

# ANNUAL REPORT 2022



## About the visual concept of the 2022 Annual Report

mobilezone's sustainability strategy is based on four pillars: employees, customers, the smartphone cycle and environmental management. After focusing on our employees last year, we have now shifted our focus to our customers. In this year's Annual Report, we feature mobilezone's customers – people who are connected to our company in Germany and Switzerland. These customers share with us why they have chosen to do business with mobilezone and what they value most about our company.



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# Strong 2022 results – mobilezone gains market share – 7.5 per cent organic sales growth to over CHF 1 billion

## Dear Shareholders,

In 2022, mobilezone continued to build on the record financial result achieved in the previous year. The market share was further expanded by growing sales volume both in Germany and Switzerland.

Sales amounted to CHF 1 billion, of which 69 per cent were generated in Germany and 31 per cent in Switzerland. The company's own platforms generated "online" sales of CHF 400 million (previous year: CHF 374 million) representing 40 per cent of sales. Organic growth amounted to 7.5 per cent. The solid result, with EBIT of CHF 70.6 million (previous year: CHF 66.7 million) and an EBIT margin of 7.0 per cent (previous year: 6.8 per cent), is a reflection of the consistency in the pursuit of our strategic direction. Adjusted for the negative foreign exchange impact of CHF 2.7 million, EBIT amounted to CHF 73.3 million in the reporting year.

Excluding the non-cash special effect of CHF 6 million from the sale of the wholesale business in Germany in January 2021, EBIT in the previous year was CHF 72.7 million.

## Financial guidance

Despite the negative foreign exchange impact of CHF 2.7 million on EBIT and CHF 52 million on sales, the EBIT guidance and sales expectations have been met. The EBIT margin target of 7.6 per cent could not be achieved due to the challenging economic environment in the second half of 2022 and the resulting lower margins in the German business.

## Key figures at a glance

- ✓ Organic sales growth of 7.5 per cent from CHF 982 million to CHF 1,055 million. Adjusted for the negative currency effect of 5.3 per cent, sales amounted to CHF 1,003 million.
- ✓ Operating profit (EBIT) of CHF 70.6 million (previous year: CHF 66.7 million) with an EBIT margin of 7.0 per cent (previous year: 6.8 per cent), with Switzerland and Germany each contributing 50 per cent.
- ✓ Financial expenses decreased by CHF 1.1 million to CHF 1.9 million (previous year: CHF 3.0 million).
- ✓ Tax expenses amounted to CHF 14.2 million, increasing by CHF 0.4 million compared to the previous year.
- ✓ Net profit was CHF 54.5 million (previous year: CHF 50.7 million).
- ✓ Free cash flow was CHF 100.8 million (previous year: CHF 67.6 million).
- ✓ Net working capital amounted to CHF 124 million at the end of the year (previous year: CHF 85 million).
- ✓ Financial liabilities amounted to CHF 149 million compared to CHF 134 million at the end of December 2021.
- ✓ Net debt decreased to CHF 30 million (previous year: CHF 76 million).
- ✓ The net debt to EBITDA ratio was 0.38 (previous year: 0.99).
- ✓ Shareholders' equity in the statutory financial statements of mobilezone holding ag amounted to CHF 147 million (previous year: CHF 175 million).
- ✓ The first tranche of the share buyback programme 2022–2025 was completed with 770,865 shares (1.75 per cent of the outstanding shares) on 20 October 2022 at an average price of CHF 15.57 per share or a total of CHF 12.0 million.
- ✓ Earnings per share amounted to CHF 1.25 (previous year: CHF 1.13).
- ✓ The Board of Directors will propose a dividend of CHF 0.90 per registered share (previous year: CHF 0.84) to the General Meeting.
- ✓ On 31 December 2022, the share price was CHF 15.32 compared to CHF 13.62 at the end of December 2021.



Markus Bernhard, CEO

Olaf Swantee Chairman of the Board of Directors

## Market area Switzerland

Business in Switzerland developed very well across all sectors.

- ✓ At EBIT-level, retail and B2B segments were able to confirm the best result in the company's history achieved in previous year.
- ✓ Sales decreased from CHF 323 million to CHF 305 million, representing a drop of 5.6 per cent. The decrease in sales is due to lower hardware sales.
- ✓ EBIT amounted to CHF 35.5 million (previous year: CHF 36.3 million), resulting in a return on sales of 11.6 per cent (previous year: 11.2 per cent).
- ✓ The number of shops was 124 as it was in the previous year.
- ✓ The number of negotiated contracts (postpaid, Internet and TV) increased by 9.8 per cent to 437,000 (previous year: 398,000).
- ✓ Service sales (fleet management, data transfer, setting up smartphones and other services) amounted to CHF 7.4 million (previous year: CHF 7.2 million).
- ✓ Accessories sales increased by 4.2 per cent to CHF 24.9 million (previous year: CHF 23.9 million) and represented 8.2 per cent (previous year: 7.4 per cent) of sales in Switzerland.
- ✓ Sales at the Mobile Virtual Network Operator (MVNO) TalkTalk amounted to CHF 21.2 million (previous year: CHF 17.1 million). The sales share of mobile customers increased to 88 per cent (previous year: 79 per cent). In the postpaid SIM cards segment, the number of customers increased to 66,600 (previous year: 45,700), representing a 46 per cent growth.

## Market area Germany

Business in Germany was excellent in the first half of the year. In the second half of the year, the gross profit margin in the contract business decreased slightly due to a fierce competition.

- ✓ In the local currency, the German organisation increased sales by 13.5 per cent in 2022. In the reporting currency, sales increased from CHF 659 million to CHF 696 million, representing an increase of 5.6 per cent.
- ✓ EBIT amounted to CHF 35.6 million (previous year: CHF 36.2 million), resulted in a return on sales of 5.1 per cent (previous year: 5.5 per cent). Adjusted for the foreign exchange impact, EBIT amounted to CHF 38.3 million, representing an increase of 5.8 per cent.
- ✓ Online business volume increased by 6.3 per cent to 638,000 (previous year: 600,000) mobile phone contracts.
- ✓ In B2B trade, 453,000 (previous year: 419,000) mobile phone contracts were concluded, representing an increase of 8.1 per cent.
- ✓ In total, 1,091,000 (previous year: 1,019,000) mobile phone contracts were concluded "online" and in B2B trade, representing an increase of 7.1 per cent.
- ✓ Sales generated by MVNO HIGH amounted to CHF 23.0 million (previous year: CHF 17.3 million). The customer base was 98,000 (previous year: 69,000), representing an increase of 42 per cent.

## Growth in second life and smartphone refurbishing

The second life area, i.e. the repair and refurbishing of smartphones is becoming increasingly important. In the reporting year 2022, 2.8 per cent of all the smartphones sold by mobilezone Switzerland were refurbished smartphones (previous year: 1.5 per cent). mobilezone took back 8.3 per cent of the total number of smartphones sold (previous year: 6.4 per cent), which were placed on the market as second life devices or recycled as part of the sustainability strategy. Since November 2022, mobilezone has been selling refurbished devices in Germany through Sparhandy.

## Change in the Board of Directors / Group Management

CEO Markus Bernhard will step down as CEO of the mobilezone Group on 30 June 2024 and will continue to be responsible for the strategic development, investor relations and M&A of the company as the operational delegate of the Board of Directors. He has been nominated for election to the Board of Directors of the mobilezone Group at the General Meeting to be held on 5 April 2023 and will replace Peter K. Neuenschwander, who will no longer be standing for re-election. In doing so, the Board of Directors is setting an example of continuity and the strategic direction of mobilezone.

The Board of Directors would like to take this opportunity to thank Peter K. Neuenschwander for his invaluable contribution over the past years.

## General Meeting to be held on 5 April 2023

The General Meeting 2023 will be held as an in-person event at the community hall Dorfmatte in Rotkreuz. The Board of Directors will propose to the General Meeting a dividend of CHF 0.90 per registered share, representing a CHF 0.06 increase compared to the previous year. Half of the payout consists of available earnings and half of reserves from capital contributions corresponding to a payout ratio of 73 per cent of the Group's net profit. If this proposal is approved, the dividend will be paid out on 14 April 2023. From 12 April 2023, the shares will be traded ex-dividend.

## Confident outlook for 2023

The last three fiscal years have demonstrated the strength of our business model. There is a great demand for telecommunications products among the public, which grew even stronger during times of social distancing. Accordingly, mobilezone is looking ahead to the next few years with confidence across all business segments in Germany and Switzerland.

We anticipate a more positive consumer climate in Germany this spring, and we believe that the topics discussed so frequently in the media, such as inflation and energy costs, will become less prevalent. We are also very optimistic about our Swiss business, with high customer traffic in our 124 stores. Our two MVNOs, TalkTalk and HIGH, will continue their impressive growth of the last two years. The two acquisitions at the beginning of January 2023 of Digital Republic and SIGA optimally complement our business in Switzerland and Germany. Both businesses have been performing well since the takeover. Due to these acquisitions, the share buyback programme will be paused in 2023.

We expect EBIT for the 2023 fiscal year to range between CHF 70 and 77 million. The attractive dividend policy will be continued, which would mean a further increase in dividend if the financial targets are achieved. In addition, we remain committed to increasing our EBIT margin steadily in the coming years from the current 7.0 per cent. We expect growth especially in our online and MVNO businesses. Investments in 2023 are expected to decrease from CHF 17.5 million to CHF 13.0 million, as the shop update to the new layout in Switzerland was completed in 2022. With the newly developed online platforms in Germany we expect to go live in the first half of 2023. The Group is very well positioned today and looks forward to positive further development.

## Thanks to our employees and shareholders

Our special thanks are due to our over 1,000 employees, who have once again shown that they strive to deliver the best for our customers every day, even in a highly challenging environment.

To our valued shareholders, we extend our sincere appreciation. Your support and trust has enabled us to continue driving the performance of mobilezone to new heights.

Rotkreuz, 8 March 2023



Olaf Swantee  
Chairman of the Board of Directors



Markus Bernhard  
Chief Executive Officer

# Key figures

## Group

(CHF 000 or as indicated)	2022	%	2021	%	2020	%	2019	%	2018	%
Net sales	1 002 701		981 537		1 237 662		1 324 022		1 195 599	
Gross profit	200 962	20.0 <sup>1</sup>	199 657	20.3 <sup>1</sup>	177 336	14.3 <sup>1</sup>	180 073	13.6 <sup>1</sup>	156 838	13.1 <sup>1</sup>
Operating profit before depreciation	79 516	7.9 <sup>1</sup>	76 325	7.8 <sup>1</sup>	53 776	4.3 <sup>1</sup>	67 812	5.1 <sup>1</sup>	58 296	4.9 <sup>1</sup>
Operating profit (EBIT)	70 616	7.0 <sup>1</sup>	66 675	6.8 <sup>1</sup>	43 958	3.6 <sup>1</sup>	59 648	4.5 <sup>1</sup>	52 535	4.4 <sup>1</sup>
Net profit	54 537	5.4 <sup>1</sup>	50 663	5.2 <sup>1</sup>	34 514	2.8 <sup>1</sup>	44 405	3.4 <sup>1</sup>	39 531	3.3 <sup>1</sup>
Earnings per share	1.25		1.13		0.77		1.04		1.02	
Dividend per share	0.90 <sup>6</sup>		0.84		0.56		0.60		0.60	
Operating profit (EBIT) adjusted for special effect <sup>4</sup>	70 616	7.0 <sup>1</sup>	72 691	7.4 <sup>1</sup>						
Net profit adjusted for special effect <sup>4</sup>	54 537	5.4 <sup>1</sup>	56 679	5.8 <sup>1</sup>						
Net cash flow from operating activities	118 281		81 564		59 750		52 778		5 385	
Investments in property, plant & equipment and intangible assets	17 506		13 938		13 298		10 036		10 420	
Free cash flow before acquisitions/divestments	100 775		67 626		46 452		42 742		-5 035	
Total assets	377 408		326 800		353 789		390 541		367 070	
Shareholders' equity	43 315	11.5 <sup>2</sup>	44 342	13.6 <sup>2</sup>	23 182	6.6 <sup>2</sup>	15 051	3.9 <sup>2</sup>	34 382	9.4 <sup>2</sup>
Shareholders' equity without offsetting of goodwill	66 496	16.6 <sup>3</sup>	95 484	25.3 <sup>3</sup>	102 286	23.6 <sup>3</sup>	132 530	26.1 <sup>3</sup>	111 192	25.1 <sup>3</sup>
ROCE (%) <sup>4,5</sup>	77.0		57.7		31.7		47.6		55.4	
Net debt	29 949		75 892		119 578		130 876		76 161	
Net-debt-to-EBITDA ratio	0.38		0.99		2.22		1.93		1.31	
Number of employees as of 31.12 (full-time equivalent)	995		1 018		1 127		1 217		930	
Number of employees (full-time equivalent) on average during the reporting period	1 012		1 038		1 249		1 245		942	
Number of shops as of 31 December in Switzerland	124		124		123		117		119	

<sup>1</sup> In per cent of net sales

<sup>2</sup> In per cent of total assets

<sup>3</sup> Shareholders' equity and total assets without offsetting of goodwill/ with amortisation (see page 106, Note 23)

<sup>4</sup> In 2021, there was a non-cash special effect of CHF 6 million due to the sale of 75 per cent of the shares in einsAmobile GmbH

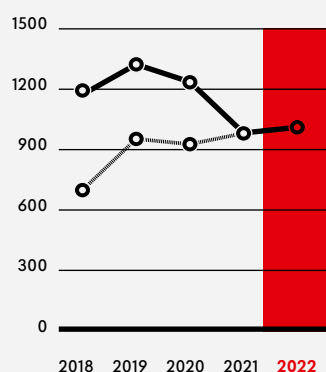
<sup>5</sup> ROCE (Return on capital employed): EBIT for the last twelve months adjusted for special effects / (Ø shareholders' equity + Ø financial liabilities - Ø cash and cash equivalents - Ø real estate)

<sup>6</sup> 50 per cent distribution free of withholding tax from reserves from capital contribution and 50 per cent dividend from retained earnings as proposed by the Board of Directors to the General Meeting to be held on 5 April 2023



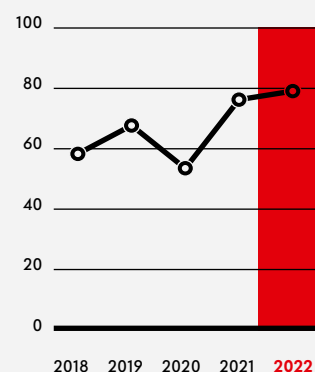
## Net sales

(CHF million)



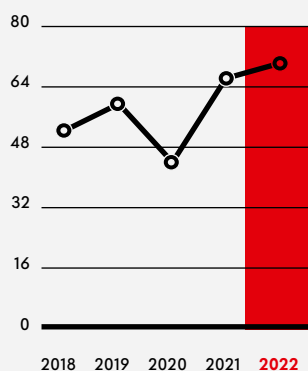
## EBITDA

(CHF million)



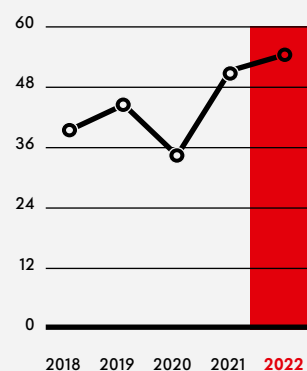
## EBIT

(CHF million)



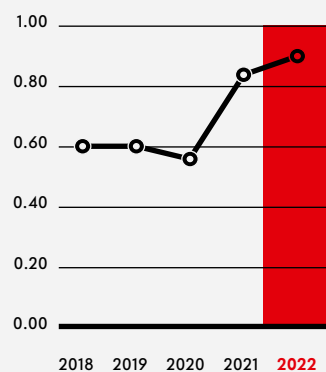
## Net profit

(CHF million)



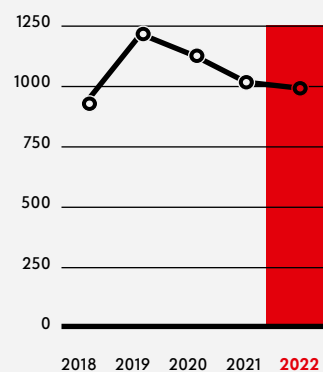
## Dividend per share

(CHF)



## Employees

(Full-time equivalents)



—●— Swiss GAAP FER

—●— Pro forma excluding the wholesale business in Germany sold in 2021

# Share

## Share

(CHF or as indicated)	2022	2021	2020	2019	2018
Shares issued at year end (units)	44 000 000	44 781 213	44 781 213	44 781 213	40 781 213
Treasury shares at year end (units)	878 403	583 442	70 000	63 624	100 000
<i>thereof own shares from share buyback programme (units)</i>	<i>770 865</i>	<i>444 570</i>			
Weighted average number of shares outstanding (units)	43 693 650	44 639 429	44 709 172	42 792 890	38 664 992
Year-end price	15.32	13.62	10.08	10.86	10.94

## Stock market capitalisation and shareholders' equity as of year-end

(CHF million or as indicated)	2022	2021	2020	2019	2018
Stock market capitalisation	674.1	609.9	451.4	486.3	446.1
Shareholders' equity	43.3	44.3	23.2	15.1	34.4

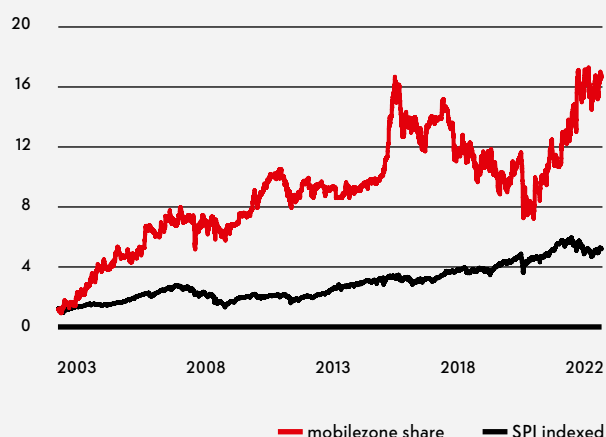
## Distribution to shareholders and share buyback

(CHF million or as indicated)	2022	2021	2020	2019	2018
Dividend per share in CHF	0.90 <sup>1</sup>	0.84	0.56	0.60	0.60
Dividend distribution	39.6	37.6	25.1	26.9	24.4
Dividend distribution ratio	72.6%	74.2%	72.7%	60.6%	61.7%
Share buybacks	17.0	5.8			
Total distribution	56.6	43.4	25.1	26.9	24.4
Total distribution ratio	103.8%	85.7%	72.7%	60.6%	61.7%

<sup>1</sup> 50 per cent distribution free of withholding tax from reserves from capital contribution and 50 per cent dividend from retained earnings as proposed by the Board of Directors to the General Meeting to be held on 5 April 2023.

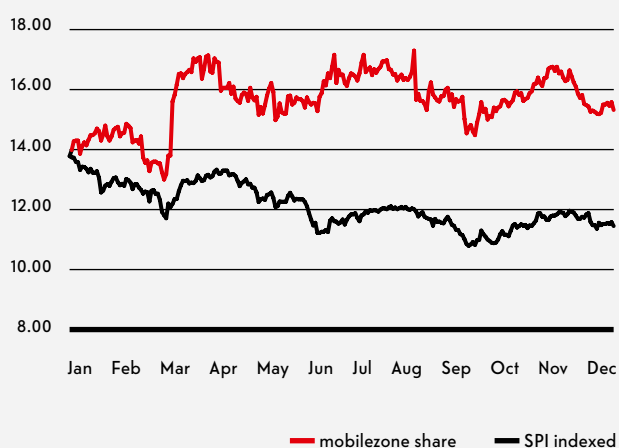
## Share price performance

2003–2022 (in CHF)



## Share price performance

2022 (in CHF)



## Share price performance

in CHF or as indicated

	2022	2021	2020	2019	2018
High	17.50	13.90	11.64	11.94	12.48
Low	12.56	9.14	7.21	8.78	9.51
Year-end price	15.32	13.62	10.08	10.86	10.94
Average price (end-of-day rate)	15.63	11.57	9.14	10.09	11.18
Average dividend yield <sup>1</sup>	5.8%	7.3%	6.1%	5.9%	5.4%
Price-earnings ratio – P/E ratio <sup>2</sup>	12.26	10.73	13.06	10.47	10.70
Average daily trading volume (units)	121 795	88 885	132 955	126 382	140 152

<sup>1</sup> Dividend in relation to the annual average price (based on end-of-day prices)

<sup>2</sup> Year-end price / earnings per share

## Shareholder structure

Number of shares

	2022	2021	2020	2019	2018
Top 20 shareholders	13 097 066	14 576 364	15 110 408	15 583 535	12 810 225
in %	30%	33%	34%	35%	31%
Other registered shareholders	15 498 095	16 280 941	17 804 485	16 635 574	15 009 163
in %	35%	36%	40%	37%	37%
Total number of non-registered shares	15 404 839	13 923 208	11 866 320	12 562 104	12 961 825
in %	35%	31%	26%	28%	32%
Total issued shares	44 000 000	44 781 213	44 781 213	44 781 213	40 781 213
in %	100%	100%	100%	100%	100%

## Registered shareholders

Geographical location

	2022	2021	2020	2019	2018
Switzerland	5 480	5 243	5 781	5 388	4 585
Europe	133	103	112	111	97
Overseas	44	33	34	31	19
Total shareholders	5 657	5 379	5 927	5 530	4 701

# Interview with Markus Bernhard

## CEO of the mobilezone Group

### Markus Bernhard, how do you rate the annual results for 2022?

The mobilezone Group remains on a steady path to success and can look back on an outstanding performance in the 2022 fiscal year. Increases in market share in both Germany and Switzerland, coupled with high profitability, contributed to an organic, currency-adjusted growth of 7.5 per cent. Group sales increased to CHF 1.0 billion. We were able to increase our operating profit or EBIT to CHF 70.6 million and the net profit to CHF 54.5 million. These results were achieved despite the negative foreign exchange impact of CHF 2.7 million on EBIT and CHF 1.6 million on net profit. Not only did we achieve good financial results, but we also made further progress in the area of sustainability.

The Board of Directors will propose a dividend of CHF 0.90 to the General Meeting in April, which is an increase of CHF 0.06 compared to the previous year, reflecting the company's strong financial performance.

**T**he mobilezone Group remains on a steady path to success and can look back on an outstanding performance in the 2022 fiscal year.

### How was 2022 from your perspective?

mobilezone has continued to make strides in both Germany and Switzerland, where it is regarded as a healthy, modern and forward-looking business.

We closed the first half of 2022 with yet another record result – both in Germany and in Switzerland. This was particularly encouraging, because the second half of the year tends to be more profitable with Black Friday, Cyberweeks, Christmas and the annual Apple launch event. The second half of 2022 also went well for us. Although our Swiss accessories business was 9.5 per cent behind the previous year mid-year, we were able to finish the year on a strong note with sales of CHF 24.9 million, representing a 4.2 per cent increase compared to the previous year. This was largely due to a very strong performance in the second half of the year. Similar to the previous year, 2022 was a very demanding year for our employees in Switzerland and Germany. In Germany, our employees were busy working on the development of the new e-commerce platform. Group-wide, our employees found it challenging to communicate availability information to our customers due to the limited availability of various smartphone models.

### Are you still feeling the effects of the coronavirus pandemic?

Over the last three years during the COVID-19 pandemic, we have demonstrated that we have a resilient business model.

China's zero COVID strategy had an impact on the production of the latest generation of Apple devices, especially the iPhone 14 Pro and Pro Max models, which in turn impacted our stock availability. By keeping customers well informed about availability, we were able to mitigate the impact of this to a large extent. Our customers are also feeling the effects of high inflation in Germany: People keep their mobile phones longer and sometimes switch to cheaper models. In Switzerland, we have not seen any negative effects of the relatively low inflation – on the contrary; customer traffic in our shops has increased.

### The question about the company's purpose is currently a hot topic in the economy. How would you describe the purpose of mobilezone in an elevator pitch?

The purpose of our company has remained unchanged since its founding almost 25 years ago: to offer customers the best deals in the telecommunications market in Switzerland and Germany. This, combined with the motivation and skills of our employees, is the basis for long-term economic success. In addition to cost leadership and efficiency, environmental and social responsibility are also key pillars of our thinking.

### mobilezone shares are highly popular with investors, and their value has risen by 12.7 per cent over the past year. Why are the shares so popular?

mobilezone shares have risen by more than 50 per cent since the summer of 2021. Investors have thus rewarded our operational performance and the confirmation of our resilient business model. Telecommunication products and services are always needed; there is a reason why they are part of essential services. Over the last 10 to 15 years, we have proven to be a stable dividend-paying company, being one of the top-performing companies in Switzerland with an annual dividend yield between 5 and 7 per cent. Our shares are also very stable, which can be attributed to the following: In January 2021, we divested our highly volatile wholesale business in Germany. The fluctuations in margins and the lack of transparency were not easy for our investors to understand. As a result, we are in a much more stable situation today. Confidence in our shares has also been boosted as more analysts are now covering us. This is certainly also due to our active communication with analysts and financial journalists. In the autumn, we bought back 770,865 shares as part of our share buyback programme 2022-2025.





We are very satisfied with both the financial results and the strategic development: Interview with Markus Bernhard, CEO of the mobilezone Group.

At the upcoming General Meeting, we will propose the cancellation of these shares through a capital reduction, which will reduce the number of outstanding shares from today's 44 million by 1.8 per cent.

**O**ur investors have approved our operational performance and the confirmation of our resilient business model.

**What measures do you plan to take to make the shares even more attractive?**

Our objective is to keep delivering strong financial results and market performance. Our active cost management, which is a key part of our strategy, coupled with our focus on growth and increasing margins across all financial KPIs, provides a solid foundation for our continued success. Takeovers can also strengthen our position.

