
Total current service cost	(4'853)	(4'571)
Net interest expenses	39	105
Net periodic pension cost	(4'814)	(4'466)

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Defined Benefit Obligation (DBO) at the beginning of period	138'752	135'656
Current Service cost	4'853	4'571
Interest cost	1'967	2'639
Employee contributions (incl. administration expenses)	4'014	3'275
Actuarial (gain) / loss - experience	1'975	990
Actuarial (gain) / loss - financial assumptions	6'362	7'318
Actuarial (gain) / loss - demographic assumptions	2'810	-
Liabilities extinguished on settlements	-	(10'792)
Benefits paid	856	(4'905)
Defined Benefit Obligation (DBO) at the end of the period	161'589	138'752

The duration of the DBO is 11.9 years (9.8 years as at December 31, 2023).

The plan assets consists of the following categories of assets:

	December 31, 2024	December 31, 2023
Equity Securities	39%	40%
Bonds Securities	38%	39%
Real Estate / Property	19%	20%
Other	4%	1%
	100%	100%

The strategic asset allocation is diversified within the requirements of providing long-term returns with an acceptable level of risk. The plan assets are primarily invested in listed investments which insure good liquidity.

Change in the fair value of plan assets is as follows:

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Fair value of plan assets at the beginning of period	136'426	135'656
Return on plan assets	2'006	2'804
Return on plan assets greater / (less) than discount rate	13'005	1'754
Employer contributions	6'785	5'975
Employee contributions (incl. administration expenses)	4'014	3'275
Assets distributed on settlements	-	(10'792)
Benefits paid	856	(4'905)
Changes in asset ceiling	(1'503)	2'659
Fair value of plan assets at the end of the period	161'589	136'426

The actual return on assets during the year is +11.17% (+4.81% as at December 31, 2023).

The movement in the net liability during the year is as follows:

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Accrued pension cost at the beginning of period	(2'326)	-
Net periodic pension cost	(4'814)	(4'466)
Employer contributions	6'785	5'975
Amount recognised in OCI	355	(3'835)
Accrued pension cost at the end of the period	-	(2'326)

The variations resulting from changes in actuarial assumption have been summarized in the following sensitivity analysis as December 31, 2024:

(in thousands of Swiss Francs)	Current Assumption	Sensitivity change	DBO change
Discount rate	0.95%	0.50% increase	(8'936)
		0.50% decrease	10'051
Salary increase	1.00%	0.50% increase	1'951
		0.50% decrease	(1'977)

The variations resulting from changes in actuarial assumption have been summarized in the following sensitivity analysis as December 31, 2023:

(in thousands of Swiss Francs)	Current Assumption	Sensitivity change	DBO change
Discount rate	1.50%	0.50% increase	(6'635)
		0.50% decrease	7'399
Salary increase	1.50%	0.50% increase	1'215
		0.50% decrease	(1'234)

For any change in actuarial assumption, sensitivity analysis assesses the impact on defined benefit obligation (DBO). In each situation only one assumption is modified while other parameters remain unchanged.

9.3 Current - Employee benefits obligation

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Employees, payables	403	224
Employees accrual	24'862	12'939
Social institutions, payables	3'738	3'970
Current employee benefit obligation	29'003	17'133

As at December 31, 2024 employees accrual mainly consists of bonus payables for CHF 22.9 million and holidays allowance for CHF 2.0 million (as at December 31, 2023, CHF 11.3 million and CHF 1.6 million, respectively).

9.4 Capitalised self-constructed assets

(in thousands of Swiss Francs)	2024	2023
Other intangible assets	5'371	5'088
Property, plant and equipment	9'193	8'581
Capitalised self-constructed assets	14'564	13'669

Capitalised labour reflects the time spent by Salt Mobile S.A. employees on tangible and intangible assets.

Note 10 – Derivatives, borrowings and financial results

10.1 Derivatives and borrowing

Assets		December 31, 2024			December 31, 2023		
(in thousands of Swiss Francs)	Notes	Current	Non-current	Total	Current	Non-current	Total
Derivatives	10.2	1'021	-	1'021	642	-	642
Derivatives		1'021	-	1'021	642	-	642
Liabilities		December 31, 2024			December 31, 2023		
(in thousands of Swiss Francs)	Notes	Current	Non-current	Total	Current	Non-current	Total
Debt instruments		-	1'612'875	1'612'875	228'794	1'445'101	1'673'895
Accrued interest on debt instruments		10'935	-	10'935	12'129	-	12'129
Derivatives	10.2	400	196'740	197'140	78'516	138'148	216'664
Supplier financing agreement	10.6	34'546	37'027	71'573	27'285	54'061	81'346
Borrowings and other financial liabilities		45'881	1'846'642	1'892'523	346'724	1'637'310	1'984'034

On September 23, 2024 the Group repurchased EUR 31.0 million (CHF 29.3 million) of the Term Loan B due 2026 (b).

On September 16, 2024 the Group repaid EUR 246.5 million (CHF 231.6 million) Senior Secured Note (d) at maturity date .

In June 2024, the Group repurchased EUR 18.7 million (CHF 18.0 million) principal amount of its 3.125% Senior Secured Notes due 2026 (c) on the open market for a total amount of CHF 17.6 million. The notes were subsequently early extinguished.

On June 21, 2024 the Group repaid EUR 50.0 million (CHF 47.7 million) principal amount of its Term Loan B due 2026 (b).

On May 22, 2024, the Group announced the Pricing of a Private Placement of its CHF-Denominated Senior Secured Notes. Matterhorn Telecom S.A. has entered into a private placement ("Private Placement") pursuant to which it intends to issue CHF 100.0 million in aggregate principal amount of Senior Secured Notes due 2028 (the "Notes"), which have the same terms as its existing CHF-denominated senior secured notes (e). The Private Placement closed on June 3, 2024.

On January 26, 2024, the Group announced the syndication of a new EUR 150 million (CHF 142.8 million) term loan facility (b) availed by Matterhorn Telecom S.A. ("Borrower") as an incremental facility under its existing senior facilities agreement. The new facility was priced at an OID (Original Issue Discount) of 99.5, and has substantially the same terms as, and will be fungible with, the Borrower's existing term loan facility (including with respect to the applicable margin). The facility was drawn down on February 28, 2024.

On July 12, 2023, the Group entered into an Indenture Agreement for the issuance of CHF 100 million 5.25% Senior Secured Notes due 2028 (e) with bi-annual coupon. The Notes were priced at 100% of their aggregate principal amount and were issued on July 21, 2023.

In April 2023, the Group repurchased EUR 2.3 million (CHF 2.2 million) 2.625% Notes due 2024 (d) and EUR 13.7 million (CHF 13.3 million) 4% Notes due 2027 (a) for a total consideration of CHF 14.5 million.

In March 2023, the Group repurchased EUR 1.2 million (CHF 1.2 million) principal amount of Senior Secured Notes due 2024 (d) and EUR 0.3 million (CHF 0.3 million) principal amount of Senior Secured Notes due 2027 (a) for a total consideration of CHF 1.4 million.

The debt instruments are measured at amortised cost, using the effective interest rate method.

The debt instruments (excluding issuance costs) issued by Matterhorn Telecom S.A. as at December 31, 2024:

December 31, 2024

Original currency	Debt instrument	Date of issuance	Current nominal amounts	Current nominal amounts	Maturity	Nominal interest rate (%)	Outstanding interest amount
			in thousands of currency unit	in thousands of CHF			in thousands of CHF
EUR	Senior Secured Notes (a)	27.11.2017	380'036	357'956	15.11.2027	4.00%	1'790
EUR	Term Loan B (b)	19.03.2020	469'000	441'751	15.09.2026	EURIBOR 3M (floored at 0) +2.375%	448
EUR	Senior Secured Notes (c)	19.09.2019	656'316	618'184	15.09.2026	3.125%	5'634
CHF	Senior Secured Notes (e)	21.07.2023	200'000	200'000	31.07.2028	5.25%	3'063
Total				1'617'891			10'935

The above debt instruments as of December 31, 2024 are hedged as follows:

December 31, 2024

Original currency	Debt instrument	Notional amount due from counterparty	Notional amount due to counterparty	Interest rate	Maturity
		in thousands of currency unit	in thousands of CHF		
EUR	Senior Secured Notes (a)	140'000	144'060	2.98%	15.11.2027
		240'036	257'379	3.42%	15.11.2027
EUR	Term Loan B (b)	90'000 ⁽²⁾	92'610	SARON +2.43%	15.09.2026
		200'000 ⁽²⁾	205'800	SARON +2.39%	15.09.2026
		32'481 ⁽²⁾	33'423	SARON +2.43%	15.09.2026
		48'385 ⁽¹⁾	49'788	SARON +2.37%	15.09.2026
		98'134 ⁽¹⁾	107'211	SARON +2.36%	15.09.2026
EUR	Senior Secured Notes (c)	300'000	308'700	2.98%	15.09.2026
		100'000 ⁽³⁾	102'900	3.03%	15.09.2026
		212'000	218'148	3.00%	15.09.2026
		63'000	64'827	3.00%	15.09.2026
		1'524'036	1'584'846		

⁽¹⁾/⁽²⁾/⁽³⁾ Refer to explanations under the note 10.2.

The debt instruments (excluding issuance costs) issued by Matterhorn Telecom S.A. as at December 31, 2023:

December 31, 2023

Original currency	Debt instrument	Date of issuance	Current nominal amounts	Current nominal amounts	Maturity	Nominal interest rate (%)	Outstanding interest amount
			in thousands of currency unit	in thousands of CHF			in thousands of CHF
EUR	Senior Secured Notes (a)	27.11.2017	380'036	352'711	15.11.2027	4.00%	1'764
EUR	Term Loan B (b)	19.03.2020	400'000	371'240	15.09.2026	EURIBOR 3M (floored at 0) +2.375%	584
EUR	Senior Secured Notes (c)	19.09.2019	675'000	626'468	15.09.2026	3.125%	5'710
EUR	Senior Secured Notes (d)	19.09.2019	246'519	228'794	15.09.2024	2.625%	1'752
CHF	Senior Secured Notes (e)	21.07.2023	100'000	100'000	31.07.2028	5.25%	2'319
Total				1'679'213			12'129

The above debt instruments as of December 31, 2023 are hedged as follows:

December 31, 2023

Original currency	Debt instrument	Notional amount due from counterparty	Notional amount due to counterparty	Interest rate	Maturity
		in thousands of currency unit	in thousands of CHF		
EUR	Senior Secured Notes (a)	140'000	144'060	3.94%	15.11.2024
		240'036	257'379	3.42%	15.11.2027
EUR	Term Loan B (b)	100'000	102'900	3.70%	15.09.2024
		300'000	308'700	3.72%	15.09.2024
EUR	Senior Secured Notes (c)	300'000	308'700	2.98%	15.09.2026
		100'000	102'900	3.03%	15.09.2026
		212'000	218'148	3.00%	15.09.2026
		63'000	64'827	3.00%	15.09.2026
EUR	Senior Secured Notes (d)	48'385	49'788	2.67%	15.09.2024
		98'134	107'211	2.51%	15.09.2024
		1'601'555	1'664'613		

The debt instruments are recognised in the consolidated statements of financial position as follows:

(in thousands of Swiss Francs)

As at December 31, 2022	1'686'293
Repurchase of debt instruments	(16'890)
Realized exchange loss (gain)	(3'223)
Issuance of new debt instruments	100'000
Capitalisation of debt issuance costs	(1'919)
Unrealised exchange loss (gain)	(91'998)
Amortization of debt issuance costs	1'632
As at December 31, 2023	1'673'895
Repurchase of debt instruments	(326'456)
Realized exchange loss (gain)	(48'348)
Issuance of new debt instruments	242'800
Capitalisation of debt issuance costs	(2'214)
Unrealized exchange loss (gain)	70'682
Amortization of debt issuance costs	2'516
As at December 31, 2024	1'612'875

Credit lines

(in thousands of Swiss Francs)	December 31, 2024		December 31, 2023	
	Amount available	Amounts drawn down	Amount available	Amounts drawn down
Super Revolving Credit Facility	60'000	-	60'000	-
Bank overdraft	-	-	-	-
Credit lines	60'000	-	60'000	-

On July 2, 2024 the Group extended its RCF until 2029.

As at December 31, 2024, the Group has not drawn down any amount under the RCF Agreement.

10.2 Derivative instruments

For the periods ended December 31, 2024 and December 31, 2023, the Group's designated hedges were limited to cash flow hedges as the Group did not have any hedges designated as fair value or net investment hedges.

The Group's cash-flow hedges consisted of cross-currency interest rate swaps that the Group uses to protect against variability in future interest cash flows on liabilities which bear interest at variable or fixed rates and/or foreign currency risk on EUR-denominated debt instruments. The cash flows are expected to occur simultaneously with the payment of interests on debt instruments.

The swaps are measured at fair value (level 2). Fair value of financial assets and liabilities is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

On September 9, 2024, the Group entered into three new cross-currency interest rate swaps⁽²⁾ commencing on September 16, 2024 in order to hedge the variability of the EUR/CHF exchange rate impacting the term loan facility.

On June 11, 2024 the Group partially unwound EUR 50.0 million of its EUR 100.0 million cross currency interest rate swap on the Term Loan B (b). Subsequently, on August 5, 2024, the same swap was unwound for EUR 27.5 million and reached maturity on September 15, 2024. The impacts of the unwind are reflected in the financial result under the change in derivatives fair value.

Since the repurchase performed on the SSN 2026 (c) during the second quarter, a portion of the derivative⁽³⁾ for a nominal value of EUR 18.684 million has been accounted at fair value through P&L and thus, the hedge accounting is not applied for this portion.

On April 19, 2024, the Group entered into two new forward starting cross-currency interest rate swaps⁽¹⁾ commencing on September 16, 2024 in order to hedge the variability of the EUR/CHF exchange rate impacting the new EUR 150 million Term loan facility drawn down on February 28, 2024. The new swaps⁽¹⁾⁽²⁾ were designated as cash flow hedges only in regards to the hedging of the exchange rate and not for the interest rate. The impacts regarding fair value related to the interest rate is recognized in the income statement.

On March 18, 2024, the Group extended the maturity of the EUR 140 million cross-currency interest rate Swap from 2024 to 2027 with a mandatory break-clause in 2026 and a decrease of the interest rate from 3.94% to 2.98%.

On July 25, 2023 the group partially unwound EUR 100.0 million of its EUR 148.4 million cross currency interest rate swap on Senior Secured Notes (d).

On May 12, 2023, the Group partially unwound EUR 14.0 million of its EUR 254.0 million cross currency interest rate swap on Senior Secured Notes (a) and EUR 3.5 million of its EUR 151.9 million cross currency interest rate swap on Senior Secured Notes (d).

On January 17, 2023, the Group extended the maturity of the EUR 254.0 million cross-currency interest rate Swap on Senior Secured Notes (a) from 2024 to 2027 with a decrease of the interest rate from 3.73% to 3.42%.

During the year 2024, the cash flow hedges were effective, both retrospectively since inception and prospectively as of December 31, 2024. Therefore the full changes in their fair values (gains and losses) since inception initially were been recognised in other comprehensive income, and were reclassified to the income statement when the hedged cash flows affect earnings.

The net amount recognised in OCI (net change in OCI) related to hedging activities is described in the table below.

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Beginning accumulated OCI balance	(39'439)	(43'753)
Net loss deferred in accumulated OCI due to change in the fair value of the derivative (effective portion)	24'904	(77'625)
Reclassified out of accumulated OCI into Income Statement	(28'953)	81'939
Ending accumulated OCI Balance	(43'488)	(39'439)

10.3 Finance costs, net

(in thousands of Swiss Francs)	2024	2023
Commitment fees on Super Revolving Credit Facility	(424)	(432)
Amortization of debt issuance costs	(2'427)	(1'632)
Interest on debt instruments	(64'275)	(55'283)
Foreign exchange losses	(5'596)	(1'375)
Interest on lease agreements	(42'856)	(41'603)
Other financial expenses	(12'837)	(3'602)
Finance costs	(128'415)	(103'927)
Change in derivatives fair value (including Hedge ineffectiveness)	4'533	-
Foreign exchange gains	-	2'463
Interest on short-term deposit	8'272	3'953
Other financial gains	3'137	3'531
Finance income	15'942	9'947
Finance costs, net	(112'473)	(93'980)

10.4 Management of covenants

Under the Revolving Credit Facility ("RCF") which forms part of the Senior Facilities Agreement dated September 12, 2019 the Group is obliged to comply with a senior secured net leverage ratio covenant ("the financial covenant").

The financial covenant shall not be required to be satisfied unless, on the last day of the relevant period, the aggregate outstanding exposure in respect of the RCF (subject to certain exceptions) is greater than CHF 35.0 million.