Our goal for the coming years is a sustainable increase in dividends, combined with share buybacks. We will propose a dividend of CHF 0.90 to the General Meeting in April, representing an increase of 7 per cent.

**You are committed to continue increasing the EBIT margin steadily in the coming years. What measures do you intend to take to achieve this in view of the intense competition?**

The competition is indeed very fierce. The market we operate in is saturated and competitive; it is not a growth market. This makes very consistent cost management all the more important. We want to grow especially in the service business. In Germany and Switzerland we are doing very well as mobile virtual network operators (MVNO) with HIGH and TalkTalk. With the acquisition of the Swiss company Digital Republic at the beginning of 2023, we were able to further strengthen our position in the MVNO market in Switzerland.

## How did TalkTalk perform?

TalkTalk has done very well in fierce competition. At the end of January 2023, we had 70,000 postpaid subscription customers in Switzerland. Since the end of 2020, we have more than doubled our customer base. We are able to add a few thousand new customers every month. We have a long-standing, very motivated team at TalkTalk who put their heart and soul into their products every day.

**T**he market we operate in is saturated and competitive; it is not a growth market. This makes very consistent cost management all the more important.

**Even in times when online business is booming, mobilezone continues to rely on its dense network of shops throughout Switzerland. You have also converted all your shops by the end of 2022. What measures are planned to further enhance the shopping experience in the shops?**

In our Swiss retail business, we achieved stronger growth than expected in 2022. We added a total of 437,000 mobile and fixed-line contracts, representing an increase of 39,000 contracts or 9.8 per cent. I am very proud of the sales performance we have achieved in Swiss retail over the years. This cannot be taken for granted and is only possible thanks to our very strong sales team. The shop network is continuously being optimised, and new locations are added where viable and practicable. Nevertheless, we expect the number of our shops to remain stable over the next few years.

**You are also focusing on increasing accessory sales. How do you plan to achieve this?**

We plan to continue growing in the double digits in the accessory segment in both Germany and Switzerland. At CHF 3 million, the sales generated in Germany are still comparably modest. But with the launch of the new shop technology for the two online platforms, Sparhandy and Deinhandy in the first half of the year, we are well positioned to gain market share quickly in Germany as well. In Switzerland, we are working on significantly expanding our product range, particularly regarding tablets and watches. The range of accessories, including cases and covers, will also become more varied in line with current trends and needs.

**Sustainability is an integral part of your corporate strategy. What has your progress been so far?**

In the past, we have addressed topics that can be considered part of sustainability, but without defining any KPIs, targets or conducting measurements. In short, we were not strategic in the area of sustainability. This changed in the summer of 2020, when we developed our sustainability strategy and defined our focus areas.

A lot has happened in this area since then. Employees and managers in all business units in Germany and Switzerland are working on sustainability issues and implementing measures. As the Group and Management Board, we are committed to sustainability by firmly incorporating it into our corporate strategy. We have recently established a Sustainability Committee, which is strategically embedded in the Board of Directors and supported directly by the Sustainability Body and business. In addition, part of the remuneration of the members of the Management Board is based on employee and customer satisfaction. In September 2022, the mobilezone Group was admitted as one of about 140 companies into the sustainability indices of the Swiss stock exchange SPI ESG and SPI ESG Weighted. The indices introduced at the beginning of February 2022 facilitate more transparency for investors who want to invest in the shares of Swiss companies with a standardised and well-founded sustainability profile.

**I**t is our belief that it is the right thing to do, to conserve valuable resources and the latest generation of high-quality smartphones generation smartphones for as long as possible.

**And what do the specific sustainability measures look like?**

In December, we conducted our employee survey for the second time. 90 per cent of our employees are satisfied and would recommend mobilezone as an employer. We routinely seek feedback from our customers on their satisfaction after most transactions. We were able to improve both employee satisfaction and customer satisfaction. We are in the process of collecting data for a Group-wide assessment of our carbon footprint. A project is also underway in Switzerland to further reduce plastic in packaging used for delivery. With HIGH green, the mobilezone Group has embarked on a project to launch its first "green" mobile subscription in Germany. And we have been successfully selling used and refurbished smartphones under the justit brand for over two years. Details can be found in our sustainability report from page 33 onwards.

**How is the justit business doing?**

The sale of used mobile phones is an important part of our sustainability strategy. We are convinced that it is right to conserve valuable resources and to use the latest generation of high-quality smartphones for as long as possible. I am impressed by the demand for this type of service. The challenge lies in being able to buy back enough smartphones in Switzerland so that we have enough devices available through justit. In contrast, the majority of our competitors buys their devices abroad. The refurbishing business is a solid and meaningful complement to our core business, but it always has to make sense commercially as well.

**Growth and gaining market share are at the core of your strategy. Where do you see opportunities for further growth?**

We do business in Germany and Switzerland. These are cultures that we do understand. We believe that there is enough room for further growth in both countries. In recent years, we have been able to grow our business organically and through company acquisitions. This will continue with a clear focus on increasing margins in each business area. One of our goals is to further develop recurring revenue streams (MVNOs, airtime, fleet management), which currently generate around CHF 108 million.

**mobilezone's most important business continues to be the sale of mobile and fixed-line plans (Internet and TV). How have the sales figures developed?**

In our core business of mobile and fixed-line contracts (Internet and TV), we achieved record sales figures in both Switzerland and Germany. In Switzerland, we concluded a total of 437,000 contracts (previous year: 398,000). In Germany, we were able to increase the number of contracts concluded by 7.1 per cent to 1,091,000.

**W**e do business in Germany and Switzerland – cultures we understand well – and we believe there is room for growth in both countries.

**What are your priorities in 2023 for the mobilezone Group in general, and the Swiss business in particular?**

We have strengthened our market position by growing sales in Switzerland and Germany in 2022. We aim to capitalise on this momentum and continue our growth trajectory. While we anticipate intense competition in our core business of mobile and fixed-line contracts, we remain confident in our ability to sustain mid-single digit growth. We have also set ambitious targets for our accessories business in both Germany and Switzerland. The focus in e-commerce in Switzerland is on TalkTalk, jusit and the newly acquired Digital Republic.

**A few weeks ago, you announced that you would be stepping down as CEO of the mobilezone Group in mid-2024, and that you intended to continue supporting mobilezone as an operational delegate of the Board of Directors. What prompted you to take this step?**

I will be 60 next year and will have been CEO for 10 years and have been operationally active in the company for 17 years. We have an established, well-diversified management team in both Germany and Switzerland, led by Wilke Stroman, Roger Wassmer and Andreas Fecker. I remain motivated and committed to helping mobilezone reach its full potential, even after the move to the role of operational delegate of the Board of Directors. My main tasks will be the strategic development of mobilezone, M&A activities, investor relations as well as business reviews of the operational performance with the management in Germany and Switzerland.

# Interview with Wilke Stroman

## CEO mobilezone Germany

### Wilke Stroman, how was the year from your perspective?

We have continued to expand our position in the contract business, while also seeing further growth in terms of volume. As in the previous year, we increased the online business volume by another 6.3 per cent from 600,000 to 638,000 mobile phone contracts. With respect to our online business, it is worth highlighting the excellent performance of our Mobile Virtual Network Operator (MVNO) HIGH. At the beginning of January 2023, we "celebrated" our 100,000th customer. In our indirect B2B business, we achieved a growth of 8.1 per cent and concluded 453,000 mobile contracts – compared to 419,000 mobile contracts in the previous year – and we are, therefore, back to the level of 2020.

What we lost during the pandemic years was personal contact, which I missed despite the technological advances such as video calling. It was therefore all the more satisfying that we were able to make up for the missed Christmas parties of 2020 and 2021 in the spring of 2022, and even hold a festive event with Jan Delay as the star guest. Fortunately, the Christmas party of 2022 went ahead as planned, allowing us to celebrate with 450 employees and industry partners at the beautiful Wolkenburg venue in Cologne.

**W**e have continued to expand our position in the contract business, while also seeing further growth in terms of volume.

### What were your highlights of 2022?

In 2022, we strengthened our management team considerably by hiring Mathias Sieg, responsible for Digital & IT Infrastructure and Sascha Hancke, responsible for Commerce and Purchasing. The management team has been complete since August and is working flat out on plans for further growth of the German business. In the second half of the year, we launched an efficiency programme to cushion the expected cost increases in all areas. The first results have already had an impact in Q4 2022 and we will continue the programme in 2023. After the start of the war in Ukraine, consumer sentiment in Germany deteriorated significantly. With rising inflation, especially in the second half of 2022, our contribution margins per contract have fallen – fortunately, we have not only been able to maintain our volume, but even increase it.

### What is your view of the financial results in Germany?

With sales of CHF 696 million (previous year: CHF 659 million) and EBIT of CHF 35.6 million, we are very satisfied overall and roughly on par with the previous year, which as we all know was also the best year for mobilezone in Germany. In euro, the increase in net sales 2022 was as much as 13.5 per cent and EBIT also increased by 5.8 per cent. In the first half of 2022, we were right on track with an EBIT of CHF 20.3 million. In the second half of the year, competition was very intense and we were not quite able to maintain the gross margins of the first half. However, we were able to increase our volume slightly in the second half of the year and as a result have strengthened our market position. The EBIT margin decreased to 5.1 per cent (previous year: 5.5 per cent) due to fierce competition in the second half of the year.

### The inflation rate in Germany increased to a record level in the 2022 fiscal year. What impact did this have on your business? And what is your expectation for 2023?

The inflation rate is a daily topic in the media and it has affected people – the higher energy costs, in particular, reduce disposable household income. We are noticing that some customers are more reluctant to make purchasing decisions and are tending to buy less. More specifically, customers currently prefer to buy the latest smartphone generation but not necessarily the top model, or they keep their devices for longer on average, which leads to slightly lower contribution margins. There is also a trend towards SIM-only products. We hope that the worst is over and that with the start of the warmer season, consumer sentiment will improve again.

**W**e are noticing a trend of buying less – more specifically, customers currently prefer to buy the latest smartphone generation but not necessarily the top model.

### What are the key features of the business in Germany?

Overall, the business model in Germany is comparable to that in Switzerland, but with a stronger focus on the online business. With Sparhandy and Deinhandy, we dominate the online business in Germany. In contrast to Switzerland, we do not have our own physical shops in Germany. We have office and storage space in Bochum as well as offices in Cologne and Münster, and we also have a presence in Berlin.





Wilke Stroman, CEO mobilezone Germany, assesses the 2022 annual result in Germany and describes the opportunities and challenges for the 2023 fiscal year.

We also have partners who run both physical and online retail shops in Germany. These cannot handle their customers' mobile phone contracts directly with the network operators, but need an intermediary to do so. We are the leading interface between specialist dealers and the telecoms industry in Germany. In this area alone, we will make about 500,000 contract deals this year. The rest comes from our online business, which should take us to around 1.2 million contracts in Germany in 2023.

**In the 2022 first half-year report, you mentioned the migration of Sparhandy and Deinhandy to a new shop technology. To what extent has this migration already paid off financially?**

The switch-over will take place in the Q1 2023 for Deinhandy and the Q2 for Sparhandy. This will allow us to make technical enhancements to the platform more quickly. We want to use the new technical platform to focus on marketing accessories in the shopping cart, which promises additional contribution margins. This area has been very manageable so far. In terms of costs,

**A**t HIGH, we want to double our customer base as quickly as possible and we will start marketing the product through all our sales channels.

the maintenance and further development of the new platform is significantly more efficient than it was the case with the previous two platforms. We expect our investment in the new technology to generate overall savings in the short and longer term.

**Markus Bernhard has already mentioned that the MVNO business has very high margins. How is the the German business HIGH doing?**

We are very happy with the performance of HIGH. Back in August, we expected a net customer growth of 10,000 customers in the second half of the year, bringing our total customer base to 90,000. Thanks to very high volumes in Q4, we were able to increase the customer base to almost 100,000 by the end of

2022. In terms of margins, there is even more potential in the coming years. Accordingly, our focus is currently on improving our market position quickly and substantially.

**Can you provide an outlook for 2023 with respect to the growth targets for HIGH?**

We want to double our customer base as quickly as possible and we will start marketing HIGH through all our sales channels. We will expand the distribution of HIGH throughout the year and introduce it into B2B trade. The growth path we have taken will, therefore, continue in the coming years. Our next goal is to reach 200,000 HIGH customers. The doubling of our customer base, we would like to achieve by the end of 2024.

**You also want to take a step in the area of sustainability with HIGH and develop the mobilezone Group's first "green" mobile subscription. Can you elaborate some more on this?**

We are still at the very beginning of the development process. Our idea is to launch a "green" mobile phone product on the market, which will offset the carbon footprint generated by the use of a mobile subscription, while remaining as local as possible. We are currently in the conceptual phase and do not anticipate launching the product before the summer of 2023.

 Our idea is to launch a "green" mobile phone product on the market, which will offset the carbon footprint generated by the use of a mobile subscription.

**How do you see the development of mobilezone handel?**

We see a lot of additional potential for mobilezone handel in the context of the ongoing market consolidation. In Q1 2023 we have gained two major new partners who will support our growth. We have also introduced a dealer management system tailored to the needs of mobilezone handel. This makes it easy to manage the partners, both in the administrative and marketing areas.

**Towards the end of the year, mobilezone acquired SIGA, a long-standing stationary partner. What were your considerations for the acquisition?**

The strategic alignment of SIGA strengthens our business with Deutsche Telekom. SIGA operates its own sales outlets for telecommunications services at eleven US Army bases in Germany and it represents a highly valuable addition to mobilezone. Immediate synergies can be leveraged through this merger.

**powwow will become mobilezone. What were the reasons for the name change? How did the employees react to the name change?**

We rebranded our indirect B2B business to mobilezone handel two years ago and the rebranding of the powwow organisation was the next logical step. We are proud to be part of mobilezone, which is why the name change is a positive development for the employees as well. In general, using a unified name for all German companies will make it easier to hire employees as part of employer branding, allowing us to take full advantage of the power of the parent company in the future.

**What are your priorities for the German business in 2023?**

The next few weeks and months will be all about launching Sparhandy and Deinhandy on the new platform. In the second half of the year, HIGH and Handystar will follow. This mammoth project, which has absorbed many resources over the past three years, is now in its final phase and will greatly facilitate our work in the future. For many employees, the migration of the portals and processes will be a priority this year. We also want to continue growing this year. The growth of HIGH and of our accessories business is a top priority, which will help us increase our margins.

**From mid-2024, you will manage the mobilezone Group together with Roger Wassmer. What are you looking forward to?**

Roger Wassmer, Andreas Fecker (our CFO) and I have been working together for almost four years. I am looking forward to working closely with them and taking on additional responsibility to drive the mobilezone Group forward. Markus Bernhard will continue to support us in his new role as operational delegate of the Board of Directors.



## Alvaro Perez Lado

Head of Digital Workplace, Helvetia Insurance  
Customer of mobilezone business

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### Why am I a mobilezone customer?

To ensure that Helvetia can focus on its core tasks, we need partners and specialists like mobilezone, who we can trust and who are leaders in their areas of expertise.

### What do I appreciate most about mobilezone?

We appreciate the quick, direct and friendly contact with the reliable employees of mobilezone business, whose aim is to understand us as customers. Working together on this basis, we were able to optimise and automate our mobile processes.

# Strategy

The strategic goals of mobilezone are the cornerstones of its business performance: independence, customer focus and cooperation as partners with mobile communications providers and device manufacturers. These are to undergo continuous further development. On the one hand, mobilezone intends to continue to grow organically through the expansion of the product range and sales channels and externally through more company takeovers. The multiplicity of tariff offers makes independent competent advice necessary. Through its technically trained employees, mobilezone offers its customers this assistance with purchase decisions both in store and online to help them find the optimal subscription and the most suitable device brand.

## Growth and acquisition of market share

mobilezone plans to continue its current growth trajectory. This means growth in the existing business fields, especially online, in Swiss retail, services and specialist retail (B2B). In Germany alone, the mobilezone Group concludes more than a million mobile phone contracts per year. Well over half of these are marketed via online platforms. With Handystar, mobilezone also operates its own television channel to sell mobile communications contracts. In its service business, mobilezone continuously expands the range of repairs and services offered. In online business, growth is to be supported by the expansion of online shops. Currently, mobilezone generates sales of about CHF 25 million in Switzerland by selling accessories. With the launch of the new shop technology in 2023 and its flexibility in offering accessories and bundles, mobilezone also wants to tap into new customer groups in the accessories market in Germany.

We want to continue growing the high-margin MVNO business in both Switzerland and Germany with TalkTalk and HIGH, respectively.

Growth in specialist trade (B2B) is sought via acquiring market share. The company's organic growth can be supported by additional acquisitions.

## Expansion of online presence

mobilezone is in an attractive market position as number 1 in indirect online business in Germany with the market leading portals Sparhandy and Deinhandy. By bundling these two brands as well as Handystar and HIGH, mobilezone plans to further expand its market leadership in the indirect telecommunications market. With the launch of the new shop technology, mobilezone Germany intends to further advance its online strategy. In Switzerland, expanding the online presence and omnichannel approach are essential components of the online market strategy. This was demonstrated by the acquisition of Digital Republic at the beginning of 2023, which is an online-only mobile Internet provider.

## Expansion of service provision and development of recurrent revenue

Today, mobilezone already offers a wide range of services for business and private customers. Further expanding its range of services is an important focus of mobilezone's strategy in order to achieve increased revenues from services. Fleet management from the Swiss business customer segment includes the company-wide management of the entire device fleet and management of all interfaces to the mobile communications provider. An attractive offer has been developed for business customers in the form of Device as a Service-model. It provides companies with smartphones and tablets for a monthly flat rate and assumes all services for the smooth operation of the device pool. Business customers benefit from significantly reduced effort and expenditure in buying and setting up the devices as well as from lower overall costs. mobilezone has created an easily usable and attractive offer for companies with Device as a Service. The further development of the service offer is an important issue for mobilezone, especially in Switzerland. mobilezone has been continually increasing its recurrent revenue through its service offerings, including fleet management, device as a service, service subscription, as well as the acquisition of Digital Republic as an online MVNO. By launching the product brand "jusit", mobilezone has created a product for used and refurbished smartphones in Switzerland and in this way offers the perfect product for everyone who sets value on a sustainable way of life or is looking for an affordable alternative for a second device.



## Sustainability

Keeping the economic activities of the company in harmony with sustainable and responsible business practice is a matter of course for mobilezone. It is important to mobilezone that the sustainability strategy is coordinated with the core activities of the company. Accordingly, mobilezone has developed a sustainability strategy based on the four central subjects employees, customers, smartphone cycle and environmental management. Well-trained and motivated employees make a decisive contribution to sustainable economic success for mobilezone. Accordingly, we ensure that they have modern, contemporary and fair working conditions and encounter a lived and cultivated egalitarian feedback culture. mobilezone creates added value for its customers through fair, honest advice at the interface between customers, mobile communications providers and device manufacturers. To create and maintain a trust-based and sustainable customer relationship, mobilezone has come up with specific measures. In addition to its comprehensive range of new devices, mobilezone makes a valuable contribution to a sustainable circular economy and the conservation of valuable resources with just and repair services – especially with regard to the manufacture of new devices. In this connection, mobilezone relies on sustainable packaging and accessories and has implemented measures to cut energy consumption.

## Dividend and distribution policy

mobilezone plans to continue the investment programme and distribute an attractive dividend to its shareholders, leveraging its solid balance sheet, stable cash flows, and secure, cost-effective financing. mobilezone intends to distribute 60 to 75 per cent of net profit as dividends to shareholders. In addition, mobilezone intends to return excess capital below a net-debt-to-EBITDA ratio of 1 to shareholders via special dividends or share buybacks. This will apply as long as no more efficient use options are evident for the surplus capital.

GROWTH AND ACQUISITION  
OF MARKET SHARE

EXPANSION OF ONLINE PRESENCE

EXPANSION OF SERVICE PROVISION  
AND DEVELOPMENT OF RECURRENT REVENUE

SUSTAINABILITY

DIVIDEND AND DISTRIBUTION POLICY



## Raquel Gomez

Employee in a day school  
mobilezone shop customer Bern Waaghaus

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### Why am I a mobilezone customer?

I have been a mobilezone customer for over 10 years. I always get good service in the shop in Bern's Waaghaus-Passage. The young people working there are helpful and don't mind if I keep asking the same question over and over again. While the team has changed over the years, the quality of the people has remained the same.

My son is very interested in mobile phones. When he was old enough to start looking for an apprenticeship, I told him to try mobilezone. Today, he is doing his apprenticeship here to become a retail consultation specialist EFZ (Swiss Certificate of Competence). The support provided to the apprentices is personal and very warm, and there are various career opportunities after completing the training – this is another reason why I am a mobilezone customer.

### What do I appreciate most about mobilezone?

I am very happy with the performance of the mobilezone team. The advice is good and when I need assistance with installing data, they always do it straight away. They help me with data transfers, and I have always received great advice over the phone.

# mobilezone at a glance

The mobilezone Group, based in Rotkreuz in Switzerland, was established in 1999 and is the leading, independent telecommunications specialist in the field of mobile and fixed-line telephony. The mobilezone Group operates in Germany and Switzerland. It has around 1,000 employees at its sites in Rotkreuz, Zurich, Urnäsch, Cologne, Bochum, Münster and Berlin.

mobilezone Switzerland operates a network of 124 shops across all language regions. The shops are equipped with a complete smartphone range including accessories (also of our own brand itStyle) and wearables and offer subscriptions for mobile and fixed-line telephony, digital TV and Internet from all providers. Independent specialist advice and other services supplement the product range. Under the jusit brand, mobilezone sells used and refurbished smartphones at attractive prices. mobilezone business offers independent advice and individual customer solutions in the telecommunications sector for SMEs and large companies. TalkTalk, the in-house Mobile Virtual Network Operator (MVNO), is a provider in the mobile, fixed-line and Internet sectors whose products are available online at talktalk.ch and in the shops. mobilezone reload covers the repair and second life business in Switzerland, is responsible for the management of the mobilezone workshops and operates repair centres for various partners. Digital Republic, an online MVNO specialising in digital services, was added to the mix at the beginning of January 2023.

In Germany, mobilezone operates the two strategic business areas of e-commerce and indirect B2B trade. The Sparhandy and Deinhandy brands specialise primarily in bundle deals — attractive offers consisting of a subscription and a mobile device. The tele-shopping channel Handystar offers deals on smartphones and

mobile subscriptions making it a useful addition to the online offer. The in-house MVNO HIGH is the counterpart to the Swiss. Indirect B2B trade is bundled under the umbrella brand mobilezone handel.

## Board of Directors as of 31.12.2022

### Olaf Swantee

Chairman, independent member

### Gabriela Theus

Independent member

### Peter K. Neuenschwander

Independent member

### Michael Haubrich

Independent member

### Lea Sonderegger

Independent member

## Group Management as of 31.12.2022

### Markus Bernhard

CEO

### Andreas Fecker

CFO

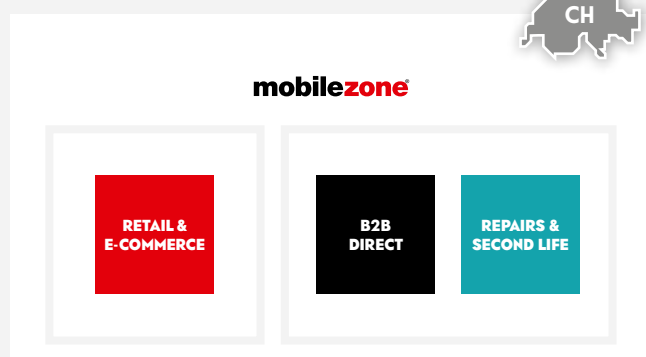
### Roger Wassmer

CEO Switzerland

### Wilke Stroman

CEO Germany

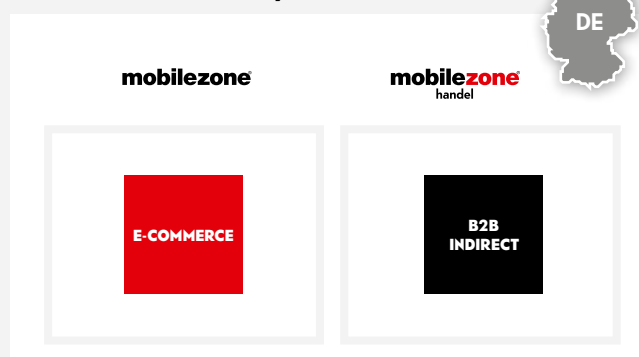
## mobilezone Switzerland



### Product and service brands



## mobilezone Germany



### Product and service brands



# Market area Switzerland

## Management Board Switzerland as of 31.12.2022

**Roger Wassmer**  
CEO Switzerland

**Andreas Fecker**  
CFO

**Gregor Bruhin**  
Director HR

**Christoph Gisler**  
Director Product Management

**Renato Gubser**  
Director IT

**Thomas Gülünay**  
Managing Director B2B

**Maud Hoffmann**  
Director E-Commerce & Omnichannel

**Ruben Lehmann**  
Director Services

**Nicola Lippolis**  
Director Sales B2C

**Gregor Vogt**  
Director Marketing & Customer Experience

**mobilezone®**

RETAIL &  
E-COMMERCE

B2B  
DIRECT

REPAIRS &  
SECOND LIFE



just

TALK  
TALK

it  
style

digital  
republic



mobilezone has 124 shops of its own in Switzerland, which offer a complete smartphone product range, including accessories, wearables and subscriptions for mobile and fixed-line telephony, digital TV and Internet from Swisscom, Sunrise, Salt, TalkTalk, M-Budget, Yallo and Wingo. The range is supplemented by independent specialist advice and numerous services, such as repairs in the mobilezone workshops, insurance products, service plans, data transfers and the trade-in programme for used mobile phones. TalkTalk is where mobilezone offers its own postpaid and prepaid subscriptions, fixed-line telephony and Internet. mobilezone sells used and refurbished smartphones under the brand **jusit**. For SMEs and large companies, mobilezone offers independent advice and individual customer solutions, acting as an interface between mobile communications providers, device manufacturers and businesses. In addition, mobilezone offers repair and second life services and the associated logistics services for mobile phones, tablets and other electronic devices. Apart from nine mobilezone workshops, mobilezone operates repair centres for partners. With the acquisition of Zurich-based MVNO Digital Republic at the beginning of January 2023, mobilezone has expanded its portfolio and consolidated its status as a provider of a comprehensive range of telecommunications services.