As at December 31, 2024, the Company complied with those covenants as the RCF was not used.

Under the indentures to the Senior Secured Notes issued by the Company and its subsidiaries, certain non-financial covenants are to be respected. The non-compliance may result in an Event of Default and in the principal and the accrued unpaid interest becoming due and payable immediately. As at December 31, 2024, the Company complied with those covenants.

10.5 Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt between December 31, 2023 and December 31, 2024:

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Cash and cash equivalents net	360'621	385'565
Derivatives	(196'119)	(216'022)
Borrowings and other financial liabilities - Non-Current	(1'649'902)	(1'499'162)
Borrowings and other financial liabilities - Current	(45'481)	(268'208)
Lease liabilities	(728'303)	(719'753)
Net debt	(2'259'184)	(2'317'580)

	Cash and cash equivalents net	Derivatives	Lease liabilities	Borrowings, and other financial liabilities	Net debt
<i>(in thousands of Swiss Francs)</i>					
As at December 31, 2023	385'565	(216'022)	(719'753)	(1'767'370)	(2'317'580)
Cash flow including interest payments	(25'014)	(11'982)	98'391	105'252	166'647
Supplier financing agreement	-	-	-	(17'511)	(17'511)
Issuance of debt instruments	-	-	-	(242'800)	(242'800)
Early repayment of hedge instruments	-	(5'367)	-	-	(5'367)
Repurchase of debt instruments	-	-	-	326'456	326'456
Acquisition- leases	-	-	(69'841)	-	(69'841)
Foreign exchange adjustments	70	28'953	-	(22'334)	6'689
Other non cash movements	-	8'299	(37'100)	(77'076)	(105'877)
As at December 31, 2024	360'621	(196'119)	(728'303)	(1'695'383)	(2'259'184)

	Cash and cash equivalents net	Derivatives	Lease liabilities	Borrowings, and other financial liabilities	Net debt
<i>(in thousands of Swiss Francs)</i>					
As at December 31, 2022	356'234	(137'978)	(721'710)	(1'761'960)	(2'265'414)
Cash flow including interest payments	33'077	(10'109)	97'961	65'333	186'262
Supplier financing agreement	-	-	-	(15'930)	(15'930)
Issuance of debt instruments	-	-	-	(100'000)	(100'000)
Early repayment of hedge instruments	-	9'255	-	-	9'255
Repurchase of debt instruments	-	1'232	-	16'890	18'122
Acquisition- leases	-	-	(61'888)	-	(61'888)
Foreign exchange adjustments	(3'746)	(91'998)	-	95'221	(523)
Other non cash movements	-	13'576	(34'116)	(66'924)	(87'464)
As at December 31, 2023	385'565	(216'022)	(719'753)	(1'767'370)	(2'317'580)

Other non cash movements mainly include finance costs and change in fair value of derivative instruments.

10.6 Supplier Financing agreement

On December 1, 2019, the Group entered into an interest-bearing supplier financing agreement with a network supplier and a financial institution. Under this agreement, the Group undertakes to pay to the financial institution the invoices with an extended deadline greater than one year.

	December 31, 2024	December 31, 2023
<i>(in thousands of Swiss Francs)</i>		
Disclosed under Borrowings and other financial liabilities	71'573	81'346

Range of payment due dates

Liabilities that are part of the arrangement	More than one year
Comparable trade payables that are not part of the arrangement	60 days

Note 11 – Information on market risk and fair value of financial assets and liabilities

11.1 Financial risks

The Group is subject to various financial risks. These risks include capital risk, credit risk, liquidity risk and financial market risk (including interest rate risk and currency risk). These risks are monitored by Management of the Group.

Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which mainly includes borrowings described in Note 10, cash and cash equivalents and equity attributable to equity holders, comprising issued capital, reserves and retained earnings.

Credit Risk management

Financial instruments that could potentially subject the Group to concentrations of credit risk consist primarily of cash, trade receivables, investments and deposits.

The Group considers that it has an extremely limited exposure to concentrations of credit risk with respect to trade accounts receivable due to its large and diverse customer base (residential, professional and large business customers). In addition, the maximum value of the credit risk on these financial assets is equal to their recognised net book value.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowings facilities, by continuously monitoring cash flows, and by matching the maturity profiles of financial assets and liabilities, including from time to time the repayment or repurchase of our existing indebtedness prior to its scheduled maturity. Note 10 sets out details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk (refer to the Note 11.2).

Interest Rate Risk

The Group manages its net exposure to interest rate risk through the proportion of fixed rate financial debt and variable rate financial debt in its total financial debt portfolio. To manage this mix, the Group may enter into interest rate swap agreements, in which it exchanges periodic payments based on a notional amount and agreed-upon fixed and variable interest rates and into forward contracts, in which it exchanges fixed amounts of foreign currency and fixed amounts of Swiss francs.

Sensitivity analysis of the Group's position to changes in interest rates

The sensitivity of the Group's financial assets and liabilities to interest rate risk is analysed only for components of net financial debt. Only these components are interest-bearing and therefore exposed to interest rate risk. The Group is primarily exposed to a change in EURIBOR3m. To mitigate this risk, the Group entered into cross-currency interest-rate swaps, in which it agrees to exchange, at specified intervals, the difference between SARON and Euribor3m rates interest amounts (refer to note 10.1) which lead to an exposure to the SARON.

Counterparty Risk management

The Group is exposed to a counterparty risk on the fair value of the derivatives. This risk is assessed using a Credit Valuation Adjustment ("CVA") and is calculated using probabilities of default of the banking counterparties. This risk of counterparty is considered as hedge ineffectiveness and is therefore recognized through the consolidated income statement of the year. This CVA was nil as of December 31, 2024 and 2023.