## Private customers

### Shops

In Switzerland, mobilezone relies on the omnichannel strategy. The company has set itself the objective of providing its customers with information and a product and service portfolio tailored to their specific needs and requests across all sales channels to ensure that advice and sales deals can be realised at the preferred location both online and offline. Accordingly, mobilezone continues to rely heavily on physical shops and is represented in the best locations to ensure it can always be there for its customers. All shops were updated to the new shop layout by the end of the 2022 fiscal year. In the future, the focus will be on the ongoing optimisation of the individual shops to continue improving the sales experience. mobilezone opened a flagship store at Zurich Airport in May 2022. In addition, mobilezone opened a shop in Steinenvorstadt in Basel and one in Ascona. In the last fiscal year, the shop in Locarno moved to a historic building from the 1920s on Piazza Grande. At the end of January 2023, mobilezone closed one of its most frequented shops at Zurich Bellevue due to the renovation of the Globus building. It will reopen in summer 2024 once the renovation work is complete.

### **jusit**

Since September 2020, mobilezone has been selling the latest generation of smartphones under the **jusit** brand, which are refurbished in-house and returned to the market in line with circular economy principles. Over the past two years, **jusit** has become an essential part of mobilezone's sustainability strategy. In the 2022 fiscal year, sales of used smartphones from **jusit** increased again, which shows that there is demand for sustainable smartphone solutions. **jusit** devices are primarily offered online. Besides a switch to a new URL [jusit.ch](https://www.jusit.ch), numerous adjustments were made to the website to improve the customer experience in the 2022 fiscal year. **jusit** devices are also sold in twelve selected mobilezone shops and since 2022, used and refurbished smartphones are also sold in the shop at Zurich Airport. Devices sold under the **jusit** brand come primarily from customers who buy a new device from mobilezone and trade in the old one, or from business customers who sell their mobile device fleet they no longer need to mobilezone, for example, to take advantage of Device as a Service-services.

The used devices are bought back by mobilezone both in its shops and online. The devices undergo a certified data erasure process to ensure that there are no personal data from previous users left on the devices. The device is then checked, repaired if necessary and sold online and in selected mobilezone shops in all language regions in Switzerland. The devices are available in four quality classes. Devices in the quality class "original packaging" are unused and show no signs of use. Devices in the quality class "like new" have absolutely no signs of usage and look like new devices. Devices designated "very good" may have minimal signs of usage. These are hardly visible and cannot be felt. Devices in the fourth quality level "Good" have slight signs of usage. All **jusit** devices can also be bought with a TalkTalk mobile subscription. mobilezone intends to expand the **jusit** product range going forward, while continuing to develop its online strategy for **jusit**. The plan is to make **jusit** devices available in mobilezone's online store and further expand the **jusit** accessories range in the 2023 fiscal year.

## **TalkTalk**

TalkTalk is the in-house Mobile Virtual Network Operator (MVNO) of mobilezone Switzerland and as a mobile communications provider without its own network infrastructure, it offers its customers pay-monthly mobile subscriptions on the Sunrise network. In addition, TalkTalk also offers fixed-line and Internet subscriptions as well as interest-free instalment payments for smartphones. The optimisations made to the company's website in 2021 and the resulting improved visibility began to yield results in the 2022 fiscal year: TalkTalk was able to increase the number of postpaid customers by 46 per cent. In the 2023 fiscal year, the focus will be on retaining existing customers using attractive offers in the area of fixed-line telephony, TV and Internet. Another priority will be to increase the name and brand recognition in the Swiss market.

## **Digital Republic**

With the acquisition of the MVNO Digital Republic, an online mobile Internet provider, at the beginning of January 2023, mobilezone added a new, innovative business field to its portfolio. Digital Republic specialises in a digital offering around the Internet of Things for private and business customers. The company offers various tariff plans for mobile Internet for mobile phones, tablets, LTE routers and trackers. Ordering and processing is fully digital and automated. Private and business customers can easily manage the services themselves through the modern customer portal. Digital Republic is also one of the first providers ever in Switzerland to enable the use of the eSIM.

## **mobilezone Club**

As a customer benefit programme, the mobilezone Club offers the opportunity to collect points when shopping, which customers can use again for payment. In addition, Club members are informed first about new products and prioritised when new devices are launched. Furthermore, they can benefit from selected campaigns. The mobilezone Club is undergoing constant further development. For example, the club points system has been made more transparent and birthday gifts have been introduced. In addition, the company has increased the appeal of the Club by last year entering into some attractive partnerships with various leisure providers, which benefit mobilezone customers. This has been reflected in the membership figures, which have increased sharply in the past year. The aim is to enter into further long-term attractive partnerships to provide Club customers with even more opportunities for exciting offers.

## **Second life and repair business**

The repair business is of great strategic importance for mobilezone. On the one hand, it allows mobilezone to cover the repair needs of companies and private individuals with respect to defective smartphones. On the other hand, it allows mobilezone to cover the entire value chain in-house, from the sale of smartphones and their return to the shops, repair and refurbishing through to resale of the devices as second life products. In February 2022, mobilezone moved its repair and second life business from Zweidlen to Rotkreuz. The move resulted in various process optimisations, which are particularly evident in the improved turnaround time. Overall, the move and the connection to the parent company have stabilised the organisation and made even better use of its potential.

In addition to the repair location in Rotkreuz, mobilezone operates a total of nine workshops in all language regions of Switzerland.

The second life business includes the repair and refurbishment of smartphones to place them back on the market as part of a device life cycle. In 2022, the process for used equipment was further improved. Apart from the refurbishing of used smartphones, mobilezone reload takes over the entire lifecycle management of mobile devices and tablets for retail companies and mobile phone providers. As an authorised aftersales partner, mobilezone offers certified repairs and other services from a single source and complements the mobilezone business offering by taking over the repair part of the Device as a Service offering. In addition, mobilezone reload also assumes the repair of device fleets that are in possession of companies, offers individual solutions for repair management and the operation of their mobile fleets, such as solutions for efficient repair repairs or all-round carefree packages and special solutions for repair and maintenance in the absence of guarantee or after-sales regulations. mobilezone reload also operates repair centres for customers, such as mobile communications providers who prefer to rely on partners to operate a workshop. In addition, mobilezone reload supplies the Swiss repair sector with original spare parts from selected manufacturers.

## Business customers

### mobilezone B2B

As a specialist and general contractor, mobilezone business handles all the work related to the management of mobile subscriptions and devices, such as tablets and smartphones, for businesses. mobilezone responds to customers' individual needs with tailor-made offers in order to find the best solution for them. This can range from mobile contract management and device maintenance to handling insurance-related matters in the event of damage or loss. But it can also involve the complete outsourcing of services and processes in fleet management. The service spectrum ranges from standardised products to complex individual customer solutions. mobilezone was able to present such a solution to the Federal Office of Information Technology, Systems and Telecommunication (FOITT) in the 2022 financial year: The FOITT has selected mobilezone as its partner for the supply of smartphones, tablets and smartwatches, including related repair services, handling of warranty claims, and management of replacement devices. This selection was made through a public tendering process. The total value of the contract is approximately CHF 85 million and it will run for a period of eight years.

The smartphones and subscriptions available to the employees of a company (known as fringe benefits) are presented on an online customer portal by mobilezone. The customer portal is individually developed with the customer and is therefore tailored to its wishes. In addition to procuring devices, the entire management of the company's contracts is displayed. The employees' complete joining and leaving process is individually configured, according to customer preferences. Thanks to the integration of customer-specific authorisation processes, mobilezone can address customer needs even better. The customer portal is continuously being developed, with further investments planned in the user experience, digitalisation and process improvement for both customers and providers. With device as a service, companies can rent their mobile device fleet from mobilezone instead of purchasing them. This area was expanded in the past fiscal year (2022) and new customers such as a cantonal hospital were acquired, which was provided with iPads for patients and smartphones for some of the staff. In addition, the long-standing partnership with a railway company was extended in the same year.

Communication between people, devices and industries is not only getting faster but also more complex. Here, mobilezone business, together with Digital Republic, offers mobile Internet for the communication of company applications and devices, such as for monitoring or remote maintenance of photovoltaic systems, communication with security and surveillance systems, predictive maintenance of devices and installations.



## Michael Schulze

Web analyst, customer of mobilezone Germany

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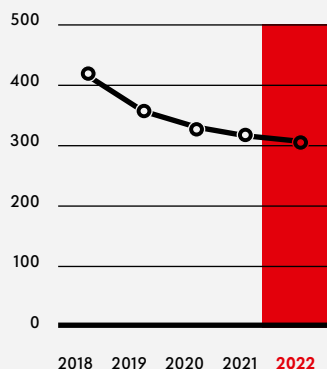
### **Why am I a mobilezone customer?**

I was looking for a reliable provider of mobile phones and mobile subscriptions. mobilezone gives me the opportunity to choose the right offer for me from a wide range of products. In addition, I discovered special offers and discounts that exceeded my expectations.

### **What do I appreciate most about mobilezone?**

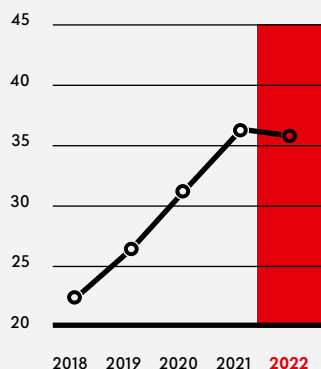
I appreciate the choice of products at reasonable prices, which has allowed me to buy the smartphone that suits my needs at a very good price. I was particularly impressed by the extremely fast delivery and felt well informed at all times.

## Net sales (CHF million)



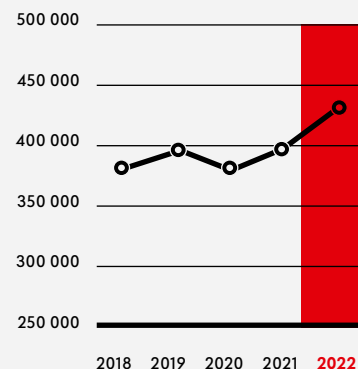
Sales in Switzerland were CHF 305 million (previous year: CHF 323 million).

## EBIT (CHF million)



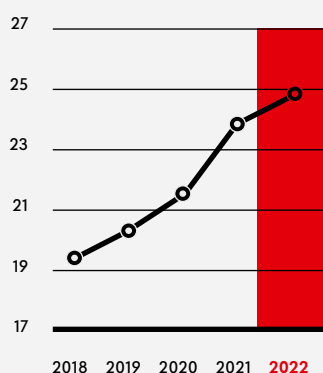
EBIT in Switzerland amounted to CHF 35.5 million (previous year: CHF 36.3 million), translating into a sales margin of 11.6 per cent (previous year: 11.2 per cent).

## Mobile, digital TV and Internet contracts



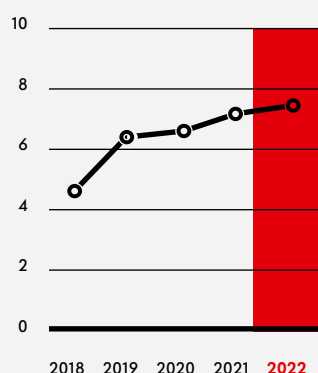
mobilezone offers customers price contracts from all leading mobile communications providers. The number of mediated mobile communications, digital TV and Internet contracts sold in the reporting year was 437,000 (previous year: 398,000). Compared to the previous year, this represents an increase of 9.8 per cent.

## Mobile communications accessories (Sales in CHF million)



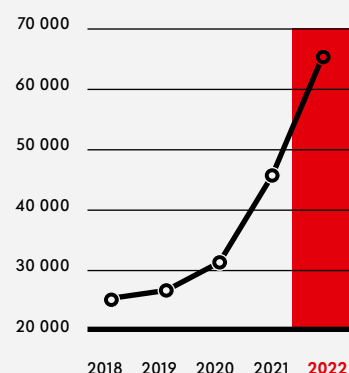
In our 124 mobilezone shops in the B2B segment as well as online, we offer the biggest range in accessories for mobile devices in Switzerland. In the reporting period, sales amounted to CHF 24.9 million (previous year: CHF 23.9 million). Compared to the previous year, this represents an increase of 4.2 per cent.

## Services (Sales in CHF million)




mobilezone offers numerous services for mobile devices and contract management. This includes fleet management in the B2B area, guarantee extensions, technical support, setting up smartphones, data transfer and more. In the reporting year, sales with services were CHF 7.4 million (previous year: CHF 7.2 million). Compared to the previous year, this represents an increase of 2.8 per cent.

## Number of TalkTalk postpaid customers



TalkTalk increased the number of customers in the postpaid area by 46 per cent to 66,600 customers (previous year: 45,700).



A photograph of two men standing behind a dark, round table. The man on the left is bald, wearing glasses, a dark blazer over a light shirt, and is smiling at the camera. The man on the right has grey hair, wears glasses and a blue V-neck sweater over a light shirt, and is looking towards the first man. They are positioned in front of a vibrant background consisting of many overlapping, curved bands of various colors (red, orange, yellow, green, blue, purple) that create a rainbow-like effect. The table is a simple, dark, circular top on a thin metal stand.

## Giancarlo Calcinotto

Leiter Supply Chain Management & Contract Management  
at Raiffeisen, mobilezone business customer

### Why am I a mobilezone customer?

Group-wide, Raiffeisen has over 8,000 mobile subscriptions for both business and private use for its employees. With the mobilezone customer portal, which has been adapted to the needs of Raiffeisen, every subscription holder can manage their subscriptions, separated into business and private, and order devices and accessories at preferential conditions. Questions that arise from all language regions are received by knowledgeable mobilezone employees and promptly answered.

### What do I appreciate most about mobilezone?

The responsible fleet managers can raise concerns directly with mobilezone. Individual solutions are developed jointly and implemented flexibly. I appreciate this very much because it saves us a lot of work. Our cooperation has grown steadily over the past six years and has jelled into a solid partnership.

Pictured together with John Edinger,  
Supply Chain Manager (SCM)

# Market area Germany

## Management Board Germany as of 31.12.2022

**Wilke Stroman**

CEO Germany

**Daniel Blum**

Director People & Legal

**Feyzi Demirel**

Director Customer Experience & Operations

**Sascha Hancke**

Managing Director Commerce & Purchasing

**Dieter Kossmeier**

Managing Director Indirect Partners

**Mathias Sieg**

Managing Director Digital & IT

**Jörg von der Halben** (until 31.05.2023)

Managing Director Finance & Controlling

# mobilezone®

E-COMMERCE

B2B  
INDIRECT

sporhandy

DEINHANDY.  
★★★★★  
HANDYSTAR

HIGH

mobilezone operates two strategic business fields in Germany: e-commerce for private customers with mobilezone (the rebranding from powwow to mobilezone took place at the beginning of March 2023) and indirect B2B trade (stationary and e-commerce) with mobilezone handel. All the e-commerce end-customer brands are grouped under mobilezone. Indirect sales is centrally bundled under the umbrella brand mobilezone handel. The consolidation and focusing of the two business areas was initiated in fiscal year 2020 and concluded with the sale of wholesale business in January 2021. mobilezone Deutschland is partner of the network operators Vodafone, Deutsche Telekom and Telefónica Deutschland and the service providers freenet and 1&1/Drilisch. In addition, mobilezone Deutschland cooperates as partner with all relevant manufacturers of smartphones, tablets and wearables, such as Apple, Samsung, Google and Xiaomi.

## Private customers

### Sparhandy and Deinhandy

In the online business, mobilezone Deutschland is the market leader with the brands Sparhandy and Deinhandy, as well as the teleshopping channel Handystar. This is by a significant margin compared to the nearest competitor in the marketing of mobile phone contracts with a focus on attractive bundle deals consisting of smartphones and matching subscriptions. With the brands Sparhandy and Deinhandy, mobilezone has positioned itself in the market as the leading online retailer in Germany and can look back on a very positive development. This is due to investments made in recent years in the development of online shops and in downstream customer processes. Furthermore, since November 2022, Sparhandy has also been offering refurbished smartphones in combination with a mobile phone contract, which is very popular among consumers. With the "Electronics" category on Sparhandy, the range of products has been expanded beyond the smartphone spectrum. The area of "wearables" has been given higher priority with the new "Add to plan" offer. For a monthly extra charge on the mobile phone contract, the customer also receives a smartwatch. Sparhandy and Deinhandy have strengthened their collaboration with Deutsche Telekom and have been appointed as their most important partner in expanding the Young Tariff range to appeal to the very young target groups. In order to address these target groups even more directly, a TikTok channel was established for Sparhandy, which is growing rapidly.

### Handystar

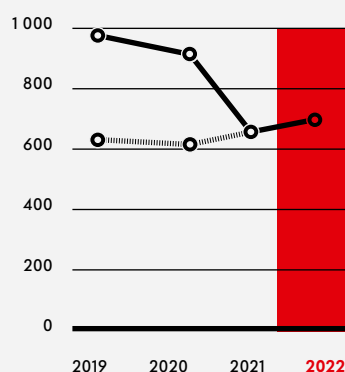
The teleshopping channel Handystar has been offering attractive deals on smartphones and mobile phone contracts since 2014, complementing the range offered by Sparhandy and Deinhandy. As the only brand in Germany specialising in an older audience of 55+, Handystar targets a growth market and a group that is most likely to use linear television while also being receptive to contract renewals. In the past fiscal year 2022, the focus has been on booking "infomercial formats" on other channels such as RTL2, where significantly longer teleshopping spots were aired instead of regular advertisements, resulting in a significant increase in reach. In the current fiscal year of 2023, the infomercial formats are expected to be aired on streaming services. The success of Handystar is also due to the fact that more people were at home and watching TV during the pandemic. The already optimised Handystar website is being migrated to a new shop technology in the current fiscal year 2023, with increased use of social media channels like Facebook to engage with customers.

### HIGH

Under the brand name HIGH, mobilezone as a Mobile Virtual Network Operator (MVNO) offers attractive SIM-only plans on the Deutsche Telekom network, which appeal mainly to the younger target demographic. The growth of the brand was also continued successfully in 2022. The customer base was increased to 100,000 customers. In the 2022 fiscal year, so-called flex tariffs, offers with a monthly term, were successfully offered. The test phase for the marketing of bundles consisting of a device and a mobile phone contract was successfully carried out in the 2022 fiscal year and is now being further developed in the current fiscal year. Improving the customer experience continued to be a priority for HIGH – the customer portal "Self Care" was further developed, for example, where the customer can view bills or renew mobile contracts. In the near future, an app will also be developed to provide quick assistance to customers on the move. To improve the customer experience, the loyalty area will be further expanded with attractive offers. In order to position HIGH well for the future, all processes around eSIM will be updated and improved and corresponding measures for existing and new customers are to be developed. In the current year, the self-care portal is being further developed to ensure, for example, that it can be used to order an eSIM. Furthermore, HIGH subscriptions will in future no longer be offered purely online, but will also be available in stationary retail outlets.

## Net sales

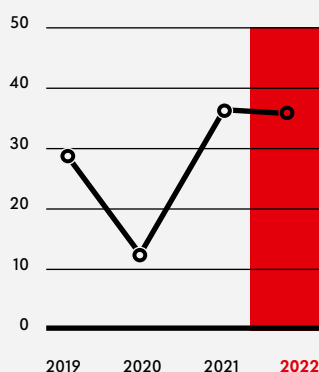
(CHF million)



- Swiss GAAP FER
- - -●- - Pro forma without divested wholesale business GER

## EBIT

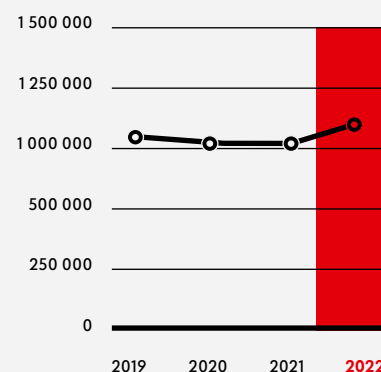
(CHF million)



EBIT in Germany amounted to CHF 35.6 million (previous year: CHF 36.2 million), translating into sales margin of 5.1 per cent (previous year: 5.5 per cent). The figure for 2020 includes restructuring costs of CHF 4.8 million.

## Mobile, digital TV and Internet contracts

(Number of contracts)



Through its own platforms Sparhandy, Deinhandy, its own TV channel Handystar and sales partners, mobilezone negotiated over 1,091,000 mobile communications and DSL/Internet contracts (previous year: 1,019,000).

## Business customers

### mobilezone handel

mobilezone handel is an independent full-service provider in the field of mobile, Internet and fixed-line communications and covers the B2B business of mobilezone Deutschland. It includes the sale, distribution and logistics for a large and heterogeneous partner landscape. Among other things, these are the end customer brands MEDIMAX, EP: and various e-commerce retail partners such as Logitel and Motion TM. In addition, retail and distribution partners such as SafeToNet and Talk-Point and a large number of other key account partners, independent specialist retailers and Ashop concept operators are also part of the partner group. The trade partners are offered the entire product range from the segments mobile communications, Internet and fixed-line telephony. Trade partners find the offers of the large, well-known telecommunications brands under one roof. For mobile communications, these are the brands of the German network operator Deutsche Telekom, Vodafone and Telefónica as well as 1&1/Drillisch-Online tariff offers of the MVNO brands yourfone and 1&1. In the fixed-line telephony and DSL field, all network operators, such as Deutsche Telekom,

Vodafone and Telefónica can also be found. The company markets long-term contracts, primarily with a subsidised terminal in combination with original products of the network operator. At the end of the 2022 fiscal year, mobilezone acquired its long-standing partner SIGA exchange GmbH, which operates the telecommunications business at the US Army bases. The company also introduced a dealer management system tailored to the needs of mobilezone handel. In the past year, it was also possible to consolidate the co-operation with the partners and extend it accordingly. This ensured financial predictability for the next two to three years. Overall, the sale of hardware was optimised through the improvement of processes and proximity to the customer. mobilezone handel scaled up efficiently last year and it is, therefore, well positioned for further growth.





## Serkan Gühay

Managing Director Ashop  
Recklinghausen and Bottrop, customer of mobilezone handel

### **Why am I a mobilezone customer?**

We very much appreciate the cooperation with the office and field staff. We are regularly visited by the field staff to discuss and work out opportunities and possibilities together. Although we only have telephone contact with the office staff, there is a very familiar atmosphere among us. We have the feeling that we are really happy to be helped if we have any questions. We also do not take it for granted the fact that mobilezone regularly plans activities with us.


### **What do I appreciate most about mobilezone?**

A notable positive factor for cooperation is the high and fast availability of equipment. This gives us an advantage when other market participants cannot offer certain devices. In addition, in times of inflation, we are pleased that commissions are adjusted accordingly and that mobilezone, in addition to the network operators, awards commissions itself.



# Sustainability report

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A man in a dark pinstriped suit, light blue shirt, and red patterned tie is smiling and holding a brown paper shopping bag with the 'mobilezone' logo. He is standing in a mobile phone store, with shelves of various mobile phones and accessories visible in the background. A woman with blonde hair in a ponytail, wearing a grey blazer, is seen from the back, looking towards the man.

## Piero Bontich

Financial Manager  
Customer of the mobilezone shop Lugano Peri

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### Why am I a mobilezone customer?

I followed my good friend Gilles Rodari, the store manager of the shop in Lugano, when he left his former job. We have known each other for about 10 years. In Gilles I have found a true professional who always listens to my needs. He is able to perfectly grasp both the economic and the personal needs of the customer, because he has a feeling for what is needed as a customer.

### What do I appreciate most about mobilezone?

I particularly appreciate the friendliness and availability of the entire team in Lugano. I never have to wait for anything. For example, if I need a new mobile phone contract, the team takes over and works with the mobile phone provider to make sure everything works, including the associated services, ensuring that we customers don't have any overheads. My daughter once wished for a very popular mobile phone model. Although it was difficult to get the specific model, the guys here in Lugano handled the matter so well and organised the phone in a more than acceptable time. Finally, I would like to note that mobilezone is perfectly positioned with accessories and wearables; you can find everything you need.

## Dear Readers,

As a telecommunications company with a comprehensive range of products, subscriptions and services, we have a great responsibility: Delivery availability, perfectly functioning equipment, matching accessories, tailored subscriptions and complementary services; this is what our stakeholders rely on. But they also rely on fair and comprehensive advice in the complex world of telecommunications. The past pandemic years in particular, when direct contact was no longer readily possible, have shown how important mobilezone is to its customers by being able to provide them with telecommunication products and services as part of the universal service. This meant that contact with family, friends or work colleagues could still be maintained.

The sustainability year 2022 was all about focusing on the core strategy. In a workshop with managers from across mobilezone Group in summer 2022, the topic of sustainability was examined in more detail in its four focus areas and the commitment to the topic was reaffirmed. With this workshop, the company's top management also reaffirmed its commitment to the issue. This commitment is reflected in the remuneration of the Management Board members: Part of the remuneration is also dependent on employee satisfaction and customer satisfaction.

mobilezone has anchored the topic of sustainability not only strategically but also organisationally in the company by establishing the Sustainability Committee. It is located in the Board of Directors, is monitored by it and is strategically supported by the Group Management. A Sustainability Body is responsible for the operational management of the issue at hand and is in contact with the individual business units in Switzerland and Germany. The creation of this structure ensures that the topic of sustainability is firmly anchored in the individual business areas of the Group, that it is broadly supported and strategically advanced.