Foreign exchange rate risk management

The Group operates mainly in the currency of its country (CHF). However, the Group is subject to foreign currency risk arising from borrowings and future commercial transactions which can be done in Euros (purchase of handsets or roaming for example). The Group uses derivative financial instruments to hedge certain exposures (for instance debt instruments denominated in Euros).

The Group's policy to mitigate foreign exchange risk is to hedge most of its debt instruments denominated in Euros.

The Group uses foreign currency inflows to pay for its foreign currency outflows. If necessary, the Group buys foreign currency shortly before the transaction.

Sensitivity of cash flow hedge reserves

A 0.5% change in spot rates would change the market value of cross-currency swaps designated as cash flow hedges and the associated cash flow hedge reserves by approximately CHF 44.4 million as at December 31, 2024 (change of CHF 37.2 million as at December 31, 2023).

The following table shows the exposure (before hedging instruments) of the Group financial positions by currency:

(in thousands of Swiss Francs)	December 31, 2024				
	Total	EUR	USD	GBP	CHF
Financial assets (A)	616'337	26'505	1'827	313	587'693
Other assets	11'854	566	-	-	11'288
Trade receivables	243'862	15'501	1'292	201	226'868
Cash and cash equivalents	360'621	10'438	535	112	349'536
Financial liabilities (B)	2'360'103	1'478'542	7'846	74	873'641
Debt instruments excluding issuance costs ⁽¹⁾	1'617'891	1'417'891	-	-	200'000
Supplier financing agreement	71'573	-	-	-	71'573
Trade payables	130'753	51'618	6'798	74	72'263
Long-lived assets payables	528'951	1'161	1'048	-	526'742
Current borrowings and other financial liabilities ⁽¹⁾	10'935	7'872	-	-	3'063
Net exposure (A) - (B)	(1'743'766)	(1'452'037)	(6'019)	239	(285'948)

(in thousands of Swiss Francs)	December 31, 2023				
	Total	EUR	USD	GBP	CHF
Financial assets (A)	684'904	112'862	1'278	163	570'601
Other assets	10'769	482	-	-	10'287
Trade receivables	288'570	12'550	920	22	275'078
Cash and cash equivalents	385'565	99'830	358	141	285'236
Financial liabilities (B)	2'415'034	1'630'930	5'930	219	777'955
Debt instruments excluding issuance costs ⁽¹⁾	1'679'213	1'579'213	-	-	100'000
Supplier financing agreement	81'346	-	-	-	81'346
Trade payables	105'543	41'074	5'493	219	58'757
Long-lived assets payables	536'803	833	437	-	535'533
Current borrowings and other financial liabilities ⁽¹⁾	12'129	9'810	-	-	2'319
Net exposure (A) - (B)	(1'730'130)	(1'518'068)	(4'652)	(56)	(207'354)

⁽¹⁾ Refer to Note 10.1 for further information regarding debt instruments, accrued interests and derivatives instruments.

The following table shows the sensitivity of the Group to a 10% change in the foreign exchange rates of the currency to which they are exposed and the related impact on its income statement:

(in thousands of currency)	December 31, 2024		
	Net position at the end of the year ⁽²⁾	+10% change	-10% change
EUR	(27'895)	(2'536)	3'099
USD	(6'660)	(605)	740
GBP	211	19	(23)

(in thousands of currency)	December 31, 2023		
	Net position at the end of the year ⁽²⁾	+10% change	-10% change
EUR	(31'295)	(2'845)	3'477
USD	(5'537)	(503)	615
GBP	(52)	(5)	6

⁽²⁾ Net positions related to the debt instruments and current borrowings which are hedged and have been excluded (Refer to Note 10.1 for further information regarding debt instruments, accrued interests and derivatives instruments).

10% is the sensitivity rate considered by management for foreign currency risk and represents the assessment of the reasonably possible change in foreign exchange rates.

11.2 Financial instruments

The market value of financial assets and liabilities measured at fair value in the statement of financial position shown in the table below has been ranked based on the three hierarchy levels defined by IFRS 13:

- Level 1: quoted price in active markets;
- Level 2: inputs observable directly or indirectly;
- Level 3: inputs not based on observable market data.

Derivative instruments were the only items measured at fair value (level 2) in the statement of financial position and presented according to their maturity date. Fair value of financial assets and liabilities is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Estimated fair value for disclosure purpose:

- The carrying amounts of trade receivables and payables are a reasonable estimate of their fair value because of their short-term maturities;
- The carrying amounts of deposits and other items, fixed assets payables and cash and cash equivalents correspond to the fair values;
- The fair value of fixed interest-bearing financial liabilities is estimated on the basis of the maturing future payments discounted at market interest rates (level 2).

	December 31, 2024	
(in thousands of Swiss Francs)	Book value	Estimated fair value
Loans, receivables and cash and cash equivalents	616'337	616'337
Other assets	11'854	11'854
Trade receivables	243'862	243'862
Cash and cash equivalents	360'621	360'621
Financial liabilities at amortised cost	(2'355'087)	(2'359'508)
Debt instruments and accrued interests on debt instruments	(1'623'810)	(1'628'231)
Supplier financing agreement	(71'573)	(71'573)
Trade payables	(130'753)	(130'753)
Long-lived assets payables	(528'951)	(528'951)
Hedging derivatives	(196'118)	(196'118)