The company's sustainability efforts were rewarded to the extent that the mobilezone Group was included in the first sustainable indices of the Swiss stock exchange, SPI ESG and SPI ESG Weighted, the sustainable counterparts to the Swiss benchmark index SPI. To be admitted to the index, a company has to observe defined ecological, social and ethical standards and receive a rating of at least C+ from Inrate, the rating agency appointed by the SIX Swiss Exchange. The index components of the SPI ESG and SPI ESG Weighted are selected based on the SPI index method. The components are weighted according to their free-float market capitalisation.

In the current year 2023, we would like to further improve employee satisfaction, numerous measures are planned. In the area of smartphone cycle in Switzerland, a positive balance can be drawn after two years: The demand for used refurbished smartphones continues unabated. The positive developments were taken as an opportunity to establish a range of refurbished smartphones in Germany as well. The experience gained since the launch in November 2022 allows us to look to the future with optimism. We are also in the process of calculating our Group-wide carbon footprint to identify and implement potential savings in this area in a next step.

On the following pages you can find out more about mobilezone's sustainability strategy as well as the four focus areas and the associated measures.



**Olaf Swantee**  
Chairman of the Board of Directors



**Markus Bernhard**  
Chief Executive Officer



**Martina Högger**  
Sustainability Manager

# Materiality analysis

We consider the development of a materiality analysis to be an important prerequisite for the development of a sustainability strategy. Taking into account the standards of the Global Reporting Initiative (GRI), we conducted such a materiality analysis in summer 2020. It served to identify, evaluate and link those topics that are most relevant from mobilezone's point of view. The results of this analysis were compiled in a materiality matrix. The materiality analysis was carried out as follows:

- ✓ Stakeholder interviews with selected analysts, decision makers at mobile communications providers and device manufacturers, members of the Board of Directors and management, employees, associations, customers and journalists.
- ✓ Group-wide employee survey on the subject of sustainability
- ✓ Impact analysis of the different business activities of the mobilezone Group
- ✓ Workshop with members of the management and employees

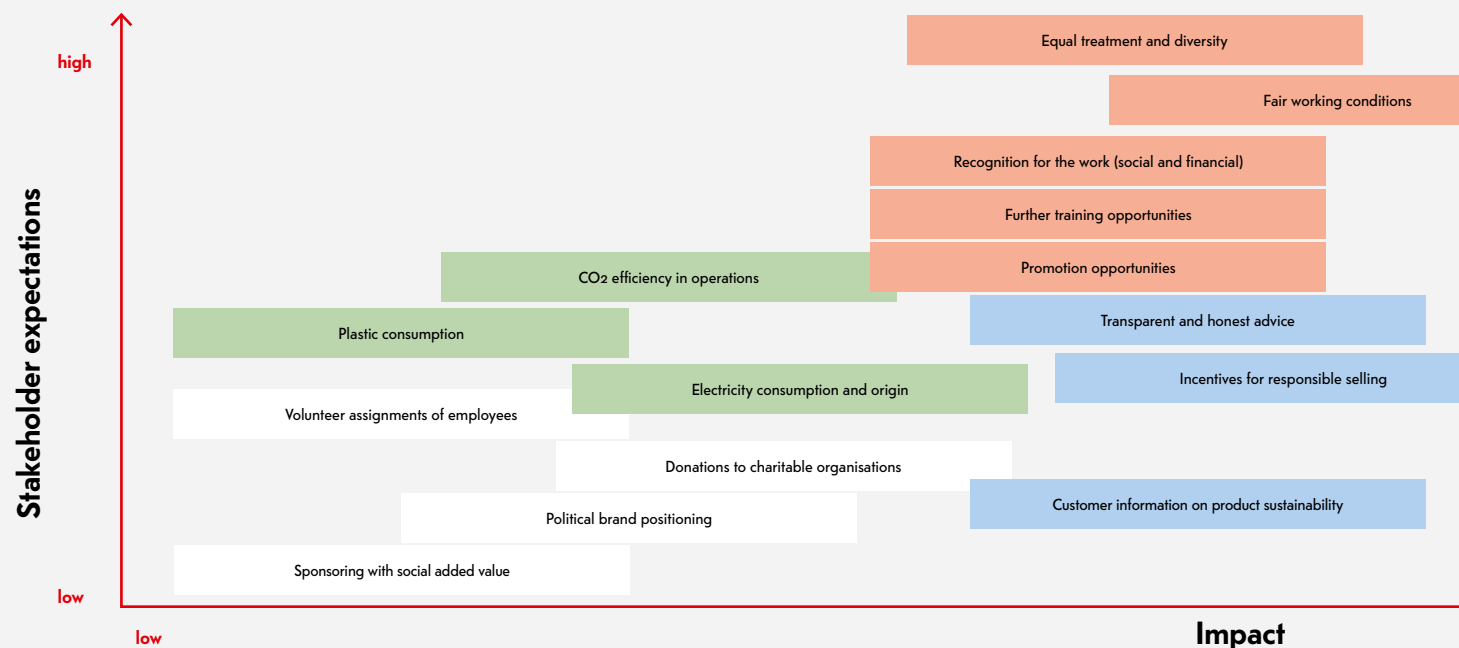
From the selected topics, the four most important topics from the company's point of view were then chosen. The following reasons were decisive for prioritising the topics "employees", "customers", "smartphone cycle" and "environmental management":

- ✓ These are the areas where we can make the most difference.
- ✓ Our overriding guiding principle is the credibility of our sustainability measures. Accordingly, fields of action were evaluated within which we can credibly implement measures.
- ✓ Measures that we implement within our sustainability strategy must be worthwhile. Accordingly, they must always be aligned with our core business.

The materiality analysis considered the impact of our business activities on the environment and society. A look at the value added chain showed that the biggest influences arose from the extraction of raw materials and manufacture of the devices that the company sells.

## Evaluation of sustainability issues

Development of the sustainability strategy

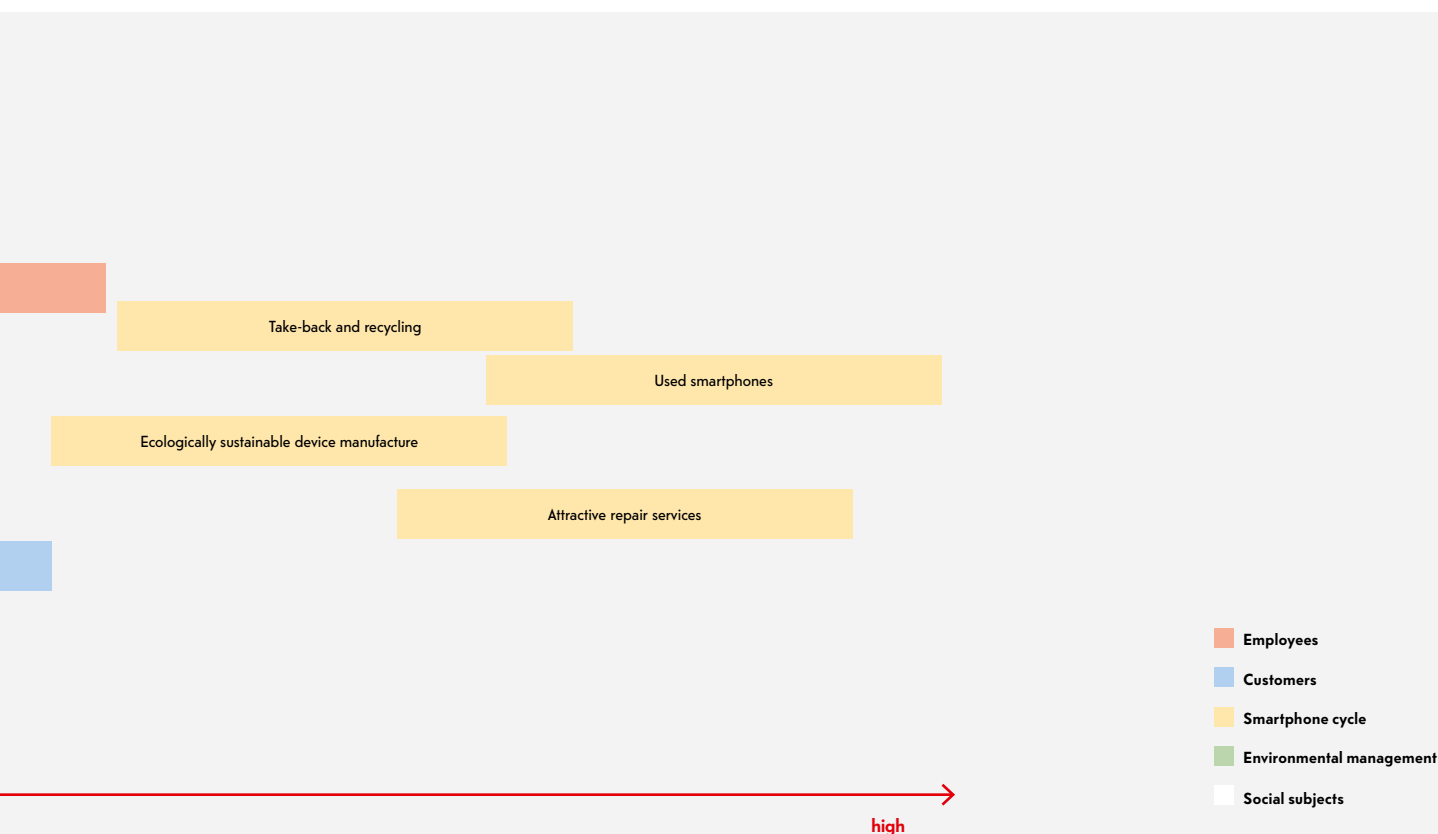


All subjects evaluated in the context of the development of the sustainability strategy of mobilezone and their weighting are summarised in a materiality matrix.

mobilezone can exercise influence here by making offers that extend the use duration of the devices, leading to lower demand for resources. Moreover, as part of the materiality analysis, over thirty interviews were conducted with stakeholders. These were selected based on how they were affected and their influence on mobilezone. The content of the interviews dealt with the effects along the entire value added chain. This revealed that high expectations exist regarding the independence and transparency of our advice. The results of the interviews and impact analysis were discussed in a workshop with the management and the company strategy perspective integrated. Four subject areas were developed on this basis, which will hold the foreground in the context of the sustainability strategy:

Particularly from the point of view of our **employees** as those directly affected, but also for the Board of Directors, the Group Management, management and our partners, the working conditions and equal development opportunities at the workplace are important. Regular measurement of satisfaction and the measures derived from this enhance satisfaction and as a result motivation and loyalty to the company. The satisfaction of our **customers** is at the heart of our action. Transparent and fair advice as well as consolidated

measurement of customer satisfaction across the entire mobilezone Group and their long-term optimisation is not just central from a sustainability point of view. By making offers that extend the service life of smartphone, we address the subject of the biggest ecological influence. We summarise the associated activities in the field **of the smartphone cycle**. We optimise our energy and material consumption as part of **environmental management**. It addresses our internal processes.





# The sustainability management

The topic of sustainability is part of the mobilezone Group's corporate strategy. Sustainability management defines organisational and functional framework conditions for implementing the sustainability strategy. It includes the points of organisation and responsibilities, communication as well as monitoring and reporting.

## Organisation and responsibilities

The Sustainability Committee acts as the highest decision-making committee and approves the sustainability strategy. This meets twice a year on the topic of sustainability with the aim of advancing the sustainability strategy. The CEO of the mobilezone Group acts as the most senior party responsible for the sustainability strategy. Together with the Group Management, he forwards sustainability issues to the Board of Directors. In order to advance the topic of sustainability operationally within the company, a five-member Sustainability Body consisting of employees and managers from the German and Swiss organisations was established, which has the following areas of responsibility:

- ✓ Operational development of the sustainability strategy
- ✓ Development of a roadmap
- ✓ Collection of sustainability topics in the organisation and definition of the importance of the topics
- ✓ Development of a communication strategy for the topic sustainability
- ✓ Monitoring
- ✓ Reporting to the Group Management
- ✓ Contact point for employees

There is a regular exchange between the Group Management and the Sustainability Body, as well as the Sustainability Committee and the representatives from both countries.

## Communication

mobilezone attaches importance to transparent communication of its sustainability measures. Accordingly, the company publishes a detailed annual sustainability report in accordance with the standards of the Global Reporting Initiative (GRI).

Measures and progress within the four focus areas are communicated both internally and externally. Internal target groups are served by employee information, info screens and internal newsletters. In order to further anchor the topic in the company, communication with employees is constantly reviewed and measured, and adjustments are made where necessary.

The information is provided to external target groups in this Annual Report. In addition, bilateral discussions occur with analysts and other interested stakeholders on request. Communication with stakeholders is also regularly reviewed and continuously improved.

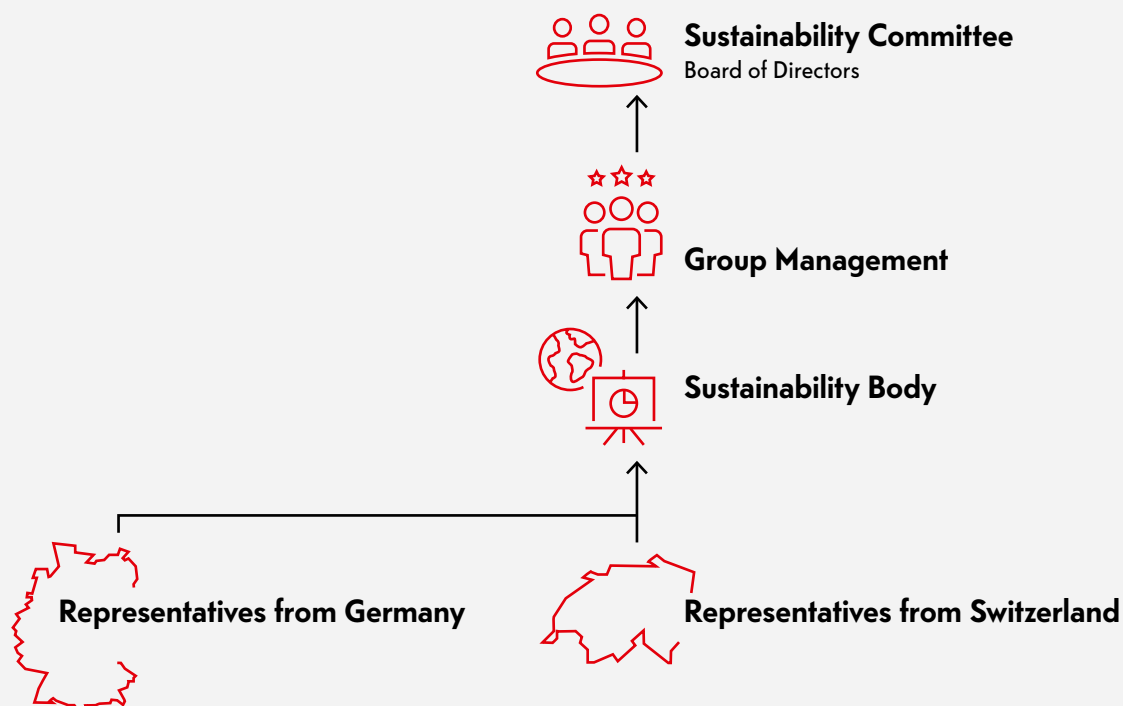
## Sustainability monitoring and reporting

The sustainability monitoring is organised centrally and the corresponding key figures are surveyed and evaluated at least once a year. The monitoring occurs as part of the internal sustainability management system in which all business segments and companies of mobilezone are integrated. The monitoring involves checking in which areas further measures have to be implemented to achieve the targets successfully. This is evaluated as part of regular exchanges in the Sustainability Body. In the future, the sustainability report will be continuously developed and supplemented.

## Strategy

The topic of sustainability forms part of mobilezone's corporate strategy, from which its sustainability strategy is derived. It applies to all companies of the mobilezone Group in Switzerland and Germany. mobilezone focuses its sustainability strategy on the core subjects "employees", "customers", "smartphone cycle" and "environmental management". The sustainability strategy of mobilezone is aligned with its core business.

## Organisational structure of sustainability management



## The four pillars of the sustainability strategy



### Employees

- Open communication culture
- Occupational health & safety
- Training company
- Ethics & Behaviour

### Customers

- Customer benefit programme "mobilezone Club"
- Systematic measurement of customer satisfaction
- Improving customer satisfaction

### Smartphone cycle

- Equipment take-back and recycling
- Centralised and decentralised repair services
- Sale of refurbished smartphones

### Environmental management

- Energy management
- Packaging and shipping



## Karl Trautmann

Managing Director at ElectronicPartner,  
customer of mobilezone handel

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### Why am I a mobilezone customer?

When professionals work with professionals, the result is success. To ensure that the entrepreneurs of the ElectronicPartner association group also receive the best support in the demanding mobile phone business with commercial and private (end) customers, we have decided to partner with mobilezone.

### What do I appreciate most about mobilezone?

I appreciate the top service of the competent employees, the reliable logistics performance and the creative market development of the company.

# Employees

The employees of the mobilezone Group are at the centre of everything we do. We are convinced that the long lasting success of the company is only possible if our employees are satisfied, motivated and equipped with the appropriate skills and work tools. Accordingly, we offer them the training and further education opportunities they need to perform their tasks. We want to recognise talent early on and attract it to us – one of the ways we do this is as a training company, by training and promoting apprentices and trainees. Flat hierarchies enable fast and efficient decisions. A culture of communication at eye level across all hierarchical levels is the foundation of mobilezone's culture.

## Open communication culture

Open communication regardless of hierarchical level is an important feature of the mobilezone culture. It manifests itself in various measures that the company implements across all departments and business units.

## Regular staff appraisals

The regular discussions between employees and their supervisors offer the opportunity to give feedback, to review the common goals and to determine where they stand, with the aim of a mutual evaluation.

## Feedback letterbox

With the feedback letterbox, the possibility was created to also address topics that would rather be voiced anonymously. mobilezone therefore created a channel for anonymously voicing wishes and giving feedback with the feedback letterbox at its headquarters in Rotkreuz in 2020. mobilezone wishes to ensure in this way that the needs of employees can be taken up quickly and unbureaucratically and where possible solved. In the 2022 fiscal year, a total of 16 feedbacks were received on various topics.

## Targets

The following objective was defined for the feedback letterbox:

- ✓ Currently, the headquarters in Rotkreuz is the only location equipped with a feedback mailbox. The aim in 2023 is to expand this idea to other locations in the future. Employees at all locations are invited to express positive and negative feedback and wishes, which is important for the individual development of the teams and ultimately the company.

## Staff events

In addition to written information for employees via digital channels, staff events are held on a regular basis. These events are designed to provide information that requires more explanation and provide an opportunity for direct feedback and queries. The events take place in the form of digital and analogue All Hands Meetings, staff breakfasts and other event formats.

In this context, the topic of sustainability is also to be anchored among the workforce. In addition to external communication, mobilezone has also set itself the goal of improving internal communication with regard to the topic of sustainability. The topic of sustainability is regularly communicated at staff events and reports are given on current measures. Employees are encouraged to make suggestions or give feedback on sustainability. This is how we as a company ensure that sustainability is anchored in the company. Other events, such as Christmas parties, aperitifs, the "mobilezone football tournament", ski days and team excursions, express appreciation to the employees at the locations and promote (interdepartmental) team cohesion.

## Targets

With the staff events we pursue the following goal:

- ✓ With these transparent communication formats, the focus is on building trust and increasing motivation among employees, as well as improving understanding of complex issues and expressing appreciation for the work done. The further development of the "staff events" vessel is to be driven forward in the next few years.

## Employee survey

mobilezone surveys its employees annually and anonymously. Their satisfaction is a central component of the survey. All employees across all hierarchical levels are surveyed using standardised questionnaires. The subsequent multi-stage evaluation is divided into measures to be implemented in the short, medium and long term. Within the employee survey, the employees were asked questions about satisfaction, motivation, development opportunities, but also about proposals for change that affect the company. In general, the employee survey produced a satisfaction rate of over 90 per cent.

## Targets

In the area of employee satisfaction, the following goals should be achieved:

- ✓ We will also conduct a Group-wide employee survey in 2023.
- ✓ Group-wide employee satisfaction is the focus.

## Occupational health and safety

### Support for sports activities

A good work-life balance for our employees is important to us. Accordingly, sports activities are supported in a wide variety of forms. Several running groups are active within the mobilezone Group. Mobilezone also supports employee participation in initiatives such as "Bike to Work" or running events such as the "Business Run" in Cologne or Bochum. Employees can also benefit from discounted fitness memberships.

### Occupational health and safety

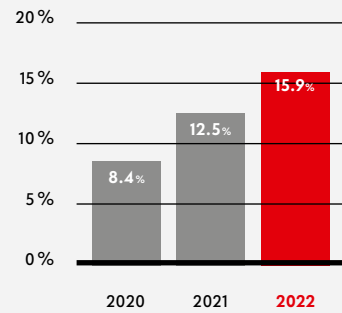
The integrity, health and well-being of our employees are paramount. We ensure the safety and health of our employees through appropriate work organisation, management and training. To ensure that mobilezone employees at all locations can perform their tasks safely and efficiently, a safety concept has been developed and its regular review and training ensured.

Most office workstations at mobilezone locations are equipped with height-adjustable desks to prevent back problems. Regular training sessions are held in the logistics and technology departments to ensure compliance with safety requirements, the principles of which are based on mobilezone's safety concept.

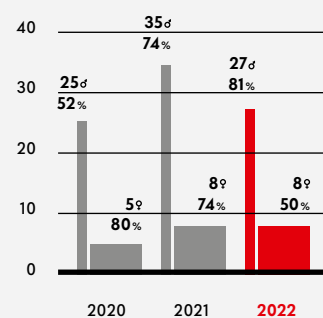
### Information security

The information security of a company serves to ensure confidentiality, integrity and availability. mobilezone has an IT security charter, which contains clear rules of conduct for the deployment and use of ICT systems. By means of flyers and e-learning, employees are regularly sensitised to possible cyber dangers and trained accordingly.

## Turnover (unplanned) <sup>1</sup>

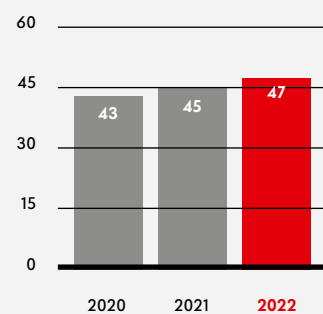


## Apprentices Switzerland



Number of apprentices in Switzerland who successfully completed their apprenticeship in the corresponding year (absolute) and the number of trainees (in %) who were taken on by the company.

## Nationalities



Number of different nationalities across the entire mobilezone Group

<sup>1</sup> Net turnover or unplanned turnover means that the employees terminated their employment contract with mobilezone of their own accord. It is calculated based on the total of the number at the beginning of the year and at the end of the year, divided by two in relation to unplanned exits.



## Contract type GRI 102-8

Country		2022				2021				2020			
		♂	%	♀	%	♂	%	♀	%	♂	%	♀	%
Switzerland	temporary <sup>4</sup>	130	25.5	51	30.2	125	24.1	52	29.7	122	22.9	45	24.7
	permanent	380	74.5	118	69.8	393	75.9	123	70.3	411	77.1	137	75.3
	Total	510	100	169	100	518	100	175	100	533	100	182	100
Germany	temporary <sup>4</sup>	6	2.7	8	5.5	4	1.8	3	2.1	9	4.0	6	4.2
	permanent	214	97.3	138	94.5	218	98.2	140	97.9	216	96.0	138	95.8
	Total	220	100	146	100	222	100	143	100	225	100	144	100
mobilezone Group	Total	1 045 employees				1 058 employees				1 084 employees			

<sup>1</sup> Net turnover or unplanned turnover means that the employees terminated their employment contract with mobilezone of their own accord. It is calculated based on the total of the number at the beginning of the year and at the end of the year, divided by two in relation to unplanned exits.

<sup>2</sup> The planned turnover covers all departures where the employment contract was terminated by mobilezone.

<sup>3</sup> Natural turnover covers departures caused by retirements, death of the employee or the end of a temporary contract.

<sup>4</sup> Temporary contract types include apprentices.