	December 31, 2023	
(in thousands of Swiss Francs)	Book value	Estimated fair value
Loans, receivables and cash and cash equivalents	684'904	684'904
Other assets	10'769	10'769
Trade receivables	288'570	288'570
Cash and cash equivalents	385'565	385'565
Financial liabilities at amortised cost	(2'409'716)	(2'375'769)
Debt instruments and accrued interests on debt instruments	(1'686'024)	(1'652'077)
Supplier financing agreement	(81'346)	(81'346)
Trade payables	(105'543)	(105'543)
Long-lived assets payables	(536'803)	(536'803)
Hedging derivatives	(216'022)	(216'022)

Incomes and expenses related to financial assets and liabilities are as follows:

	December 31, 2024		
(in thousands of Swiss Francs)	Net finance costs	Other operating expenses and income	Other comprehensive income
Other non-current assets	8	-	-
Trade receivables	(60)	(25'501)	-
Other receivables and payables	-	-	-
Cash and cash equivalents	8'328	-	-
Trade payables	(1'161)	2'999	-
Other financial liabilities	(115'148)	-	(4'049)
Total	(108'033)	(22'502)	(4'049)

(in thousands of Swiss Francs)	December 31, 2023		
	Net finance costs	Other operating expenses and income	Other comprehensive income
Other non-current assets	-	-	-
Trade receivables	1'204	(22'370)	-
Other receivables and payables	-	-	-
Cash and cash equivalents	3'840	-	-
Trade payables	(116)	-	-
Other financial liabilities	(102'552)	-	4'315
Total	(97'624)	(22'370)	4'315

Net finance costs related to other financial liabilities mainly consist in interest on debt instruments net of hedge effect (please refer to the Note 10.3), interests on lease agreements and IRU discounting interests.

Other operating expenses related to the trade receivables mainly consist in the customer bad debt (please refer to the Note 12.1).

Other comprehensive income is related to the cash-flow hedge (please refer to the Note 10.2).

The maturity of the financial liabilities were as follows:

(in thousands of Swiss Francs)	December 31, 2024				
	Net book value	Contractual Cash Flow	<1 Year	Between 1 and 5 Years	> 5 Years
Trade and long-lived asset payable	(659'704)	(705'403)	(222'618)	(268'259)	(214'526)
Debt instruments and accrued interests on debt instruments	(1'623'810)	(1'785'240)	(69'891)	(1'715'349)	-
Derivatives	(197'140)	(1'601'306)	(16'459)	(1'584'846)	-
Supplier financing agreement	(71'573)	(71'573)	(34'546)	(37'027)	-
Lease liability	(728'303)	(1'085'803)	(106'144)	(324'021)	(655'638)

(in thousands of Swiss Francs)	December 31, 2023				
	Net book value	Contractual Cash Flow	<1 Year	Between 1 and 5 Years	> 5 Years
Trade and long-lived asset payable	(642'346)	(666'793)	(242'737)	(239'500)	(184'556)
Debt instruments and accrued interests on debt instruments	(1'686'024)	(1'888'001)	(297'970)	(1'590'031)	-
Derivatives	(216'664)	(1'664'614)	(712'660)	(951'954)	-
Supplier financing agreement	(81'346)	(81'346)	(27'285)	(54'061)	-
Lease Liability	(719'753)	(1'119'695)	(98'467)	(313'276)	(707'952)

Note 12 – Other operating results, assets, liabilities & equity

12.1 Other operating results

(in thousands of Swiss Francs)	2024	2023
Customer bad debt	(25'224)	(22'370)
Spectrum fees	(3'539)	(4'203)
Other expenses	(4'440)	(1'847)
Other operating expenses	(33'203)	(28'420)
Property fees	1'597	1'340
Other income	6'475	3'934
Other operating income	8'072	5'274
Other operating results	(25'131)	(23'146)

12.2 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks.

Cash and cash equivalents at the end of the periods presented were as follows:

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Cash and bank balances	330'901	197'717
Short term investments	29'720	187'848
Cash and cash equivalents	360'621	385'565

12.3 Other assets

Other assets mainly consists of:

(in thousands of Swiss Francs)	December 31, 2024			December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
Financial assets at fair value through profit or loss ⁽¹⁾	-	23	23	-	23	23
Other non-current assets ⁽²⁾	-	9'365	9'365	-	9'079	9'079
Other current assets	2'466	-	2'466	1'667	-	1'667
Other assets	2'466	9'388	11'854	1'667	9'102	10'769

⁽¹⁾ The investment classified as assets at fair value is related to 23% shares of Teldas AG for an amount of CHF 23 thousand at December 31, 2024 (CHF 23 thousand at December 31, 2023).

⁽²⁾ Other non-current assets are mainly composed by CHF 9.4 million of long term security deposit as of December 31, 2024 (CHF 9.1 million as of December 31, 2023).

(in thousands of Swiss Francs)	December 31, 2024			December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
Prepaid external purchase	4'996	814	5'810	4'413	751	5'164
Deferred contract costs	33'734	8'401	42'135	33'880	8'906	42'786
Total prepaid expenses	38'730	9'215	47'945	38'293	9'657	47'950

Deferred contract costs include costs to obtain a contract and are mainly composed by commissions paid to dealers and incentives paid, directly attributable to contract acquisition. These costs are amortized when the related revenues are recognized.

Change in contract costs over the period are as follows:

(in thousands of Swiss Francs)	2024	2023
Balance as of January 1	42'786	37'744
Additional capitalized contract costs	44'433	44'533
Amortized contract costs	(45'084)	(39'491)
Balance as of December 31	42'135	42'786

12.4 Equity

Matterhorn Telecom Holding S.A. was incorporated under the laws of the Grand Duchy of Luxemburg on March 25, 2015. As at December 31, 2024 and December 31, 2023 the share capital is composed by 8'200'000 shares with a par value of CHF 1. As at December 31, 2024, all shares were issued and fully funded.