## Departures and turnover rate (unplanned)<sup>1</sup> GRI 401-1

Country	Age	2022				2021				2020			
	(in years)	♂	%	♀	%	♂	%	♀	%	♂	%	♀	%
Switzerland	< 25	24	11.0	13	16.6	14	7.2	14	19.1	15	6.5	6	7.6
	25–35	41	23.6	20	32.0	33	17.1	17	23.6	13	7.5	11	17.1
	35–45	14	15.0	4	20.0	10	10.0	6	27.3	4	4.5	4	19.5
	> 45	6	20.3	3	28.6	4	11.4	2	16.0	3	10.3	1	11.1
	Total	85	16.5	40	23.3	61	11.7	39	21.7	35	6.7	22	12.8
Germany	< 25	2	18.2	3	18.8	3	35.3	1	8.3	7	25.0	5	20.8
	25–35	17	22.4	7	11.2	16	18.5	5	7.6	6	6.7	8	11.9
	35–45	5	6.1	6	13.2	8	10.3	1	2.2	0	0.0	1	3.2
	> 45	2	3.8	0	0.0	0	0.0	0	0.0	1	2.9	1	6.3
	Total	26	11.7	16	11.1	27	12.1	7	4.9	14	6.2	15	10.8
mobilezone Group	Total	111	15.1	56	17.7	88	11.8	46	14.2	49	6.7	37	11.9

Other departures (planned<sup>2</sup> and natural<sup>3</sup> departures):

2022 Switzerland: Men younger than 25 Y.: 30; 13.8% | 25–35 y.: 26; 14.9% | 35–45 y.: 12; 12.8% | older than 45 Y.: 7; 23.7% |

2021 Switzerland: Men younger than 25 Y.: 54; 27.7% | 25–35 y.: 15; 7.8% | 35–45 y.: 6; 6.0% | older than 45 Y.: 6; 17.1% | 2020 Swiss men younger than 25 Y.: 34; 14.8% | 25–35 y.: 13; 7.5% | 35–45 y.: 10; 11.2% | older than 45 Y.: 3; 10.4%

2022 Swiss women younger than 25 Y.: 19; 24.2% | 25–35 y.: 11; 17.6% | 35–45 y.: 2; 10.0% | older than 45 Y.: 1; 9.5% | 2021 Swiss women younger than 25 Y.: 16; 21.8% | 25–35 y.: 13; 18.1% | 35–45 y.: 3; 13.6% | older than 45 Y.: 3; 24.0% | 2020 Swiss women younger than 25 Y.: 12; 15.3% | 25–35 y.: 4; 6.2% | 35–45 y.: 3; 14.6% | older than 45 Y.: 1; 11.1%

2022 German men younger than 25 Y.: 2; 18.2% | 25–35 y.: 4; 5.3% | 35–45 y.: 8; 9.8% | older than 45 Y.: 5; 9.5% | 2021 German men younger than 25 Y.: 2; 23.5% | 25–35 y.: 14; 16.2% | 35–45 y.: 6; 7.7% | older than 45 Y.: 1; 4.9% | 2020 German men younger than 25 Y.: 7; 25% | 25–35 y.: 7; 7.8% | 35–45 y.: 6; 10.0% | older than 45 Y.: 4; 11.4%

2022 German women younger than 25 y.: 4; 25.0% | 25–35: 10; 16.0% | 35–45 y.: 5; 11.0% | older than 45 Y.: 2; 10.0% | 2021 German women younger than 25 y.: 3; 25.0% | 25–35: 15; 22.9% | 35–45 y.: 3; 6.6% | older than 45 Y.: 1; 4.9% | 2020 German women younger than 25 y.: 4; 16.7% | 25–35: 12; 17.8% | 35–45 y.: 3; 9.5% | older than 45 Y.: 7; 43.8%

## New employees GRI 401-1

Country	Age (in years)	2022				2021				2020			
		♂	%	♀	%	♂	%	♀	%	♂	%	♀	%
Switzerland	< 25	91	41.8	43	54.8	74	37.9	31	42.2	85	36.9	38	48.4
	25–35	37	21.3	18	28.8	40	20.7	24	33.3	23	13.3	15	23.3
	35–45	21	22.5	4	20.0	8	8.0	7	31.8	10	11.2	5	24.4
	> 45	2	6.8	3	28.6	10	28.6	2	16.0	2	6.9	0	0.0
	Total	151	29.3	68	39.7	132	25.2	64	35.6	120	23.0	58	33.6
Germany	< 25	10	90.9	13	81.3	4	47.1	6	50.0	7	22.6	12	50.0
	25–35	13	17.1	20	32.0	17	19.7	11	16.8	26	28.4	20	29.6
	35–45	15	18.3	6	13.2	18	23.1	11	24.2	12	18.8	8	25.4
	> 45	4	7.6	2	10.0	11	21.6	0	0.0	6	15.8	3	18.8
	Total	42	19.0	41	28.5	50	22.3	28	19.5	51	22.7	43	30.9
mobilezone Group	Total	193	26.2	109	34.5	182	24.4	92	28.4	171	22.9	101	32.4

% information shows the ratio of new employees to the average number of employees during the reporting period by age group, gender and region.

## Parental leave GRI 401-3

Country		2022				2021				2020			
		♂	%	♀	%	♂	%	♀	%	♂	%	♀	%
Switzerland	Total number parental leave claim	10		3		5		4		0		12	
	Total number parental leave taken	10		3		5		4		0		12	
	Return after parental leave to workplace	10	*100	3	*100	5	*100	4	*100	0	*n.a.	7	*58.3
	Still employed 12 months after return	n.a.	**n.a.	n.a.	**n.a.	0	**0.0	1	**25.0	n.a.	**n.a.	n.a.	**n.a.
Germany	Total number parental leave claim	7		15		5		15		4		7	
	Total number parental leave taken	7		15		2		15		0		7	
	Return after parental leave to workplace	5	*71.4	9	*60.0	2	*100	3	*20.0	0	*n.a.	3	*42.9
	Still employed 12 months after return	n.a.	**n.a.	n.a.	**n.a.	2	**100	3	**100	n.a.	**n.a.	n.a.	**n.a.

Parental leave is regulated at the location of the mobilezone Group according to the local laws differently. In Switzerland, paternity leave was introduced on 1 January 2021.

\*Return rate: Describes the number of women and men who were still employed after returning to work after 12 months.

\*\* Retention rate: This is accounted for in the year of the parental leave taken. The figures for 2022 are therefore still pending. Surveyed for the first time as of 2021.

♂: Men ♀: Women

## Training company

mobilezone is a training company and has been training apprentices since 2001. In this way, we ensure that we can recruit the skilled workers of tomorrow today, train them and take them on in the organisation after they have successfully completed their training. The long-lasting successful training tradition in Switzerland has prompted mobilezone Germany to also train apprentices and introduce the trainee programme.

## Apprenticeship training in Switzerland

mobilezone is already ensuring the skilled workers of tomorrow and has been training apprentices in Switzerland for over 20 years in the commercial sector, IT (system technology and application development), logistics, retail trade and customer dialogue.

In the reporting year, 51 apprentices began their training at mobilezone in Switzerland. The target for the 2022 business year was that we hire between 40 and 50 new apprentices in Switzerland every year. This target was achieved. At the end of the 2022 fiscal year, mobilezone employed a total of 143 apprentices in Switzerland. Of these, we could congratulate 35 apprentices on completing their training (previous year: 43 learners). mobilezone was in a position to continue to employ 26 of the successful apprentices inside the company. The set target of taking on two-thirds of the apprentices who successfully completed their training was achieved with 74 per cent.

In the spirit of early talent development, our trainers are trained to identify suitable candidates for transition to permanent employment during training. In the year in which the apprenticeship is completed, the company enters into dialogue with the person and looks for a suitable follow-up solution.

## Targets

In Switzerland, mobilezone has defined the following goals with regard to apprenticeship training for the year 2023:

- ✓ We hire at least 45 apprentices in Switzerland.
- ✓ We employ at least 60 per cent of the apprentices in the company after successful completion.

## Apprenticeship training in Germany

mobilezone Germany has been training three apprentices since summer 2022 – two IT specialists and one office administrator. In this way, the shortage of skilled workers can be countered, young talents can be promoted at an early stage and integrated into the company. In the current business year, learners with additional profiles are being recruited. These are warehouse logistics specialists, wholesale and foreign trade clerks and dialogue marketing clerks

## Targets

In Germany, mobilezone has set itself the following goals with regard to apprenticeship training:

- ✓ In 2023, five to eight additional apprentices will be hired. This means that approximately ten apprentices will be working in the German companies by the end of 2023.

## "mobilezone Young Talents" trainee programme

The trainee programme was introduced in Switzerland in summer 2020. Its aim is to recruit high-performing young talents who have successfully completed their education at university or college level and to integrate them into the company. Candidates are given the opportunity to develop personally in the practical working environment and then transfer to a permanent employment relationship. Due to its success in Switzerland, the programme was also introduced in Germany, where two trainees were hired in the past fiscal year.

Of the five trainees who completed the programme in Switzerland in the fiscal year 2021, all were employed in 2022. In summer 2022, two trainees started – one in marketing and one in business. Both have also been employed in the meantime.

## Targets

With the trainee programme, mobilezone pursues the following goals:

- ✓ With the young, well-trained future specialists, mobilezone brings knowledge as well as new perspectives and fresh ideas into the company. Accordingly, the trainee programme will continue in the 2023 fiscal year.
- ✓ At least 60 per cent of the trainees will be retained by the company.
- ✓ The early introduction of young skilled workers to the company is intended to achieve in-depth knowledge of the company and its processes and thus a bond with the company.

## Diversity

The mobilezone culture is strongly characterised by its diversity. Across all locations, the company employed people from 47 nations last year. We see this diversity as an opportunity for our clients, who benefit across all personal contact points, for example, from the linguistic diversity of our employees. We promote interdisciplinary exchange and thus mutual understanding for each other and for the different work situations, for example, by encouraging assignments in other departments.

## Sick and accident days

Country		2022	2021	2020
Switzerland	Number of sick days	3 075	4 656	4 252
	Ø number of employees	673	704	695
	Sick days per employee	4.6	6.6	6.1
Germany	Number of sick days	4 890	3 392	3 287
	Ø number of employees	362	367	362
	Sick days per employee	13.5	9.2	9.1

## Part-time/full-time GRI 102-8

Gender	Workload	2022	2021	2020
		Employees %	Employees %	Employees %
♂	Part-time	40 5.5	43 5.8	41 5.4
	Full-time	690 94.5	697 94.2	717 94.6
	<b>Total</b>	<b>730 100</b>	<b>740 100</b>	<b>758 100</b>
♀	Part-time	84 26.7	75 23.6	80 24.5
	Full-time	231 73.3	243 76.4	246 75.5
	<b>Total</b>	<b>315 100</b>	<b>318 100</b>	<b>326 100</b>
mobilezone Group	<b>Total</b>	<b>1 045</b>	<b>1 058</b>	<b>1 084</b>

## Age structure GRI 405-1

Country	Age	2022	2021	2020
	(in years)	♂ % ♀ %	♂ % ♀ %	♂ % ♀ %
Switzerland	< 25	236 46.3 84 49.7	198 38.2 74 42.3	248 46.5 89 48.9
	25–35	159 31.2 56 33.1	189 36.5 69 39.4	171 32.1 65 35.7
	35–45	91 17.8 19 11.3	96 18.5 21 12.0	87 16.3 20 11.0
	> 45	24 4.7 10 5.9	35 6.8 11 6.3	27 5.1 8 4.4
	<b>Total</b>	<b>510 100 169 100</b>	<b>518 100 175 100</b>	<b>533 100 182 100</b>
Germany	< 25	14 6.4 19 13.0	8 3.6 13 9.1	26 11.6 26 18.1
	25–35	72 32.7 64 43.8	80 36.0 61 42.7	97 43.1 69 47.9
	35–45	83 37.7 43 29.5	80 36.0 49 34.3	65 28.9 34 23.6
	> 45	51 23.2 20 13.7	54 24.3 20 14.0	37 16.4 15 10.4
	<b>Total</b>	<b>220 100 146 100</b>	<b>222 100 143 100</b>	<b>225 100 144 100</b>
mobilezone Group	<b>Total</b>	<b>1 045 employees</b>	<b>1 058 employees</b>	<b>1 084 employees</b>

## Diversity GRI 405-1

Position in company	Age	2022	2021	2020
	(in years)	♂ % ♀ %	♂ % ♀ %	♂ % ♀ %
Senior management	< 25	0 0.0 0 0.0	0 0.0 0 0.0	0 0.0 0 0.0
	25–35	0 0.0 0 0.0	0 0.0 0 0.0	2 6.3 1 3.1
	35–45	9 50.0 0 0.0	6 37.5 0 0.0	16 50.0 1 3.1
	> 45	7 38.9 2 11.1	9 56.3 1 6.3	10 31.3 2 6.3
	<b>Total</b>	<b>16 88.9 2 11.1</b>	<b>15 93.7 1 6.3</b>	<b>28 87.5 4 12.5</b>
Lower management	< 25	0 0.0 0 0.0	0 0.0 0 0.0	0 0.0 0 0.0
	25–35	9 11.3 11 13.8	14 16.1 5 5.8	10 21.3 3 6.4
	35–45	39 48.8 6 7.5	44 50.6 6 6.9	26 55.3 1 2.1
	> 45	12 0.2 3 3.7	15 17.2 3 3.5	6 12.8 1 2.1
	<b>Total</b>	<b>60 75.0 20 25.0</b>	<b>73 83.9 14 16.1</b>	<b>42 89.4 5 10.6</b>
Employees	< 25	138 25.8 49 6.4	105 13.3 44 5.6	176 20.3 81 9.4
	25–35	214 40.1 102 13.3	243 30.7 118 14.9	251 29.0 128 14.8
	35–45	126 23.6 56 7.3	126 15.9 64 8.1	110 12.7 52 6.0
	> 45	56 10.5 25 3.3	64 8.1 27 3.4	48 5.5 20 2.3
	<b>Total</b>	<b>534 69.7 232 30.3</b>	<b>538 68.0 253 32.0</b>	<b>585 67.6 281 32.4</b>
Apprentices and trainees	< 25	112 93.3 54 88.5	101 61.6 43 26.2	98 70.5 34 24.5
	25–35	8 6.7 7 11.5	12 7.3 7 4.3	5 3.6 2 1.4
	35–45	0 0.0 0 0.0	0 0.0 0 0.0	0 0.0 0 0.0
	> 45	0 0.0 0 0.0	1 0.6 0 0.0	0 0.0 0 0.0
	<b>Total</b>	<b>120 66.3 61 33.7</b>	<b>114 69.5 50 30.5</b>	<b>103 74.1 36 25.9</b>
mobilezone Group	<b>Total</b>	<b>730 69.9 315 30.1</b>	<b>740 69.9 318 30.1</b>	<b>758 69.9 326 30.1</b>

As a result of the sale of mobiletouch austria and einsAmobile, the employees of these two companies were not taken into account in the tables in order to ensure the comparability of the figures.

♂: Men ♀: Women

In addition to German, mobilezone uses French, Italian and English to communicate with its employees.

We set great store on the balance between men and women in all areas of the company. In order to be able to meet the diverse demands of life and family situations, mobilezone offers its employees, among other things, part-time work options as well as the possibility to work remotely in a flexible manner, depending on the job profile and area of responsibility.

Regardless of gender, mobilezone hires the most qualified person, with an emphasis on early identification and appropriate promotion of the individual person. In the past fiscal year, the proportion of women in lower management was increased from 16.1 to 25.0 per cent. This means that the target set for 2025 has already been achieved. One of the reasons for achieving this goal is that suitable female candidates were supported at an early stage, which resulted in a promotion.

## Targets

In the area of diversity, the following goals were defined:

- ✓ The further promotion of diversity at different levels and in different areas is a focus topic within the framework of sustainability.

## Staff turnover

Staff turnover is an important metric for a company to see how satisfied their workforce is. Net turnover (unplanned fluctuation) was 15.8 per cent in the 2022 fiscal year, which is higher than last year (2021: 12.5 per cent). This increased turnover can be explained by the fact that many people remained in their positions during the pandemic. After the situation normalised, a higher willingness to switch was observed. In the past fiscal year 2021, we set ourselves the target of achieving a net staff turnover of between 8 and 12.5 per cent. This goal was not achieved.

## Targets

With regard to fluctuation, the following goal was defined:

- ✓ In the future, fluctuation will also be evaluated broken down to the individual business units. Public communication of these results is not planned.
- ✓ Depending on the results, the causes of fluctuation are to be assessed for the individual business units/departments and measures to improve the various key figures will be obtained accordingly.

## Ethics and behaviour

The economic success of mobilezone shall be in line with sustainable and responsible business practices. To achieve this, we have created a new common and binding set of values for all employees in Switzerland and Germany by revising the Code of Conduct. The contents of the code of conduct were repeatedly trained in the previous fiscal year in the various departments and business units. In connection with the introduction of the EU Whistleblower Protection Act, the "Ethics Hotline" was also introduced throughout the Group. The CFO or the HR Director is responsible for managing and processing the ethics hotline. This allows violations of the Code of Conduct to be reported anonymously. The announced e-learning for querying the Code of Conduct could not yet be implemented, but is being planned as part of the introduction of a new e-learning platform.

## Targets

Training on the code of conduct will continue to have high priority in the 2023 fiscal year. Accordingly, the following goals were defined:

- ✓ Every new employee has read the Code and confirmed this by signing the employment contract.
- ✓ In the sales organisation in Switzerland, the Code of Conduct is regularly taught as part of the entry training.
- ✓ The code will continue to be taught at the locations in the 2023 fiscal year and illustrated with illustrative examples from practice.

## Assessment and outlook

In the future, mobilezone will continue to focus on its employees in the area of sustainability. In addition to the existing and described measures, which are constantly being further developed, new measures are also being developed. The area of talent management will be further expanded with the aim of strengthening employee retention.

Key figures such as employee satisfaction or the employee turnover rate (planned and unplanned) will be monitored more systematically in the future. From this, targets and the corresponding measures are also to be derived during the year in order to achieve improvements in the areas.

The further expansion of communication with employees will also be a focus in 2023.



# mobilezone

## Linn Hirschke

Project manager, customer of mobilezone Germany

### Why am I a mobilezone customer?

Because the price-performance ratio convinced me right from the start, I have super network coverage and can rely on customer service that is always available when I need it.

### What do I appreciate most about mobilezone?

I appreciate the company's proximity to the customer and the type and amount of information about my tariff used. I also benefit from really good network coverage.



# Customers

For mobilezone, high customer satisfaction forms the basis for sustainable customer relationships. Accordingly, "customer centricity" is an important pillar in the sustainability strategy. This means that the topic of customers is also a focus topic for corporate management. Managers with variable remuneration models have also been measured by customer satisfaction since 2022.

Customer satisfaction depends to a large extent on how customers rate the shopping experience at mobilezone. Accordingly, mobilezone's goal is to provide customers with a top customer experience at every opportunity. To this end, we have been implementing measures across all contact points for many years, developing them further and establishing new ones in order to maintain and further increase customer satisfaction.

## Customer benefit programme mobilezone Club in Switzerland

mobilezone Switzerland launched the mobilezone Club at in 2020. Customers who are members of the customer benefit programme can enjoy attractive price reductions, special offers and prioritisation in the launch of mobile devices. In addition, points can be collected with every purchase, which are used for payment with future purchases. In the past business year, the cooperation with various partners was expanded: mobilezone Club customers benefit from numerous attractive leisure offers, discounts and offers outside the world of telecommunications. In addition, Club members now also receive a birthday present.

At the end of 2022, the mobilezone Club had 165,000 members (previous year: 75,000). This exceeded the target of 150,000 members. The pleasing result can be attributed to the already described increase in the club's attractiveness.

## Targets

The following goals have been defined for the mobilezone Club:

- ✓ We aim to have 250,000 mobilezone Club customers by the end of 2023. We achieve this by further increasing the attractiveness of the club, such as cooperations.
- ✓ We want 400,000 mobilezone Club customers by 2025.

## Training of sales staff of mobilezone Switzerland

mobilezone advises its customers comprehensively and transparently on products and services and offers solutions that optimally meet customer needs and offer long-term benefits from the customer's point of view. This is mainly due to the frontline sales crew, which serves customers throughout Switzerland on a daily basis. mobilezone is present in Switzerland with 124 shops in all major cities and all language regions. mobilezone is also available for customers who benefit from the unique mobilezone sales service but would prefer to receive advice over the phone. The sales staff of the in-house sales team are integrated into the sales organisation and receive the same training as the sales staff in the shops.

In addition to knowledge of ever more technically advanced devices and accessories, sales staff must always be up to date on the wide range of mobile, fixed-line, TV and Internet subscriptions and their combination with devices. In order to serve customer needs and expectations, the training and further education of sales staff is of great importance. Under the leadership of the Head of Sales Education, a total of 165 sales staff participated in 30 classroom training sessions in the 2022 fiscal year.

The hybrid offer of physical and digital training is constantly being expanded. In addition to the physical training sessions, around 30 other training formats were implemented last year, including e-learning sessions in which all sales staff participate.

In addition, a training concept was developed, which focuses in particular on the areas of "advisory skills", "improvement of customer satisfaction" as well as "staff development and promotion of junior staff".

The focus of the training is on the sales process, staff management, organisation and knowledge transfer. To ensure salespeople take an interest in the individual needs of customers, find the best possible offer for them and as a result are able to offer them the best possible customer experience, they are constantly trained in various sales processes and the latest trends in the field of telecommunications. Our e-learning portal ensures that the salespeople are always fully informed about new products, services and rate plans. New sales employees are trained with special onboarding courses in the fields behaviour/code of conduct, culture and processes. As part of a junior staff development programme, senior sales staff are trained to recognise talent at an early stage and promote it accordingly. mobilezone has been training apprentices for over 20 years – and for the last 15 years has also been training apprentices in the retail trade. The fact that the promotion of young talent is

working is shown by the fact that around 20 former apprentices are now working as store managers, passing on their sound knowledge to the next generation. In order to further professionalise the training offer, the training team around the Head of Sales Education is supplemented with trainers from the sales crew, who train sales staff "on the job" in the sales regions.

## Targets

The following goals were set in the area of sales staff training:

- ✓ The training concept for mobilezone's sales staff, which includes extensive needs-based training, is constantly being further developed and adapted to the latest circumstances relating to telecommunications products.
- ✓ Every store manager will attend at least two training courses per year by 2025.

## Optimisation of customer experience on the online platforms

In order to create a top customer experience across all contact points, mobilezone is constantly developing its online platforms and digital customer communication. In addition to constant investments in new technical solutions and processes, the focus is on optimising the interaction options for customers on mobilezone's online portals, such as improving navigation and the search function.

## Targets

In the area of optimising the customer experience, we set ourselves the following goals:

- ✓ The improved digital customer communication, which informs customers about the current order status and delivery availability, will be implemented in the 2023 fiscal year and further improve the customer experience. Furthermore, various technical adjustments to the web portals will be implemented in terms of usability, such as more intuitive navigation, an optimised search function or better filter options.

## Comprehensive customer service across all channels

mobilezone is there for its customers physically and digitally via numerous contact points, which are coordinated with each other in the form of a communication cascade. This holistic approach to customer concerns, which mobilezone pursues as part of its omnichannel strategy, is constantly being improved as part of a monitoring process. In this context, a Customer Experience Board was created. This consists of members of the Management Board and the Management Team and, where necessary, regularly develops and approves measures to improve the customer experience.

Customer service is available by telephone for questions and concerns, with a focus on continuous training of customer service staff and appropriate resource planning. Further contact options,

## Who are our customers?

What does a company need to offer good customer experiences



such as chats or a digital helpdesk, are available to the customer. In Switzerland, customers are also supported in each of the 124 mobilezone shops with questions and concerns.

The respective sales force is responsible for looking after the business customers. This person is regularly trained and equipped with the appropriate tools to be able to advise and support the business customers accordingly.

## Targets

The goals that feed into customer service were defined within the framework of a comprehensive further development and quality initiative:

- ✓ The Customer Experience Board collaboration is constantly being expanded and processes adapted where necessary.
- ✓ The entire customer journey is regularly analysed and possible improvements and optimisations are continuously reviewed and implemented.

## Systematic measurement of customer satisfaction

mobilezone continuously surveys customer satisfaction throughout the group and monitors division-specific key figures. This results in the weighted group-wide customer satisfaction index. This has developed positively at a high level since its introduction in 2018. It is made up of various key figures such as the CSAT, the NPS or ratings on Trusted Shops for the various brands of the mobilezone Group.

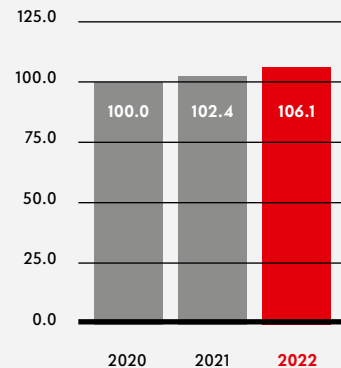
In the 2022 fiscal year, the customer satisfaction index changed from 102.4 to 106.1 compared to the previous year. The target of a score of 106.0 was thus achieved.

## Targets

In the area of customer satisfaction, the following target was defined:

- ✓ For the 2023 fiscal year, the mobilezone Group has set itself the goal of further slightly increasing the customer satisfaction index score.

## Customer satisfaction



Consolidated index of all customer satisfaction surveys across the entire mobilezone Group (basis 2020: 100).

## Improving customer satisfaction

Improving customer satisfaction is done through regular training and development of frontline and customer service staff, early identification and promotion of talent, and leadership development. The continuous further development of the technical possibilities, primarily in the area of availability and delivery communication as well as the user experience of the online shops, in order to meet customers where they need to be, also has a high strategic value in the company.

In order to be able to learn from mistakes, all negative evaluations are recorded. Customers are then contacted and systematically asked why they are dissatisfied with their mobilezone experience. To this end, the position of "Associate Customer Satisfaction" was created in Switzerland, which seeks out the origin of negative evaluations through enquiries, categorises responses and collects them. By means of evaluation, a report is compiled for the management. Based on this reporting, the Customer Experience Board defines measures to improve the entire customer journey.

## Coaching and training for customer service staff

The coaching and training of customer service staff is an important part of the measures to increase customer satisfaction. Across the Group, numerous measures were implemented last year to improve customer service. For example, training for customer service staff and managers in customer service was continued. Continuous quality monitoring ensures that customer feedback is monitored, evaluated and improvement potential identified to further improve customer service.

## Targets

In the area of customer satisfaction, the following goals were defined:

- ✓ The service level in customer service is constantly being increased, for example, by ensuring even better accessibility.
- ✓ For the MVNO HIGH, the NPS and an NPS measurement will be introduced in the 2023 fiscal year.

## Evaluation & outlook

Following the principle of "everything for the mobile world", mobilezone appeals to a broad target group with its wide and varied range of products and services. Accordingly, there is no "one" mobilezone customer. Rather, customers of all ages and genders are addressed. mobilezone aims to offer its customers an always up-to-date and comprehensive range of smartphones, tablets, smartwatches, accessories, subscriptions and complementary services that meet their needs, always staying one step ahead to live up to the motto of "serving beyond expectations". In addition, we want to equip our employees with the appropriate tools and know-how and develop them further so that they can serve our customers accordingly. And finally, we also want to constantly develop our systems in terms of their technical possibilities. We want to further strengthen these three pillars, which contribute to customer satisfaction.

# Smartphone cycle

A smartphone contains 60 different materials, of which 30 are different, frequently very valuable metals such as gold or palladium. These are rare and their extraction and transport to the production sites is energy intensive, as is the manufacture and recycling of the equipment. Economic handling of resources and materials is correspondingly important.

The mobilezone Group wants to exert influence in the area of sustainability where it can make the most difference. We see this leverage in our core business. This also includes offers in the field of second life, such as repairs and refurbishing smartphones. As a result, mobilezone makes an important contribution to reducing emissions and the demand for resources.

mobilezone is the only company in Switzerland to cover the entire value chain, from the sale of new devices in its shops and via various online portals, to the take-back in the shops, to the recycling and resale via its own in-house channels. In this way, the company ensures that the product life cycle of the valuable smartphone product is extended and resources are conserved accordingly. The area of taking back used smartphones in the shops and then recycling and reselling them refers to the Swiss companies.

The companies in the German market area benefit from the experience in Switzerland. Since November 2022, refurbished smartphones have also been sold in Germany.

## Sale of used smartphones

### jusit.ch - Refurbished Smartphones in Switzerland

mobilezone Switzerland has been taking back smartphones from customers since 2015, refurbishing them and giving them a second life. In doing so, the company adheres to the highest quality standards and continuously develops the refurbishing process. In addition to using only original spare parts and employing manufacturer-certified technicians for repairs and refurbishing, mobilezone now uses a process that also removes slight traces of use so that the devices can be returned to the market in a higher-quality condition. Furthermore, the technical processing of the devices could be further developed to the extent that more devices can be transferred to a second life cycle. In addition, since June 2022, mobilezone has carried out certified data erasure on all returned and refurbished devices, thus ensuring the protection of personal data.

For around two years, mobilezone has been selling used and refurbished smartphones of the latest generation under the jusit brand (jusit.ch). Smartphones bought back on the Swiss market are inspected by certified technicians, cleaned and, where necessary, refurbished using only original parts. The jusit customers are people who are looking for a sustainable alternative or a cheaper solution to a new smartphone.

In the 2022 fiscal year, we set ourselves the target that 1.75 per cent of our smartphones sold in Switzerland will be refurbished devices. We exceeded this target with 2.8 per cent, showing the need for used smartphones in high-quality condition.

## Targets

In the area of smartphone refurbishing in Switzerland, we set ourselves the following short- and medium-term goals:

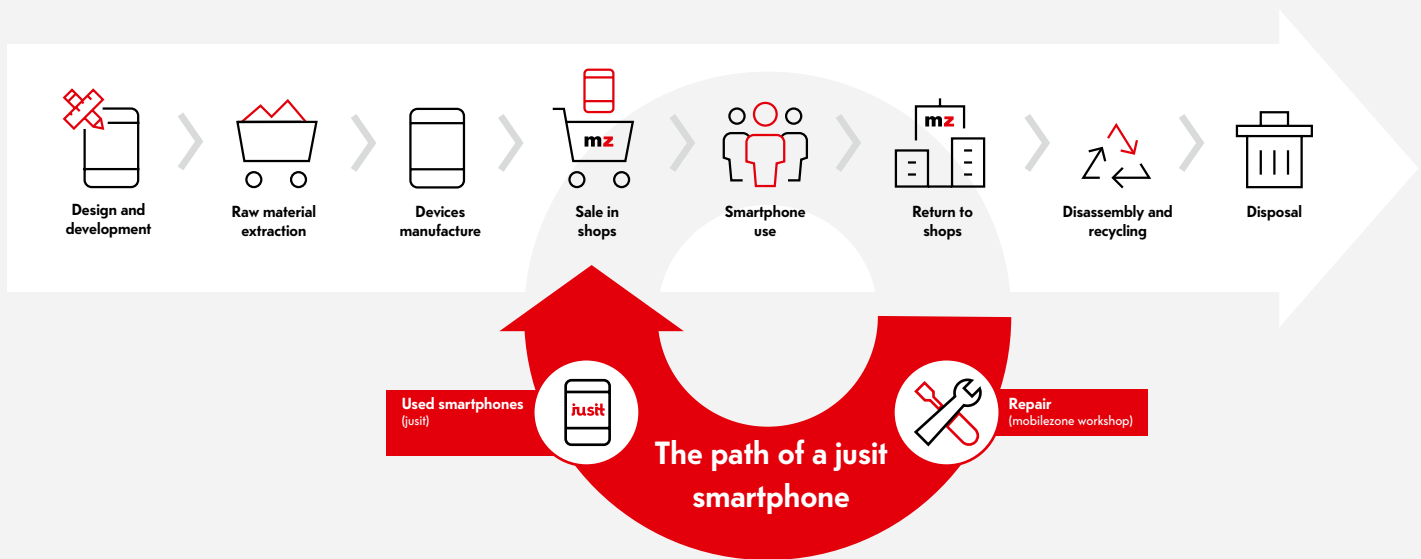
- ✓ For the 2023 fiscal year, we set ourselves the target that 3.0 per cent of our smartphones sold will be refurbished devices.
- ✓ By 2025, we want 5.0 per cent of our smartphones sold in Switzerland to be refurbished devices.
- ✓ To achieve these goals, we are constantly developing our measures in the area of smartphone buybacks in order to be able to serve the refurbished market.

## Refurbished smartphones in Germany

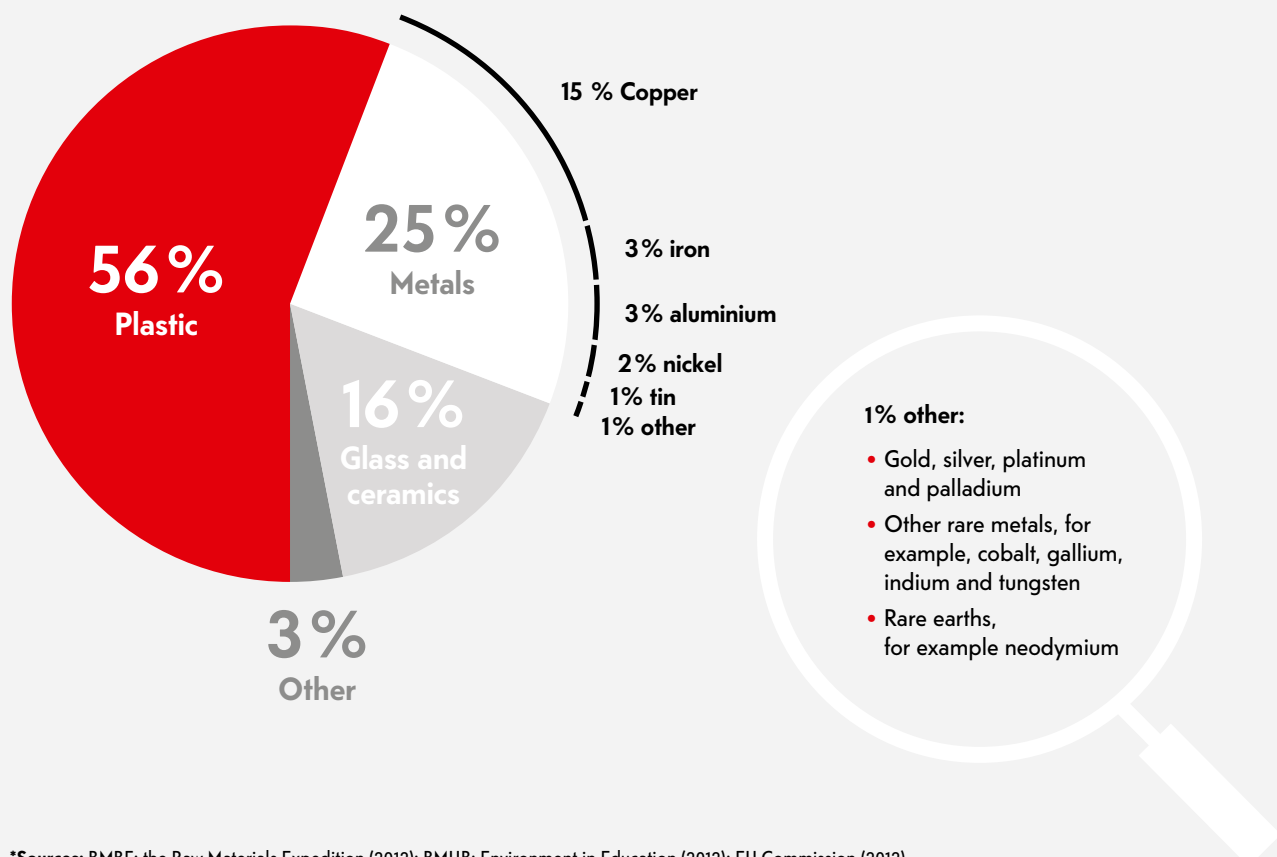
The positive development of jusit in Switzerland over the last two years served as a model for the German market to establish a similar service. Finally, in November 2022, a comparable offer was launched in Germany. The service currently only includes smartphones from Apple, which are offered in bundling, a device in combination with a mobile phone contract. The devices are refurbished exclusively with original spare parts and sold via the Sparhandy online portal. The findings with regard to customers and their needs as well as generally about the functioning of the refurbished market in Germany are positive: It has become apparent that there is a need for second-hand smartphones with minimal or no signs of use. In the coming months, the findings will be further evaluated and used as a basis for decisions on how to proceed with the Second Life business in Germany.



## Life cycle of a smartphone

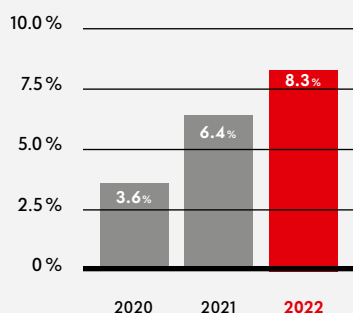


## What is a mobile phone made of?



\*Sources: BMBF: the Raw Materials Expedition (2012); BMUB: Environment in Education (2012); EU Commission (2012)

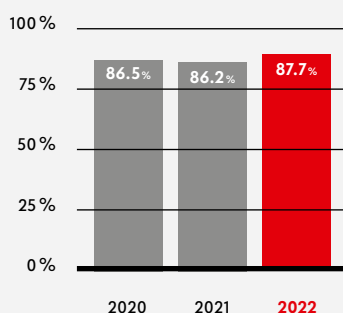
## Smartphone repurchase



GRI 306-2

Repurchased smartphones in relation to total new smartphones sold

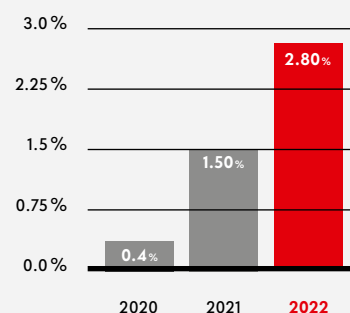
## Successful repairs



GRI 306-1

Number of successful repairs concluded in relation to total of all repair orders

## Refurbished sold smartphones



GRI 301-3

Number of refurbished smartphones in relation to total new smartphones sold

## Centralised and decentralised repair services

Most smartphone repairs carried out by mobilezone are carried out in the central workshop at the Rotkreuz site. In addition, mobilezone manages nine decentralised workshops in mobilezone shops in all language regions of Switzerland and operates repair centres for partners.

In addition to recycling and reselling a smartphone, there is also the option of repairing it – this also extends the life cycle and conserves resources. In the mobilezone workshops, customers can have their defective smartphone repaired within a short time. Only original spare parts from the manufacturer are used for repairs. Accordingly, the manufacturer's warranty can be maintained. Smartphone repair is our alternative to buying a new device. This reduces the environmental burden that would be associated with the production of a new device.

The target for 2021 was defined as achieving a repair rate\* of 90 per cent. With a value of 87.7 per cent, the target could not be reached. Overall, the number of repairs has been declining for a few years. This is due, among other things, to the ever-improving quality of smartphones. Thanks to the new design, the units hardly show any water damage. Last year, the target was defined to reach 10,000 repairs in the decentralised workshops. This target was achieved.

## Targets

The following goals were defined for the area of repairs:

- ✓ We will remain the number 1 for smartphone repairs in Switzerland, both in the overall market and also for every network operator.
- ✓ We aspire to a repair ratio\* of 88 per cent in 2023.

## Equipment take-back and recycling

Customers are offered the opportunity to sell smartphones they no longer need at trade-in value across all contact points. This means that they can be handed in at any shop in Switzerland or registered online and sent in. mobilezone will refund the residual value of the device. The take-back programmes serve to meet the demand for used smartphones. In this process, usable appliances are remanufactured and resold, while old or no longer repairable appliances are sent for recycling. We set ourselves the target in the fiscal year 2022 of taking back 6.5 per cent of the smartphones we sell annually. In fact, we took back 8.3 per cent and clearly exceeded our target. This positive result is due, among other things, to the improvement of the take-back process as well as to the awareness of the sales staff. Nevertheless, measures are still being developed to increase customers' awareness that the old smartphone still has a residual value, or that it could still be of use to someone else. Ac-

\*Repair ratio: number of repairs completed in relation to total repair orders received

cordingly, an awareness campaign was launched in the 2022 fiscal year via social media and in the shops to purchase used equipment and transfer it to a second life cycle via the refurbishing process. The benefits of device take-back have also been incorporated into salesperson training.

Appliances that are no longer repairable or cannot be refurbished as used devices and transferred to a second life cycle are handed over to recycling partners. Defective smartphone displays, which are removed by the technicians for replacement, are taken over by partner companies and professionally reconditioned. This also gives the displays a second life cycle. Since the 2022 fiscal year, mobilezone has also had a process with which slight damage to a display, such as light scratch marks, can be eliminated.

## Targets

In the area of equipment take-back and recycling, the following goals have been defined:

- ✔ In the 2023 fiscal year, the focus in the area of device buy-back will continue to be on increasing awareness among private and business customers via various channels, selling their smartphones or entire device fleets to mobilezone.
- ✔ We plan to take back 9.0 per cent of the smartphones we sell per year in 2023.

## Assessment and outlook

The materiality analysis carried out in summer 2020 as part of the sustainability strategy showed the great potential in remanufactured smartphones. And the development of justit in the past two years proves that there is a demand for used remanufactured smartphones. This is another reason why the business model was launched in November 2022 in Germany as well. The current 2023 business year serves to get to know the German market with its needs in the Second Life smartphone sector in order to be able to draw further conclusions.

With its infrastructure, mobilezone Switzerland can cover the entire cycle, including reprocessing, in-house. At the same time, smartphones are becoming more technically advanced and of better quality, and it makes sense to keep this product in the device cycle for as long as possible. The introduction of justit as the first Swiss brand for remanufactured smartphones was accordingly logical. In the meantime, the business has developed into a sustainably important division of mobilezone, which secures jobs in the long term and creates more. Thus, investments are being made in further developments, processes, marketing measures and in the area of appliance take-back in order to be able to serve the market with used appliances and to make the refurbishing and Second Life area fit for the future.

# Environmental management

We are aware that as a company we must contribute to the careful use of resources. Accordingly, we take our responsibility with regard to the environment seriously and have launched various initiatives and projects to operate in a more ecologically sustainable manner.

## Group-wide energy management

As part of the development of our sustainability reporting, we specified that we declare the Group-wide consumption of electricity and petrol. In terms of future updates to the sustainability report of mobilezone, we plan to publish the two indicators as part of a Group-wide energy balance from the 2023 fiscal year onwards to suitably calculate and illustrate mobilezone's carbon footprint.

In 2018, the company moved its headquarters to the Suurstoffi site in Rotkreuz, which is designed to be self-sufficient in terms of primary energy for heating and water treatment by means of solar utilisation, dynamic earth storage and an energy network. The mobilezone business site in Urnäsch has a solar installation with an output of 12 kWp (kilowatt peak) or 12,000 watts. The site in Bochum is also equipped with solar systems with a total output of 90.3 kWp. In the fiscal year 2022, the mobilezone Group consumed a total of 2,708 MWh of electricity, of which it was able to cover 57 MWh with its own solar plants, thus reducing electricity purchases from other sources by around 2.1 per cent (GRI 302-4).

In view of the energy shortage, it was decided to switch off the lights earlier in all shops in Switzerland. The modern main locations are mostly equipped with light sensors so that the lights go out as soon as no one is in the area. Furthermore, employees were made aware of the need to switch off computer screens, laptops and other devices when not in use. Overall, the group's electricity consumption has nevertheless increased slightly, which can be explained by the normalisation of the pandemic situation and the associated increased return to work.

## Packaging and shipping

### Sustainable shipping packaging

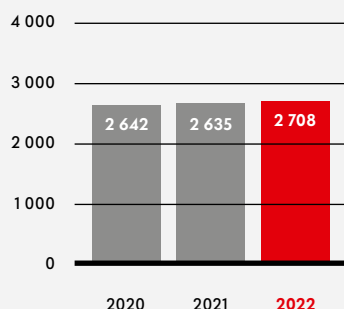
In the area of sustainability, we want to make a difference where we can have an influence. As mobilezone can only exert limited influence on product packaging, it was decided to examine possibilities to replace the shipping packaging with sustainable alternatives. In a first step, an analysis of the existing packaging, including tamping material, was carried out. This analysis has shown that shipping is already almost plastic-free today. Where plastic is still used, it is reused air cushions that come from suppliers and are reused by mobilezone, as well as the plastic film in which the delivery note with address is attached to the package. In a further step, sustainable packaging materials were evaluated with a partner.

### Sustainable product packaging of own brands and focus on sustainable accessories

mobilezone has been selling smartphone cases, charging cables, headphones and other accessories under its own brand "itStyle" for around seven years. In the past fiscal year 2022, the packaging of the conventional product line was made more sustainable. The paper used for the new product packaging comes 100 per cent from recycled sources. The ink used for printing is plant-based and therefore biodegradable. The first products with the new packaging will go on sale in the course of the current year 2023.

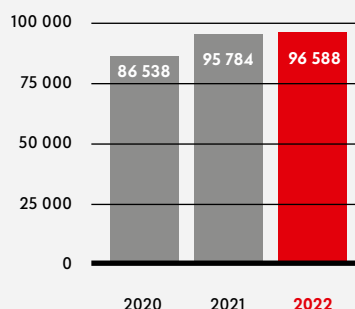
In the area of accessories for smartphones and tablets, mobilezone wants to grow. Feedback from customers shows that there is a need for accessories made from sustainable materials, such as wood or recycled plastic. Here, the range has been greatly expanded and supplemented with brands that meet our sustainability requirements. These requirements will be further detailed in the 2023 fiscal year so that customers have parameters according to which they can select the appropriate accessories.

## Electricity consumption of the mobilezone Group



Electricity consumption is stated in MWh.

## Fuel consumption of the mobilezone Group



Fuel consumption is stated in litres.

## Targets

In the area of sustainable shipping and product packaging as well as sustainable accessories, the following goals have been defined:

- ✓ All shipping packaging material in Switzerland and in Germany is to be designed plastic-free. The implementation will take place in the course of the current fiscal year 2023.
- ✓ The sustainable accessories range will be expanded in 2023.
- ✓ At mobilezone, there are specific parameters that products must fulfil in order to be classified as sustainable.

## Climate-neutral parcel shipping

In Germany, mobilezone dispatches around 600,000 parcels a year. Since 2018, the company has been sending these (items) in a carbon-neutral way using the GoGreen option from DHL, which offsets the CO<sub>2</sub> emissions generated during transport. The GoGreen initiative supports climate protection projects.

## Assessment and outlook

The requirements for sustainability reporting have changed. In accordance with the Ordinance on mandatory climate disclosures, which will come into effect on 1 January 2024, companies will be required to publish quantitative CO<sub>2</sub> targets and information about greenhouse gas emissions in the future. In this context, we want to produce a more accurate evaluation of our resource consumption in the future. Accordingly, the first carbon footprint for the entire Group will be presented in the 2023 sustainability report. Based on the results of the carbon footprint calculation, the mobilezone Group will set goals and measures aimed at promoting environmental sustainability.

With HIGH green, mobilezone wants to launch the first "green" mobile subscription in Germany, which is aimed at offsetting the carbon footprint generated by the mobile subscription. A feasibility study is currently being carried out to examine the extent to which this is possible, what remuneration options are available, which target groups will be addressed and what goals will this achieve. The time horizon for implementation in the current fiscal year 2023 is also to be examined.



# GRI content index

This report is the fourth Sustainability Report of mobilezone holding ag and the third report prepared in accordance with the GRI Standards Option "Core". This report covers all business segments of the mobilezone Group in Switzerland and Germany.

The reporting period covers the period from 1 January to 31 December 2022. The environmental key figures refer to the period 1 January 2020 to 31 December 2022. The mobilezone Group informs its stakeholders annually about its activities and progress in the field of sustainability; the reporting occurs annually as part of the Annual Report. This report was drawn up in compliance with the GRI Standards: option "Core". The report is available in German and English. The sustainability report of the mobilezone Group is not subjected to any external assurance.

An overview of the standards selected and corresponding references can be found in the following GRI index.

Contact for questions about the Sustainability Report: Markus Bernhard, CEO mobilezone Group, Martina Högger, Sustainability Manager at [mobilezoneholding@mobilezone.ch](mailto:mobilezoneholding@mobilezone.ch).

GRI standard	Title	Remarks & omissions	Page
	<b>1. Organisational profile</b>		
<b>GRI 102</b>	<b>General information</b>		
102-1	Name of the organization		62
102-2	Activities, brands, products and services		21–31
102-3	Location of headquarters		21
102-4	Location of operations		62
102-5	Ownership and legal form		62–65
102-6	Markets served		21–31
102-7	Scale of the organisation		21, 62
102-8	Information on employees and other workers	d. The mobilezone Group does not employ any external temporary workers on a significant scale. e. The workforce is not subject to any significant seasonal turnover.	42
102-9	Supply chain		53
102-10	Significant changes in the organisation and its supply chain	There were no significant changes to the organisation and supply chain in the 2022 fiscal year.	62
102-11	Precautionary principle or approach / sustainability approach		35–39
102-12	External initiatives	None	
102-13	Membership of associations and interest groups	mobilezone is a member of SWICO, the business association of the ICT and online sector.	
	<b>2. Strategy</b>		
102-14	Statement from senior decision maker		35
	<b>3. Ethics and integrity</b>		
102-16	Values, principles, standards and norms of behaviour	<a href="https://www.mobilezoneholding.ch/en/about-us/our-company-values.html">https://www.mobilezoneholding.ch/en/about-us/our-company-values.html</a>	
	<b>4. Company management</b>		
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## 5. Integration of stakeholders

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102-41	Collective bargaining agreements	mobilezone does not have any employees subject to a collective bargaining agreement.	
102-42	Identifying and selecting stakeholders		36
102-43	Approach to stakeholder engagement		38
102-44	Key topics and concerns raised		36–38

## 6. Procedure in reporting

102-45	Entities included in the consolidated financial statements		91
102-46	Defining report content and topic boundaries		36–38
102-47	List of material topics		36–38
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		Modification figures "Successful repairs": The figures were retrospectively corrected because the data base was modified.	54
102-49	Changes in reporting	Addition of return and retention rates to GRI Standard No. 401-3 "Parental leave".	43
102-50	Reporting period		48
102-51	Date of most recent report	8 March 2023	58–60
102-52	Reporting cycle		48–50
102-53	Contact point for questions regarding the report		58
102-54	Claims of reporting in accordance with GRI Standards		58–60
102-55	GRI content index		58–60
102-56	External assurance	The sustainability report of the mobilezone Group is not subjected to any external assurance.	58

<b>Employees</b>			
103-1	Explanation of the material topic and its boundary		41–46
103-2	The management approach and its components		41–46
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	Own indicator: Customer satisfaction index	Voluntary supplement to the GRI Standards	48–51
<b>Smartphone cycle</b>			
103-1	Explanation of the material topic and its boundary		52–55
103-2	The management approach and its components		52–55
103-3	Evaluation of the management approach		52–55
301-3	Reclaimed products and their packaging materials	After taking the size of the effects into account, we only report on repurchased, reprocessed and sold smartphones, but not on packaging.	52–55
<b>Environmental management</b>			
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103-2	The management approach and its components		56, 57
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302-4	Reduction of energy consumption		56

# Corporate Governance

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# Corporate Governance

The principles and provisions of the corporate governance are recorded in the statutes and organisational regulations of the mobilezone holding ag. The information published corresponds to the corporate governance guidelines of the SIX Swiss Exchange and valid disclosure provisions of the Swiss Code of Obligations. The reporting date is 31 December 2022, unless otherwise specified.

## 1. Group structure and shareholders

### 1.1 Group structure

The mobilezone Group consists of two business areas Germany and Switzerland. The mobilezone holding ag, Suurstoffi 22, CH-6343 Rotkreuz/Switzerland, the parent company of the Group, is a joint stock company under Swiss law. It is listed on the SIX Swiss Exchange, in the domestic segment (security: 27683769, ISIN: CH0276837694). The market capitalisation as of 31 December 2022 was CHF 674 million:

Company, registered office	Country	Currency	Share capital (000)	Group share		Segment
				2022	2021	
mobilezone ag, Rotkreuz	CH	CHF	2 850	100%	100%	CH
mobilezone reload ag, Rotkreuz <sup>1</sup>	CH	CHF	100	100%	100%	CH
TalkTalk AG, Rotkreuz	CH	CHF	100	100%	100%	CH
IT Business Services GmbH, Rotkreuz	CH	CHF	40	100%	100%	CH
mobilezone Deutschland GmbH, Cologne	GER	EUR	25	100%	100%	DE
mobilezone handel GmbH, Bochum	GER	EUR	25	100%	100%	DE
powwow GmbH, Cologne	GER	EUR	778	100%	100%	DE
powwow Berlin GmbH, Bochum	GER	EUR	25	100%	100%	DE
Bonamic GmbH, Bochum	GER	EUR	250	32%	32%	DE
einsAmobile GmbH, Oberthausen	GER	EUR	50	25%	25%	DE

<sup>1</sup> mobiletouch ag was renamed mobilezone reload ag on 15 February 2022.