On August 27, 2024, the Group distributed an interim dividend of CHF 152.1 million which was subsequently contributed to the share premium by the sole shareholder.

On January 9, 2024, CHF 150.0 million of share premium has been repaid to the sole shareholders.

On November 11, 2023, the Group proceeded to the repayment of share premium for an amount of CHF 30.0 million to its sole shareholder.

On August 24, 2023, the Group distributed an interim dividend of CHF 182.1 million which was subsequently contributed to the share premium by the sole shareholder.

On January 11, 2023, the Group proceeded to the repayment of share premium for an amount of CHF 150.0 million to its sole shareholder.

12.5 Other liabilities

(in thousands of Swiss Francs)	December 31, 2024			December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
VAT payable	8'496	-	8'496	7'154	-	7'154
Other	16'837	500	17'337	15'186	500	15'186
Other liabilities	25'333	500	25'833	22'340	500	22'840

Note 13 – Leases

13.1 Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(in thousands of Swiss Francs)	Buildings	Network	Other	TOTAL
Opening balance as at January 1, 2023	42'447	163'293	1'359	207'099
Additions	11'559	41'814	1'393	54'766
Depreciation	(12'190)	(34'292)	(846)	(47'328)
Sale and lease back	-	6'893	-	6'893
Disposal	-	(551)	-	(551)
Other ¹	(31)	(190)	(502)	(723)
Closing balance as at December 31, 2023	41'785	176'967	1'404	220'156
Additions	29'868	30'554	2'741	63'163
Depreciation	(14'587)	(33'835)	(1'140)	(49'562)
Sale and lease back	-	7'460	-	7'460
Disposal	-	(2'319)	-	(2'319)
Other ¹	(146)	(1'281)	(164)	(1'591)
Closing balance as at December 31, 2024	56'920	177'546	2'841	237'307

⁽¹⁾ Other mainly includes the change in estimate in the contracts end dates.

13.2 Lease liability

(in thousands of Swiss Francs)	
Balance as of January 1, 2023	(721'710)
Additions	(53'281)
Sale and lease back	(8'607)
Accretion of interest	(41'603)
Payments (including interests)	97'961
Contract termination	6'905
Other	582
Balance as of December 31, 2023	(719'753)
Additions	(60'899)
Sale and lease back	(8'942)
Accretion of interest	(42'856)
Payments (including interests)	98'391
Contract termination	4'621
Other	1'135
Balance as of December 31, 2024	(728'303)
Lease Current	(60'053)
Lease Non-Current	(668'250)

13.3 Amount recognized in the consolidated income statement

(in thousands of Swiss Francs)	December 31, 2024	December 31, 2023
Income from sub-leased right-of-use assets	2'094	1'819
Depreciation of right-of-use assets	(49'562)	(47'328)
Interest on lease agreements	(42'856)	(41'603)
Variable lease payments (included in Network, IT, property expenses and other purchases)	(1'619)	(872)
Total	(91'943)	(87'984)

The total cash outflow for leases in 2024 was CHF 98.4 million (CHF 98.0 million in 2023).

The income from sub-lease right-of-use assets mainly related to sub-leased space in stores recognized as other operating income.

Note 14 – Gain on disposal and other gains

The other gains mainly includes release of extinguished lease liabilities related to terminated contracts over the period.

Note 15 – Scope of consolidation

	Country of Incorporation	Equity Interests	Consolidation method	Nature of business
Matterhorn Telecom Holding S.A.	Luxembourg	Parent Equity	Full Consolidation	Holding
Matterhorn Telecom S.A.	Luxembourg	100%	Full Consolidation	Holding
Matterhorn Mobile S.A.	Luxembourg	100%	Full Consolidation	Holding
Salt Mobile S.A.	Switzerland	100%	Full Consolidation	Communications
Salt Liechtenstein AG	Liechtenstein	100%	Full Consolidation	Communications
Salt Services S.A.	Portugal	100%	Full Consolidation	Customer Care

Note 16 – Related parties

The Group related parties consist of the intermediate holding companies, the ultimate parent company, the ultimate controlling party, companies under common control and companies controlled by key management in addition to the Group's key management. The ultimate parent company is NJJ Suisse Animation SAS and the ultimate controlling party is the Niel family.

16.1 Directors and Executive Officers

The total remuneration of directors and executive officers is as follow:

(in thousands of Swiss Francs)	2024	2023
Short term	4'511	4'812
Long term bonus	14'341	4'154
Board of Directors & Executive Officers remuneration	18'852	8'966

16.2 Related enterprises

The following related party transactions have been recorded (shareholder and Companies under common control):

(in thousands of Swiss Francs)	2024			2023		
	Shareholders	Other related parties	Total	Shareholders	Other related parties	Total
Monitoring fees ¹	(4'000)	-	(4'000)	(4'000)	-	(4'000)
Telecom services net revenue (cost) ²	-	(5'153)	(5'153)	-	(6'292)	(6'292)
Subcontracting expenses ³	-	(8'291)	(8'291)	-	(7'994)	(7'994)
Equipment revenue and other revenue ⁴	-	87	87	-	138	138
Other operating expenses ⁴	(112)	-	(112)	-	-	-
Other operating revenue ⁴	-	1'482	1'482	-	583	583
Related party transactions	(4'112)	(11'875)	(15'987)	(4'000)	(13'565)	(17'565)

¹ Monitoring fees paid by Salt Mobile to OCH AT Holding S.A.

² Telecom services transactions with mobile operators related to NJJ and Iliad Group.

³ Subcontracting purchases paid mostly to IT Solutions Factory, Monaco Telecom, Network Solutions Factory, Exedra SAS and Althaia Consulting.