### 1.2 Significant shareholders

The following significant shareholders and shareholder groups were listed with a share of more than three per cent of the capital or voting rights in the share register on 31 December 2022:

	2022	2021
BlackRock, Inc., New York, U.S.A.	3.02%	n.a.
Credit Suisse Funds AG, Zurich <sup>1</sup>	5.02%	4.74%
Haubrich GmbH, Düsseldorf <sup>1,2</sup>	5.09%	5.00%
Swisscanto Fondsleitung AG, Zurich <sup>1</sup>	3.73%	n.a.
UBS Fund Management (Switzerland) AG, Basel	6.57%	3.88%
Wilke Stroman, Cologne <sup>2</sup>	n.a.	n.a.

<sup>1</sup> The number of participation shares noted in the last disclosure notice have been converted based on the number of shares outstanding as of the balance sheet date of 31 December.

<sup>2</sup> Wilke Stroman and Haubrich GmbH own shares that were subject to a joint lock-up agreement until 17 June 2022. The shareholder group was dissolved as of 22 June 2022.

The disclosures regarding shareholdings in mobilezone holding ag are published on the electronic platform of the SIX Swiss Exchange and can be retrieved via the Disclosure Office's search screen at the following web link: <https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>

To our knowledge there is no shareholder's agreement between the significant shareholders.

### 1.3 Cross-shareholdings

To our knowledge there are no cross-shareholdings.



## 2. Capital structure

### 2.1 Capital

The share capital consists of 44,000,000 registered shares with a nominal value of CHF 0.01 each. All registered shares are fully paid up and listed on the SIX Swiss Exchange.

### 2.2 Authorised and conditional capital

At the annual General Meeting held on 6 April 2022, the shareholders approved the creation of authorised capital at a maximum amount of CHF 40,000 through the issuance of a maximum of 4,000,000 fully paid up registered shares with a nominal value of CHF 0.01 each by 5 April 2024 at the latest. An increase in partial amounts is permitted.

There is no conditional share capital.

### 2.3 Capital changes

mobilezone holding ag completed the first share buyback programme, which started on 18 November 2021, on 3 February 2022. A total of 781,213 shares were repurchased at an average price of CHF 13.70 per share through a second trading line on the SIX Swiss Exchange. This corresponded to 1.74 per cent of the share capital entered in the commercial register at the time the programme was terminated. At the annual General Meeting of mobilezone holding ag held on 6 April 2022, the shareholders consented to a share reduction by cancelling 781,213 registered shares at the proposal of the Board of Directors. The capital reduction was entered into the commercial register on 14 June 2022. After the capital reduction, the share capital consists of 44,000,000 registered shares (31.12.2021: 44,781,213) with a nominal value of CHF 0.01 each.

On 22 August 2022, a further share buyback programme was launched for the fiscal years 2022 to 2025, which intends to buy back shares worth a maximum of CHF 45 million over a maximum of three years. The repurchase is for a capital reduction, which is subject to the approval of future general meetings. The first tranche of the programme was completed as of 20 October 2022. 770,865 registered shares were bought back at an average price of CHF 15.57 per share for a total of CHF 12.0 million – corresponding to 1.75 per cent of the share capital entered in the commercial register at that time. The registered shares were repurchased on a separate trading line on the SIX Swiss Exchange for capital reduction. The shares acquired under this programme will be proposed for cancellation at the Annual General Meeting on 5 April 2023.

The share buyback programme 2022 to 2025 has been suspended for 2023 due to the acquisitions of Digital Republic AG and SIGA exchange GmbH.

The other capital changes made in 2021 and 2022 are listed in the consolidated statement of changes in shareholders' equity on page 87 of this report, and those of 2020 listed on page 69 of the 2020 Annual Report.

### 2.4 Shares and participation certificates

As of 31 December 2022, there were 44,000,000 registered shares with a par value of CHF 0.01. Of these, 878,403 (previous year: 583,442) are treasury shares. Treasury shares do not have any dividend or voting rights. All other shares are equally entitled to dividends and voting. There are no participation certificates.

### 2.5 Profit-sharing certificates

There are no profit-sharing certificates.

## 2.6 Limitations on transferability and nominee registrations

The transferability of the registered shares is not limited.

Nominee shareholders are registered in the share register without voting rights. There are no agreements with nominee shareholders regarding registration requirements.

## 2.7 Convertible bonds and options

As of the balance sheet date, there were no convertible bonds outstanding.

On 29 December 2017, the Board of Directors adopted an LTI (long term incentive) programme for the management. The individual allocation by the Board of Directors is based on the option plan regulations of mobilezone holding ag. The exercise price is based on the higher of the average closing share price for a period to be determined by the Board of Directors prior to the grant and the closing share price on the date of grant. All options have a term of 7 years and a vesting period of 3 years.

The purpose of this plan is to offer selected mobilezone employees the opportunity to participate in the future, long-term and sustainable corporate success of mobilezone. The plan aims to foster the commitment of the plan participants towards the collective success, as well as to establish a stronger connection between key employees and the company.

The options are allocated by the Board of Directors. The Board of Directors shall determine the contents of this Plan and shall have the right, in its sole discretion, to interpret the provisions of the Plan, to make and amend rules for the administration of the Plan and to engage in all other activities necessary to implement and carry out the Plan. The Board of Directors has the discretion to delegate the authority of the administration of the Plan.

Outstanding options as of 31.12.2022:

Allocation date	Expiry date	Exercise price in CHF	Issued	Outstanding as of 01.01.2022	Allocated	Exercised	Expired	Outstanding as of 31.12.2022
29.06.2018	28.06.2025	12.19	380 000	280 000	0	-270 000	0	10 000
21.08.2019	20.08.2026	10.61	85 000	85 000	0	-85 000	0	0
19.08.2020	18.08.2027	8.13	220 000	220 000	0	0	0	220 000
07.06.2021	06.06.2028	11.31	354 000	294 000	0	0	0	294 000
26.04.2022	25.04.2029	15.56	300 000	0	300 000	0	0	300 000
<b>Total</b>			1 339 000	879 000	300 000	-355 000	0	824 000

Outstanding options as of 31.12.2021:

Allocation date	Expiry date	Exercise price in CHF	Issued	Outstanding as of 01.01.2021	Allocated	Exercised	Expired	Outstanding as of 31.12.2021
29.06.2018	28.06.2025	12.19	380 000	330 000	0	0	-50 000	280 000
21.08.2019	20.08.2026	10.61	85 000	85 000	0	0	0	85 000
19.08.2020	18.08.2027	8.13	220 000	220 000	0	0	0	220 000
07.06.2021	06.06.2028	11.31	354 000	0	354 000	0	-60 000	294 000
<b>Total</b>			1 039 000	635 000	354 000	0	-110 000	879 000

As of 31 December 2022, 824,000 (previous year: 879'000) options outstanding. A total of 300,000 options were issued and 355,000 options were exercised in 2022. In the reporting year, no options (previous year: 110'000) expired.

### 3. Board of Directors

#### 3.1 Members of the Board of Directors

On 31 December 2022, the Board of Directors of mobilezone holding ag consisted of five non-executive and independent members. No member of the Board of Directors has management responsibilities within the Group. mobilezone follows the definition of the independence criteria of the "Swiss Code of Best Practice for Corporate Governance" of economiesuisse.

Name	Position	Nomination
Olaf Swantee	Chairman, independent	2021
Gabriela Theus	Member, independent	2018
Peter K. Neuenschwander	Member, independent	2019
Michael Haubrich	Member, independent	2020
Lea Sonderegger	Member, independent	2022

#### Olaf Swantee

Olaf Swantee (1966, Swiss/Dutch) has comprehensive international experience in the management and control of major companies: He is in particular distinguished by his consolidation and integration experience in the telecommunications and IT sector. As CEO of Sunrise Communications from 2016 to 2020, the company became more dynamic in Switzerland. During his period of office as CEO of EE, Olaf Swantee successfully merged Orange and T-Mobile in the United Kingdom. Between 2007 and 2011, he worked in senior positions at France Telecom (now Orange Group), among other things as head of the European mobile communications and fixed line business. Since August 2020, he has been working as Chairman of the Board of Directors of T-Mobile Netherlands B.V. on behalf of the private equity firm Warburg Pincus and at Community Fibre Ltd in London. He is a member of the Board of Directors at Anapaya Systems AG in Zurich. Olaf Swantee studied economics and holds an MBA from EAP (Ecole des Affaires Paris).

#### Gabriela Theus

Gabriela Theus (1973, Swiss) joined mobilezone Group's Board of Directors in April 2018. After obtaining a degree in Economics at HSG St. Gallen, she worked from 1999 on as a consultant at Knorr Capital Partner and then at Ernst & Young and Sal. Oppenheim in the real estate sector, before moving to Zug Estates Holding AG as CFO. Since September 2017, she has been the Managing Director of the Immofonds Asset Management AG in Zurich.

#### Peter K. Neuenschwander

Dr iur. Peter K. Neuenschwander (1956, Swiss) joined the Board of Directors of mobilezone Group in 2019. After studying in Zurich and being admitted to the bar, he joined the legal department of a leading global IT company in 1986, where he worked for 13 years as a legal consultant. There he was responsible as Legal Counsel Europe for providing legal consultation for European sales. Since 1998, he has had his own law practice (Suffert Neuenschwander & Partner) specializing in information technology law, telecommunications law and distribution law. For several years, he was lecturer for intellectual property and information technology law at the HWZ Hochschule für Wirtschaft, Zurich. He is on the Board of Directors of various corporations that are not listed on the stock exchange.

#### Michael Haubrich

Michael Haubrich (1978, German) has been a member of the Board of Directors of mobilezone Group since 2020. After studying economics at WHU in Vallendar / Koblenz and at the London School of Economics, he worked as business consultant at McKinsey Budapest from 2004 to 2009. From 2010 to 2019, he was CFO of the ElectronicPartner Group before switching there to the Board of Directors in 2019. Since 2013, he has also been a member of the Supervisory Board of notebooksbilliger.de AG.



The Board of Directors of mobilezone holding ag (f.l.t.r.: Olaf Swantee, Lea Sonderegger, Gabriela Theus, Peter K. Neuenschwander and Michael Haubrich).

## Lea Sonderegger

Dr Lea Sonderegger (1981, Austrian) has in-depth knowledge of digital, information technology, omnichannel management and new business development. She has held several senior global roles at Swarovski since 2010, including Director New Business Development, Director and Vice President of swarovski.com and Senior Vice President of the eCommerce Centre of Excellence. As Chief Digital Officer / Chief Information Officer and member of the Management Board at Swarovski, she is currently responsible for global digital business (B2C and B2B), global IT and data & analytics. She has solid experience in research and teaching in the field of innovation and technology management. She studied International Business Administration and Economics and holds a PhD in Economics and Social Sciences from the University of Vienna.

### 3.2 Other activities and vested interests

Information about other activities and vested interests of the members of the Board of Directors can be viewed on the website at: [www.mobilezoneholding.ch/en/about-us/organization/board-of-directors.html](http://www.mobilezoneholding.ch/en/about-us/organization/board-of-directors.html)

### 3.3 Cross-involvements

There is no cross-involvement with the boards of other companies listed on the stock exchange.

### 3.4 Elections and terms of office

The Board of Directors is elected individually by the General Meeting of Shareholders for a one-year term. Re-election is possible.

### 3.5 Meetings of the Board of Directors

Olaf Swantee is Chairman of the Board of Directors, Gabriela Theus, Peter K. Neuenschwander, Michael Haubrich and Lea Sonderegger are members of the Board of Directors. The Board of Directors meets as often as required by business. Last year, a total of nine Board of Directors' meetings took place. Of these, three were held as a video conference. The meetings lasted between one and seven hours. All members of the Board of Directors took part in eight meetings. Gabriela Theus was excused from one Board meeting. Usually, the CEO and CFO attend these meetings. Other members of the Group Management, members of the management teams, employees or third parties are brought in as needed.

The Chairman and the Board of Directors are supported in their work by three committees:

- Audit Committee
- Nomination & Compensation Committee
- Sustainability Committee

The members of the individual committees are listed below.

Name	Audit Committee	Nomination & Compensation Committee	Sustainability Committee
Olaf Swantee	Member	Chair	Chair
Gabriela Theus	Chair		Member
Peter K. Neuenschwander		Member	Member
Michael Haubrich		Member	Member
Lea Sonderegger			Member

### 3.6 Audit Committee

Gabriela Theus chairs the committee, and Olaf Swantee is a member of the Audit Committee. The Audit Committee meets as often as business requires. In the reporting year, five meetings were held. Of these, one was held as a video conference. All members were present for the meetings. The meetings lasted one to three hours each. Usually, the CEO and CFO attend these meetings. Other members of the Group Management, members of the management teams, employees, the auditor or third parties are brought in as needed.

### 3.7 Nomination & Compensation Committee

Olaf Swantee is the Chairman, and Michael Haubrich and Peter K. Neuenschwander are members of the Nomination & Compensation Committees. The Nomination & Compensation Committee meets as often as business requires. In the reporting year, five meetings were held. All members were present at the meetings. The meetings lasted one to three hours.

### 3.8 Sustainability Committee

All members of the Board of Directors sit on the Sustainability Committee, which was newly formed in December 2022; Olaf Swantee is the Chairman. The Sustainability Committee meets twice a year in ordinary meetings of the Board of Directors. The Sustainability Committee has decision-making authority within the framework of the adoption of the Group-wide sustainability strategy and monitors its implementation. It is also responsible for approving the Group's annual sustainability report. In the reporting year, the constituent meeting took place in December. The entire Board of Directors as well as the CEO and CFO participated. The Sustainability Body, headed by the CEO, is the operationally responsible unit within the mobilezone Group. It is a broad-based body that meets at least four times a year.

### 3.9 Definition of areas of responsibility

To the extent allowed by law, the Board of Directors has delegated managerial functions to the Group Management. The breakdown of tasks and competencies is established in the organisational regulations. They can be viewed at any time on the website at: <https://www.mobilezoneholding.ch/en/investors-1/downloads-for-investors.html>.



### **3.10 Information and control instruments vis-a-vis Group Management**

Each member of the Board of Directors has the right to be informed about the course of business by the Group Management and about individual transactions. The information and control tools the Board of Directors uses vis-à-vis the Group Management include in particular the following:

- Consolidated budget (annual)
- Quarterly financial statements with comparison to the previous year
- Earnings forecast (from Q3)
- KPI reporting (monthly)
- Financial projections (half-yearly)
- Detailed oral reports from the Group Management on the course of business

As the parent company of the mobilezone Group companies, mobilezone holding ag is fully involved in the risk assessment process across all Group companies. The risk assessment process is integrated into the Group's annual strategy process. The aim is not to avoid all risk but rather to create options that are intended to help the Group companies to consistently take advantage of existing opportunities and to increase their business success. Risk management supports the companies in reaching their business goals by providing transparency regarding the risk situation (as a basis for strategic and operating decisions), by recognising potential threats to the Group's net assets, financial position and profit situation, and by taking measures to limit risks to an acceptable level. In connection with this risk assessment process, the Board of Directors of mobilezone holding ag is kept informed about any observed risks and opportunities.

### **3.11 Mandates outside the mobilezone Group**

Members of the Board of Directors may hold no more than five additional directorships in other publicly listed companies and no more than ten additional directorships in other companies not listed on the stock exchange.

### **3.12 Changes in the Board of Directors**

Lea Sonderegger was elected to the Board of Directors by the General Meeting on 6 April 2022. Peter K. Neuenschwander will not stand for re-election at the General Meeting on 5 April 2023. The Board of Directors will propose to the General Meeting that CEO Markus Bernhard be newly elected to the Board of Directors. Due to his function as CEO of mobilezone holding ag since 2014 and as CFO in the period from 2007 to 2013, he is not considered independent in the definition of the Swiss Code of Best Practice for Corporate Governance of economie-suisse. In the event of his election by the 2023 General Meeting, his activities on the Board of Directors in that year will take place without additional remuneration. The Chairman and all other members to be elected by the General Meeting are standing for re-election.

## 4. Group Management

### 4.1 Members of the Group Management

On 31 December 2022, mobilezone holding ag's Group Management was made up of four members.

Name	Function	in the Group since	in this function since
Markus Bernhard	CEO	2007	2014
Andreas Fecker	CFO	2007	2014
Roger Wassmer	CEO Switzerland	2014	2020
Wilke Stroman	CEO Germany	2019	2020

### Markus Bernhard

Markus Bernhard (1964, Swiss) has led mobilezone Group as its CEO since 2014. From 2007 to 2013 he was mobilezone Group's CFO. Following his graduation from HSG with a degree in economics, Markus Bernhard received his diploma as a certified public accountant. From 1991 to 1997, he worked as an auditor at Revisuisse Price Waterhouse AG in Zurich. He was CFO of Cope Inc. in Rotkreuz until 2000 and subsequently was CFO of Mount10 Holding AG, also in Rotkreuz. From 2020 to October 2022 he was also a member of the Board of Directors and Chairman of the Audit Committee of Valora Holding AG.

### Andreas Fecker

Andreas Fecker (1972, Swiss) joined mobilezone's Group Management as CFO in 2014. From 2007 to 2013, he was Head of Finance & Controlling of mobilezone Group. Prior to that, Andreas Fecker held the position of financial controller at Mount10 Holding AG from 2000 until 2005. Subsequently he served for several years as controller at Zeppelin International AG and Franke Management AG. After a Swiss Federal Diploma in Finance and Accounting, he obtained a Master's degree in Advanced Studies in Controlling from the Lucerne University of Applied Sciences in 2013.

### Roger Wassmer

Roger Wassmer (1973, Swiss) has been CEO Switzerland since the beginning of January 2020 and heads the business of the Swiss companies. Before assuming this position, he was the COO for Switzerland and Austria. and, from 2014, Managing Director of mobilezone reload ag (formerly mobiletouch Switzerland) and, from 2015, also mobiletouch Austria. He previously worked at Publimedia and EurotaxGlass's as Sales and Marketing Manager and was also CEO of OmniMedia AG and Managing Director of Car4you. From 2012 to 2014, Roger Wassmer was Country Manager for zanox Switzerland AG. After further training as a federally certified marketing manager, he obtained an Executive MBA FH and completed the Senior Management Programme CAS at the University of St. Gallen.

### Wilke Stromann

Wilke Stroman (1980, German) has been in charge of the German business of the mobilezone Group since January 2020 as CEO Germany. He established the online portal sparhandy.de in 2000 as a sideline to his training as bank clerk in East Frisia. After successful completion of his training, he initially worked in the banking sector in London before relocating with his company to Cologne in 2005.



The Group Management of mobilezone holding ag (f. l. t. r. : Markus Bernhard, CEO; Wilke Stromann, CEO Germany; Roger Wassmer, CEO Switzerland; Andreas Fecker, CFO).

#### **4.2 Other activities and vested interests**

Information about other activities and vested interests of the members of Group Management can be viewed on the website at: <https://www.mobilezoneholding.ch/en/about-us/organization/group-management.html> can be viewed.

#### **4.3 Mandates outside the mobilezone Group**

No member of the Group Management may hold more than two mandates in listed companies and more than four mandates in non-listed companies.

#### **4.4 Management contracts**

There are no management contracts regarding the transfer of managerial functions to third parties.

#### **4.5 Changes in Group Management**

CEO Markus Bernhard will step down as CEO of the mobilezone Group on 30 June 2024 and will continue to be responsible for the strategic development, investor relations and M&A of the company as the operational delegate of the Board of Directors. Roger Wassmer, CEO mobilezone Switzerland, and Wilke Stromann, CEO mobilezone Germany, will take over the Group Management as Co-CEOs as of 1 July 2024

Jens Barth, CDO of the Group, left the Group Management on 30 April 2022.

## 5. Shareholders' participation rights

### 5.1 Restrictions on voting rights and representation

Each share entitles the holder to one vote at the General Meeting. Voting rights may only be exercised by shareholders registered with voting rights in the share register. There are no restrictions on voting rights, and the rules in the Articles of Association regarding participation at the General Meeting of Shareholders do not deviate from those mandated by law.

### 5.2 Statutory quorums

The General Meeting passes resolutions and conducts votes by an absolute majority of the shareholders' votes cast unless mandatory statutory regulations or the provisions of the Articles of Association dictate otherwise. Abstentions, blank votes and invalid votes shall not be counted as votes cast.

If none of the candidates standing for election is able to obtain an absolute majority of the votes in the first ballot, a second ballot shall be held. In the second ballot, the relative majority of votes is decisive.

Pursuant to Article 13 of the Articles of Association, the following decisions require at least two-thirds of the votes represented and the absolute majority of the nominal share value represented:

- changing the purpose of the company;
- creating voting shares;
- restricting the transferability of registered shares;
- an authorised or conditional capital increase;
- the capital increase from equity, against contribution in kind or for the purpose of acquisition of assets, and the granting of special benefits;
- limiting or cancelling shareholders' subscription rights;
- the transfer of the company's registered office;
- delisting the Company's shares from the SIX Swiss Exchange or its successor organisation;
- the dissolution of the company without liquidation.

There are no statutory voting quorums that deviate from those mandated by law.

### 5.3 Convocation of the General Meeting

The invitation to the annual General Meeting or extraordinary General Meeting is issued at least 20 days before the meeting through publication in the Schweizerische Handelsamtsblatt (SHAB – Swiss Official Gazette of Commerce). The registered shareholders listed in the share register may also be sent an invitation letter. The invitation shall announce that the Annual Report, the auditors' report, and the remuneration report will be available for inspection by the shareholders at the company's headquarters at least 20 days before the annual General Meeting and that upon request a copy of these documents will be sent to any shareholder. No resolutions can be passed on matters not announced in this way except by means of an application to convene an extraordinary General Meeting or to conduct a special audit.

### 5.4 Agenda

Shareholders representing shares of at least 2 per cent of the share capital may request to have a subject for discussion placed on the agenda for the General Meeting. The relevant request for items to be placed on the agenda must be received by the Company in writing at least 45 days prior to the meeting, stating the items to be discussed and the motions.

### 5.5 Entries in the share registration

Voting rights can only be exercised by shareholders and beneficial owners entered in the share register of mobilezone holding ag with voting rights. To be registered as a shareholder with voting right requires a declaration on the part of the shareholder that the mobilezone holding ag shares were acquired in the shareholder's own name and on the shareholder's own account. The Board of Directors may refuse recognition and registration as shareholder with voting rights if said registration was based on false information provided by the share purchaser.

### **5.6 Proxy voting / electronic participation in the General Meeting**

Each shareholder may be represented by a third party who is not required to be a shareholder and who is authorised in writing, or by the independent voting proxy. Shareholders may also authorise and instruct the independent voting proxy electronically, whereby the Board of Directors determine the modalities. The members of the Board of Directors present at the General Meeting shall decide whether to recognise or reject the proxy. Additional information on provisions regarding voting instructions to the Independent Proxy as well as on electronic participation in the General Meeting will be set forth in the invitation to the General Meeting.

## **6. Changes of control and defence measures**

### **6.1 Mandatory bid obligation**

There is no opting-out provision.

### **6.2 Clauses regarding changes of control**

There are no change-of-control clauses.

## **7. Auditor**

### **7.1 Duration of the mandate and term of office of the lead auditor**

Since fiscal year 2021, BDO AG has been the auditor of mobilezone holding ag and all its Group companies to be audited. The auditor is chosen annually by the General Meeting. The lead auditor since fiscal year 2021 is Reto Frey.

### **7.2 Audit fees**

The fees agreed with the auditor for the fulfilment of their statutory mandate, including the audit of the consolidated financial statements, amounted to a total of CHF 280,200 (previous year: CHF 270,000).

### **7.3 Additional fees**

In the reporting year, BDO submitted invoices in the amount of CHF 37,500 (previous year: CHF 33,000) for additional services beyond the scope of the auditors' statutory mandate. These fees were chiefly for services in connection with tax advice.

### **7.4 Supervisory and control instruments pertaining to the audit**

The auditors are required to attend an Audit Committee meeting at least twice a year. The auditors present the findings from their audit in an audit report to the Board of Directors.



## 8. Blackout periods

Until the announcement of market-relevant information or projects and up to their publication ("blackout periods"), the Board of Directors, Group Management and Management Board as well as persons with direct access to insider information are prohibited from carrying out transactions with participation rights or other financial instruments of mobilezone holding ag. The regularly recurring blackout periods in connection with financial reporting are listed below:

- Annual financial statements: first trading day after 31 December of every year until publication of the Annual Report
- Half-year report: first trading day after 30 June of every year until publication of the half-year report

The CFO reminds the persons affected in each case in writing at the beginning and end of the normal blocking period.