⁴ Equipment revenue, other operating revenue and other operating expenses were mostly related to transactions with NJJ and Iliad Group.

The following related party balances were outstanding at the end of the reporting period:

(in thousands of Swiss Francs)	December 31, 2024			December 31, 2023		
	Shareholder balances	Other related parties balances	Total	Shareholder balances	Other related parties balance	Total
Assets						
Trade receivables and contract assets	-	809	809	-	82	82
Liabilities						
Trade payables	-	(1'400)	(1'400)	-	(1'676)	(1'676)

As at December 31, 2024, there was no recognised loss on related party receivables (December 31, 2023, nil).

Note 17 – Unrecognised contractual commitments

There were no existing commitments, other than those described in this Note, likely to have a material effect on the current or future financial position of the Group.

Salt's shares are pledged by Matterhorn Telecom S.A. under the Indentures.

The table below provides a schedule of unrecognised commitments and contractual obligations at the end of each reporting period.

Investments and good and services purchase commitments

(in thousands of Swiss Francs)	December 31, 2024	< 1 year	1-2 years	> 2 years
	Total			
Investments commitments in network assets and transmission capacity	59'917	59'602	185	130
Other commitments related to the purchase of goods and services	8'852	2'746	666	5'440
Investment and goods and services purchase commitments	68'769	62'348	851	5'570

(in thousands of Swiss Francs)	December 31, 2023	< 1 year	1-2 years	> 2 years
	Total			
Investments commitments in network assets and transmission capacity	61'348	61'348	-	-
Other commitments related to the purchase of goods and services	7'771	1'110	666	5'995
Investment and goods and services purchase commitments	69'119	62'458	666	5'995

Salt Switzerland is committed to incur capital expenditures over the next 20 years in connection with the FTTH agreement signed with Swisscom on April 29, 2021 and amended in 2023 following Swisscom decision to shift its FTTH roll out from a Point to Multi-Point topology to a Point to Point (P2P) topology. Given the uncertainty regarding the magnitude and the temporality of the incurrence of those capital expenditures, the amount of the commitment could not be accurately quantified, and is not reflected in the outstanding investment commitment stated above.

As part of the Build-to-Suit (BTS) sites sales program, Salt Mobile S.A. is committed to build and sell a certain number of network sites to Swiss Infra Services S.A. by the end of June 2027. Given the uncertainty regarding the magnitude and the temporality of the incurrence of those capital expenditures, the amount of the commitment could not be accurately quantified, and is not reflected in the above chart.

Note 18 – Litigations

As at December 31, 2024 the Group had no material unprovided pending or threatened litigation with third parties.

As at December 31, 2023 the Group had no material unprovided pending or threatened litigation with third parties.

Note 19 – Subsequent events

On January 6, 2025, the Group proceeded to the repayment of share premium for an amount of CHF 160 million to its sole shareholder.

On January 17, 2025, the Group announced the pricing of an offering of EUR 420.0 million aggregate principal amount of Senior Secured Notes due 2030 on January 16, 2025 (the "Offering"). The Notes were priced at 100% of their aggregate principal amount and the coupon is 4.50% per annum.

In addition, the Company announced the allocation of a new 7-year term loan Facility B3 of EUR 430.0 million (the "Facility B3"), established as an additional facility pursuant to the Company's existing senior facilities agreement. The new facility was priced at par and an opening margin of 2.75% per annum.

The proceeds from both instruments, together with cash on balance sheet, were used to (i) redeem in full the Group's existing Senior Secured Notes due November 2027, (ii) fully repay commitments under the Group's existing term loan facility due September 2026, and (iii) pay certain fees and expenses relating to the financing.

On March 11, 2025, the Group also announced the syndication of a new EUR 25.0 million term loan facility as an additional facility under the existing Facility B3 agreement. The new facility has substantially the same terms as, and will be fungible with, the Facility B3. The proceeds from the drawing under the new facility were used for general corporate purposes (including repayment of 'mark to market' amounts in relation to a hedge portfolio restructuring).

In March 2025, the Group restructured its hedging portfolio to align with the terms of facilities raised over the first quarter of 2025. For the EUR 430.0 million term loan bond (Facility B3) priced at Euribor 3M + 2.75%, the Group restructured the existing cross-currency swaps that covered the former EUR 469.0 million term loan bond which was priced at Euribor 3M + 2.375%, aligning to new nominal (reduced by EUR 39.0 million) and new Euribor 3M spread. In addition, the Group entered into a new cross currency swap in order to hedge the EUR 25.0 million additional facility under the existing Facility B3 agreement dawned in March 2025.

For the EUR 420.0 million Senior Secured Note priced at 4.5%, the Group restructured the existing cross-currency swaps that covered the former EUR 380.0 million Senior Secured Note which was priced at 4.0%. The Group:

- repaid 'mark to market' amounts in relation to the hedge portfolio restructuring, using proceeds from the EUR 25.0 million add-on from Facility B3;
- increased the EUR 140.0 million cross-currency swap to EUR 179.96 million, and extended the maturity from 2027 to 2030 with a mandatory break clause in 2028 and with a decrease in the hedging rate from 2.977% to 2.681%;
- extended the maturity of the EUR 240.0 million cross-currency swap from 2027 to 2030 with a mandatory break clause in 2028 and with a decrease in the hedging rate from 3.42% to 3.233%.

In addition, the Group unwound EUR 18.7 million of its EUR 675.0 million cross currency swap on the Senior Secured Notes due September 2026 to reflect the repurchase of EUR 18.7 million principal amount of its 3.125% Senior Secured Notes due 2026 on the open market.



Contacts

Salt Investor Relations Team
Investorrelations@salt.ch

Salt Mobile SA
Rue du Caudray 4
1020 Renens