## 9. Information policy

Pursuant to the rules of Swiss GAAP FER, mobilezone Group publishes each year in March and August an annual and a Semi-Annual Report on business performance. All publications are made available in electronic form and are published on the Group's website. Upon request, the Annual Report and the half-year report can be made available in print. Additional information on important changes and essential business activities is published on an ad-hoc basis. All information, including publication dates and a list of contact addresses, is available on the website at [www.mobilezoneholding.ch](http://www.mobilezoneholding.ch) under "Investors". Anyone who wishes to receive all of mobilezone's media information automatically can register at:

<https://www.mobilezoneholding.ch/de/investoren/aboservice-finanz-und-medienmitteilungen.html>

**For 2023, the following important dates have been set:**

Publication of the 2022 Annual Report	10 March
Video conference for investors, media and analysts	10 March
2023 General Meeting	5 April
First trading day without dividend entitlement (ex-dividend date)	12 April
Dividend payment	14 April
Swiss Equities Conference, Interlaken	13 June
Publication of the 2023 half-year report	18 August
Video conference for investors, media and analysts	18 August
Investora, Dübendorf	13 September

# Remuneration report

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# Remuneration report

## 1. Introduction

In compliance with the statutory provisions (Code of Obligations, Ordinance against Excessive Remuneration in Listed Companies [Verordnung gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften, VegüV], and the SIX Swiss Exchange listing rules) and the Articles of Association, the current remuneration report sets forth the remuneration policy for mobilezone Group's Board of Directors and Group Management. In addition, the report sets out the remuneration received and the shares and options held by each member in the year under review.

mobilezone's remuneration policy is transparent, results and performance-related, and aimed at promoting the long-term growth and success of the company.

## 2. Authority and determination procedure

### 2.1 General

The Articles of Association stipulate that the Board of Directors will submit to the General Meeting for its approval the maximum total amount of remuneration for the Board of Directors for the subsequent term of office. If unforeseeable events result in extraordinary demands made on the members of the Board of Directors, the Board of Directors may submit different or additional proposals regarding the same or other time periods to the General Meeting for its approval.

The members of the Group Management receive a fixed remuneration in cash, a Group-profit-related element in shares and in cash as well as performance-related remuneration in cash (STI). The two CEOs for Switzerland and Germany also receive a country-specific EBIT-related remuneration element in cash (STI). A long-term incentive (LTI) is paid to all Group Management members in options and to the CEO and the CEO for Germany in cash. At its December meeting the Nomination & Compensation Committee discusses any adjustments of the Group Management's remuneration for the following year and proposes them to the Board of Directors. The CEO participates as a guest without voting rights in the discussions regarding the other members of the Group Management. The CEO is not present for the discussion of the CEO's own remuneration. The Nomination & Compensation Committee evaluates whether the Group Management objectives were achieved and presents recommendations to the Board of Directors. Based on the individual agreements on objectives of the other members of the Group Management, the CEO proposes to the Nomination & Compensation Committee that the objectives for the performance-based remuneration in cash have been achieved as part of the STI. The CEO is not present when the CEO's own performance and performance-related remuneration are evaluated.

### 2.2 Board of Directors

The members of the Board of Directors receive a fixed remuneration element in cash for each year in office that is not dependent on profit. The term of office lasts from April to March of the following year. The remuneration amounted to CHF 200,000 (previous year: CHF 130,000) for the chairman of the Board of Directors and CHF 75,000 (previous year: CHF 75,000) for the other members of the Board of Directors. Committee chairs received CHF 20,000 (previous year: CHF 20,000) and members CHF 10,000 (previous year: CHF 10,000). No additional remuneration will be paid to the members of the Board of Directors for serving on the Sustainability Committee.

At the General Meeting 2023, the Board of Directors will propose the approval of the maximum permissible total remuneration of the Board of Directors for the period until the next Annual General Meeting in 2024 of CHF 550,000 (previous year: CHF 630,000). The decrease results from the replacement election of Peter K. Neuenschwander. The Board of Directors proposes CEO Markus Bernhard for election to the Board of Directors. Due to his function as CEO of mobilezone holding ag since 2014 and as CFO in the period from 2007 to 2013, he is not considered independent in the definition of the Swiss Code of Best Practice for Corporate Governance of economiesuisse. In the event of his election by the 2023 General Meeting, his activities on the Board of Directors in that year will take place without additional remuneration. The Chairman and all other members to be elected by the General Meeting are standing for re-election.

The remuneration of the Board of Directors for the 2022 fiscal year of CHF 572,000 (previous year: CHF 456,000) is within the maximum permissible amount of CHF 630,000 (previous year: CHF 470,000) approved by the General Meeting.

## 2.3 Group Management

The remuneration of the members of the Group Management consists of a fixed remuneration in cash and a variable remuneration. The variable remuneration includes a short term incentive (STI) dependent on the Group net profit for all Group Management members. The CEO, CFO and the CEO Switzerland receive 50 per cent of this remuneration in cash and 50 per cent in shares of mobilezone holding ag with a blocking period of three years. The CEO Germany receives the entire remuneration in cash. The CEO Switzerland and the CEO Germany each have an additional country EBIT target, 100 per cent of which is paid in cash. For the two targets of Group net profit and country EBIT, there is a minimum target as an entry barrier and an upper limit with a maximum target achievement of 200 per cent, which cannot be exceeded. As a further component of the STI, a performance-related remuneration in cash is paid to the entire Group Management.

Long term incentive (LTI) remuneration for all members of the Group Management is paid through an annual option grant. In 2021, the Board of Directors also approved an LTI programme 2021 to 2023 for the CEO and 2022 to 2024 for the CEO Germany, each of which will be paid out in cash if targets are met.

The remuneration of the Group Management for fiscal year 2022 and 2021 is within the maximum permissible bounds approved by the General Meeting.

(CHF 000)	Approved	Achieved	Utilization
Fiscal year 2022	4 300	3 536	82%
Fiscal year 2021	4 300	3 743	87%

The Board of Directors will ask the General Meeting 2023 to approve the maximum permissible total remuneration of the Group Management amounting to CHF 3.9 million (previous year: CHF 4.3 million) for fiscal year 2024.

### 2.3.1 Fixed remuneration

The fixed remuneration and the target annual salary of the members of the Group Management are proposed and reviewed by the Nomination & Compensation Committee to the Board of Directors in December and are reviewed with due consideration of the budget adopted and the experience and skills of the Group Management member concerned. The actual fixed remuneration in the reporting year amounted to CHF 1,484,000 (previous year: CHF 1,501,000).

### 2.3.2 Short term incentive

In the reporting year, the short term incentive remuneration (dependent on net profit/EBIT and the achievement of individual targets) ranged between 33 and 63 per cent (previous year: 70 and 124 per cent) of fixed remuneration in cash. The share for the Group profit targets and the country-specific EBIT-related targets was between 27 and 40 per cent (previous year: 70 and 92 per cent) and the share for individual targets was between 6 and 23 per cent (previous year: 8 and 23 per cent) of the fixed remuneration in cash.

#### 2.3.2.1 Net profit- and EBIT-related remuneration in shares and cash

The budget 2022 passed in December 2021 by the Board of Directors was the foundation for 100 per cent achievement of objectives. In the reporting year, the budget for 100 per cent achievement of the objectives amounted to a net profit of CHF 50.5 million. The target range was defined by the lower limit of a net profit of CHF 43.0 million and the upper limit of CHF 58.0 million. If the upper limit is reached or exceeded, 200 per cent of the target amount is remunerated. If the net profit had been below CHF 43.0 million, no variable remuneration would have been paid out.

Straight-line adjustment of net profit-dependent achievement of objectives:

Target achievement	Net profit (CHF 000)	Comments
0 per cent	up to 43 000	Entry barrier
50 per cent	46 750	
100 per cent	50 500	Target goal
150 per cent	54 250	
154 per cent	54 537	Net profit
200 per cent	from 58 000	Upper limit

For the CEO, CFO and CEO Switzerland, as in the previous year, 50 per cent of the Group profit-related remuneration is paid in shares with a blocking period of three years and in cash. The CEO Germany receives the Group profit-related remuneration in cash, as in the previous year.

The total number of allocated shares is calculated on the basis of the average mobilezone share closing price on the 20 trading days preceding the December budget meeting of the Board of Directors for the following fiscal year. For reporting year, the remuneration was converted into shares at the calculated average share price of CHF 16.25.

The two CEOs Germany and Switzerland have an additional country-specific EBIT-related remuneration, which is paid in cash. The country EBIT-related remuneration also has an entry barrier and a cap that applies to a maximum target achievement of 200 per cent. The EBIT targets and the individual targets under the STI plans represent business-critical information. Communicating the targets would provide insights into mobilezone's strategic direction and potentially result in a competitive disadvantage for the group. Therefore, it was decided not to disclose details of these objectives.

### 2.3.2.2 Performance-related remuneration in cash

The performance-related remuneration in cash is dependent on whether the individual objectives of the members of the Group Management have been achieved over the course of a one-year period. These objectives, their weighting and the amounts are proposed annually in December by the Nomination & Compensation Committee for the following year and are approved by the Board of Directors. The individual targets are remunerated at a maximum of 100 per cent of the target amount if 100 per cent of the target is achieved or the upper limit is exceeded. In the year under review, all individual targets, including customer and employee satisfaction, were achieved by all Group Management members at 100 per cent or more.

### 2.3.3 Long term incentive programme

On 29 December 2017, the Board of Directors adopted an LTI (long term incentive) programme for the management. The members of the management are granted options annually.

The purpose of this plan is to offer selected mobilezone employees the opportunity to participate in the future, long-term and sustainable corporate success of mobilezone. The plan aims to foster the commitment of the plan participants towards the collective success, as well as to establish a stronger connection between key employees and the company.

The individual allocation by the Board of Directors was based on the option plan regulations of mobilezone holding ag. All options have a term of 7 years and a vesting period of 3 years.

The calculation basis for the exercise price of the 2022 and 2021 options granted is based on the higher of the share price calculated on the average closing share prices of the 60 trading days preceding the grant date and the closing share price at the grant date.

In the reporting year and in the previous year, the following values applied to the allocations:

	2022	2021
Allocation date	26.04.2022	07.06.2021
60-day average share price	15.28	11.31
Share price at the time of allocation	15.56	11.18
Strike price	15.56	11.31
Daily value at the time of allocation	1.42	0.83

Outstanding options of the Group Management as of 31 December 2022:

Allocation date	Expiry date	Exercise price in CHF	Issued	Outstanding as of 01.01.2022	Allocated	Exercised	Expired	Outstanding as of 31.12.2022
29.06.2018	28.06.2025	12.19	320 000	220 000	0	-220 000	0	0
21.08.2019	20.08.2026	10.61	85 000	85 000	0	-85 000	0	0
19.08.2020	18.08.2027	8.13	220 000	220 000	0	0	0	220 000
07.06.2021	06.06.2028	11.31	254 000	214 000	0	0	0	214 000
26.04.2022	25.04.2029	15.56	250 000	0	250 000	0	0	250 000
<b>Total</b>			<b>1 129 000</b>	<b>739 000</b>	<b>250 000</b>	<b>-305 000</b>	<b>0</b>	<b>684 000</b>

Outstanding options of the Group Management as of 31 December 2021:

Allocation date	Expiry date	Exercise price in CHF	Issued	Outstanding as of 01.01.2021	Allocated	Exercised	Expired	Outstanding as of 31.12.2021
29.06.2018	28.06.2025	12.19	320 000	270 000	0	0	-50 000	220 000
21.08.2019	20.08.2026	10.61	85 000	85 000	0	0	0	85 000
19.08.2020	18.08.2027	8.13	220 000	220 000	0	0	0	220 000
07.06.2021	06.06.2028	11.31	254 000	0	254 000	0	-40 000	214 000
<b>Total</b>			<b>879 000</b>	<b>575 000</b>	<b>254 000</b>	<b>0</b>	<b>-90 000</b>	<b>739 000</b>

In 2022, a total of 250,000 options were issued to the members of the Group Management and 305,000 options were exercised by the members of the Group Management. No options expired in 2022 (previous year: 90,000).

On 20 January 2021, the Board of Directors approved an LTI for the CEO for a term from 2021 to 2023 of CHF 270,000 (100 per cent achievement of objectives). The LTI includes a personal (CHF 90,000) and an EBIT-dependent (CHF 180,000) target, which is spread over the term of 3 years.

The CEO has achieved the personal goal with the support of the Board of Directors with the evaluation of his own succession plan.

The cumulative three-year EBIT target of CHF 180 million (100 per cent target achievement) corresponds to a remuneration of CHF 180,000. The entry barrier is CHF 140 million and the upper limit is CHF 220 million with a maximum remuneration of CHF 270,000 (150 per cent target achievement).

On 15 December 2021, the Board of Directors approved an LTI of EUR 120,000 for the CEO Germany for a term from 2022 to 2024, which will be achieved if the CEO Germany is in permanent employment at the end of March 2025.

### 3. Remuneration, shareholdings and loans to governing bodies

#### 3.1 Members of the Board of Directors

The remuneration paid to the Board of Directors in the reporting year in the total amount of CHF 572,000 is below the maximum permissible remuneration of CHF 630,000 that was approved by the shareholders at the General Meeting held on 6 April 2022.

Details regarding the remuneration paid to the members of the Board of Directors are as follows:

(CHF 000)	Year	Basic remuneration	Committee <sup>1</sup>	Social security contributions	Total
Olaf Swantee	2022	183	30	14	227
	2021	130	30	10	170
Gabriela Theus	2022	75	20	6	101
	2021	75	20	6	101
Peter K. Neuenschwander	2022	75	10	4	89
	2021	75	10	5	90
Michael Haubrich	2022	75	10	10	95
	2021	75	10	10	95
Lea Sonderegger <sup>2</sup>	2022	56	0	4	60
	2021	n.a.	n.a.	n.a.	n.a.
<b>Total</b>	<b>2022</b>	<b>464</b>	<b>70</b>	<b>38</b>	<b>572</b>
	<b>2021</b>	<b>355</b>	<b>70</b>	<b>31</b>	<b>456</b>

<sup>1</sup> No additional remuneration will be paid to the members of the Board of Directors for serving on the Sustainability Committee.

<sup>2</sup> At the General Meeting held on 6 April 2022, Lea Sonderegger was elected to the Board of Directors.



The total remuneration of the members of the Board of Directors was CHF 116,000 higher in the reporting year than in the previous year. The increase results from the increase from four to five members and the higher remuneration of the Chairman of the Board of Directors. The Chairman's increased workload is the basis for the adjustment.

In the reporting year, no loans or credits were granted to members of the Board of Directors. There are also no outstanding loan or credit balances.

### 3.2 Former members of the Board of Directors

In 2022, no remuneration, severance payments, loans or credits were granted to former members of the Board of Directors. There are also no outstanding loan or credit balances.

### 3.3 Shareholdings of the Board of Directors

As of 31 December, the members of the Board of Directors held the following number of shares:

Name	Function	Number of shares	
		2022	2021
Olaf Swantee	Chairman, independent	34 900	34 900
Gabriela Theus	Member, independent	2 500	2 500
Peter K. Neuenschwander	Member, independent	2 000	2 000
Michael Haubrich <sup>1</sup>	Member, independent	0	0
Lea Sonderegger <sup>2</sup>	Member, independent	0	n.a.

<sup>1</sup> Michael Haubrich has a shareholding of 30 per cent (previous year 30 per cent) in Haubrich GmbH (formerly: Haubrich Zentrale GmbH & Co. KG, Dusseldorf), which indirectly holds 2,239,154 shares in mobilezone holding ag (previous year: 2,239,154 shares) in mobilezone holding ag

<sup>2</sup> At the General Meeting held on 6 April 2022, Lea Sonderegger was elected to the Board of Directors.

The directors do not hold any options.

### 3.4 Members of the Group Management

On 31 December 2022, mobilezone holding ag's Group Management was made up of four members (previous year: five members).

The remuneration paid to the Group Management in the reporting year in the total amount of CHF 3,536,000 is below the maximum permissible remuneration of CHF 4,300,000 that was approved by the shareholders at the General Meeting held on 7 April 2021.

The details of the remuneration paid to members of the Group Management are as follows:

(CHF 000)	Group Management		thereof Markus Bernhard	
	2022	2021	2022	2021
Fixed remuneration in cash	1 484	1 501	600	500
STI in shares <sup>1</sup>	285	410	185	240
STI in cash	701	1 089	324	380
LTI in options <sup>2</sup>	356	211	142	83
LTI in cash	130	90	90	90
Services and benefits in kind	40	44	3	0
Employer's social security contributions <sup>3</sup>	235	152	125	55
Retirement benefits schemes	305	246	164	141
<b>Total remuneration to the members of the Group Management</b>	<b>3 536</b>	<b>3 743</b>	<b>1 633</b>	<b>1 489</b>

<sup>1</sup> The shares are subject to a blocking period of three years.

<sup>2</sup> The options are valued using the Black-Scholes method.

<sup>3</sup> Contributions to AHV, IV, EO and FAK incl. administrative costs as well as KTG and accident insurance. Includes social security contributions of CHF 100,000 (previous year: CHF 0) from the redemption of options.

The remuneration of the Group Management decreased by CHF 207,000 to CHF 3,536,000 in the year under review. The change is mainly due to the reduction in the Group Management from five to four members as well as the lower target achievement with respect to net-profit and country-specific EBIT-related remuneration (STI).

In the reporting year no loans or credits were granted to members of Group Management. There are also no outstanding loan or credit balances.

The lump sum expenses approved by the tax office are not included in the remuneration amounts reported because they are reimbursements of expenses. In the reporting year these expenses were between CHF 12,000 and CHF 18,000 (previous year: between CHF 12,000 and CHF 18,000) per member of the Group Management employed in Switzerland.

The employment contracts of members of the Group Management are open-ended and can be terminated with a maximum notice period of 12 months. No agreements regarding severance payments were made and accordingly no severance payments were made in the reporting year.

### 3.5 Former members of the Group Management

In the reporting year, no remuneration was paid and no loans or credits were granted to former members of the Group Management. There are also no outstanding loan or credit balances.

### 3.6 Related parties

In the reporting year, no non-market compliant remuneration was paid and no loans or credits were granted to related parties of current or former members of the Board of Directors and the Group Management. There are also no outstanding loan or credit balances.

### 3.7 Shareholdings and options held by the Group Management

As of 31 December, the members of the Group Management held the following number of shares and options:

Name	Function	Number of shares		Number of options	
		2022	2021	2022	2021
Markus Bernhard	CEO	130 000	110 000	300 000	380 000
Andreas Fecker	CFO	79 540	59 461	160 000	185 000
Roger Wassmer	CEO Switzerland	24 143	21 063	150 000	150 000
Wilke Stroman	CEO Germany	700 000	1 155 660	74 000	24 000
Jens Barth <sup>1</sup>	CDO	n.a.	302 415	n.a.	0

<sup>1</sup> Jens Barth to 30 April 2022



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## REPORT OF THE STATUTORY AUDITOR

To the general meeting of mobilezone holding ag, Rotkreuz

### Report on the Audit of the Remuneration Report

#### Opinion

We have audited the Remuneration Report of mobilezone holding ag (the Company) for the year ended 31 December 2022. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14-16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Verordnung gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften, VegüV) on pages 78 to 80 of the Remuneration Report.

In our opinion, the information on remuneration, loans and advances in the Remuneration Report (pages 78 to 80) complies with Swiss law and Art. 14-16 VegüV.

#### Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the *Auditor's Responsibilities for the Audit of the Remuneration Report* section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

#### Other Information

The board of directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the information on remuneration, loans and advances (pages 78 to 80), the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

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

In connection with our audit of the Remuneration Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Remuneration Report 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.

#### Board of directors' Responsibilities for the Remuneration Report

The board of directors is responsible for the preparation of a Remuneration Report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the board of directors determines is necessary to enable the preparation of a Remuneration Report that is free from material misstatement, whether due to fraud or error. The board of directors is also responsible for designing the remuneration system and defining individual remuneration packages.

#### Auditor's Responsibilities for the Audit of the Remuneration Report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to Art. 14-16 VegüV is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is



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a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH 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 this Remuneration Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Remuneration Report, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

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

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

Zurich, 8 March 2023

BDO Ltd

Reto Frey  
Auditor in Charge  
Licensed Audit Expert

Philipp Kegele  
Licensed Audit Expert

BDO Ltd, a limited company under Swiss law, incorporated in Zurich, forms part of the international BDO Network of independent member firms.

# Consolidated financial statements mobilezone Group

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# Consolidated income statement

1 January to 31 December (CHF 000)	Notes	2022	2021
<b>Net sales</b>	<b>1</b>	<b>1 002 701</b>	<b>981 537</b>
Cost of goods and materials		-801 739	-781 880
<b>Gross profit</b>		<b>200 962</b>	<b>199 657</b>
Other operating income	2, 14	2 010	692
Personnel costs	3	-77 362	-74 740
Other operating costs	4, 14	-46 094	-49 284
<b>Operating profit before depreciation (EBITDA)</b>		<b>79 516</b>	<b>76 325</b>
Depreciation property, plant and equipment	12	-3 821	-4 011
Amortisation of intangible assets	13	-5 079	-5 639
<b>Operating profit (EBIT)</b>		<b>70 616</b>	<b>66 675</b>
Financial income	5	65	845
Financial expenses	6	-1 938	-3 034
<b>Profit before taxes (EBT)</b>		<b>68 743</b>	<b>64 486</b>
Income tax expenses	7	-14 206	-13 823
<b>Net profit</b>		<b>54 537</b>	<b>50 663</b>
		CHF	CHF
Earnings per share	22	1.25	1.13
Earnings per share – diluted	22	1.24	1.13

The attached explanatory Notes are an integral part of mobilezone's consolidated financial statements.



# Consolidated balance sheet

As of 31 December (CHF 000)	Notes	2022	2021
<b>Assets</b>			
Cash and cash equivalents		119 352	57 660
Trade accounts receivables	8	110 699	123 075
Inventories	9	57 941	53 573
Other receivables	10	2 648	8 779
Accruals	11	32 817	35 673
<b>Current assets</b>		<b>323 457</b>	<b>278 760</b>
Property, plant and equipment	12	21 325	18 997
Intangible assets	13	27 883	23 235
Other assets	15	3 237	3 507
Deferred income tax assets	7	1 506	2 301
<b>Non-current assets</b>		<b>53 951</b>	<b>48 040</b>
<b>Total assets</b>		<b>377 408</b>	<b>326 800</b>
<b>Liabilities and shareholders' equity</b>			
Financial liabilities	16	20 340	46 577
Trade accounts payables	17	107 574	74 041
Tax liabilities		15 231	14 156
Other liabilities	18	17 210	15 323
Accruals	19	39 010	43 535
Provisions		0	38
<b>Current liabilities</b>		<b>199 365</b>	<b>193 670</b>
Financial liabilities	16	128 961	86 975
Deferred income tax liabilities	7	5 767	1 813
<b>Non-current liabilities</b>		<b>134 728</b>	<b>88 788</b>
Share capital	20	440	448
Treasury shares	20	-13 405	-7 377
Capital reserves		50 829	75 877
Goodwill offset	23	-245 021	-245 021
Retained earnings		250 472	220 415
<b>Shareholders' equity</b>		<b>43 315</b>	<b>44 342</b>
<b>Total liabilities and shareholders' equity</b>		<b>377 408</b>	<b>326 800</b>

The attached explanatory Notes are an integral part of mobilezone's consolidated financial statements.

# Consolidated statement of cash flows

1 January to 31 December (CHF 000)	Notes	2022	2021
<b>Profit before taxes</b>		<b>68 743</b>	<b>64 486</b>
Financial result		1 873	2 188
Depreciation and amortisation	12, 13	8 900	9 650
Changes of allowances (net)		387	890
Gains on divestment	14	0	6 016
Gains on disposal of non-current assets		93	-81
Share-based payments		-256	93
<b>Gross cash flow from operating activities</b>		<b>79 740</b>	<b>83 242</b>
<b>Net working capital adjustments</b>			
Trade accounts receivables		7 825	-32 819
Other receivables and accruals		8 657	30 282
Inventories		-6 192	-8 345
Trade accounts payables		36 678	10 836
Other liabilities, accruals and provisions		-475	5 840
Income taxes paid		-7 952	-7 472
<b>Net cash from operating activities</b>		<b>118 281</b>	<b>81 564</b>
<b>Additions</b>			
Property, plant and equipment	12	-6 561	-5 626
Intangible assets	13	-10 945	-8 312
Securities in fixed assets		-13	-5
Acquisition of subsidiaries less cash and cash equivalents		0	-297
<b>Disposals</b>			
Property, plant and equipment		71	91
Securities in fixed assets		116	148
Sale of subsidiary less cash and cash equivalents	14	0	5 457
Interest received		38	171
<b>Net cash flow from investing activities</b>		<b>-17 294</b>	<b>-8 373</b>
Proceeds of financial liabilities		130 435	59 857
Repayment of financial liabilities		-112 032	-104 678
Interest paid		-1 938	-2 627
Purchase of treasury shares		-17 632	-7 784
Sale of treasury shares		0	1 173
Capital reduction		-86	0
Dividends paid		-36 918	-25 050
<b>Net cash from financing activities</b>		<b>-38 171</b>	<b>-79 109</b>
Effect of currency translation		-1 124	158
<b>Increase/decrease in cash and cash equivalents</b>		<b>61 692</b>	<b>-5 760</b>
Cash and cash equivalents on 1 January		57 660	63 420
<b>Cash and cash equivalents on 31 December</b>		<b>119 352</b>	<b>57 660</b>

The attached explanatory Notes are an integral part of mobilezone's consolidated financial statements.

# Consolidated statement of changes in shareholders' equity

Development of shareholders' equity (CHF 000)	Notes	Share capital	Treasury shares	Capital reserves	Goodwill set off	Retained earnings	Total
<b>As of 01.01.2021</b>		<b>448</b>	<b>-560</b>	<b>88 103</b>	<b>-246 662</b>	<b>181 853</b>	<b>23 182</b>
Net profit						50 663	50 663
Purchase of treasury shares			-7 784				-7 784
Sale of treasury shares			1 173				1 173
Dividends paid				-12 525		-12 525	-25 050
Profit of treasury shares			-206	206			0
Share-based payments	21			93			93
Divestment	14				1 641		1 641
Currency translation adjustments						424	424
<b>As of 31.12.2021</b>		<b>448</b>	<b>-7 377</b>	<b>75 877</b>	<b>-245 021</b>	<b>220 415</b>	<b>44 342</b>
Net profit						54 537	54 537
Capital reduction		-8	10 706	-5 435		-5 349	-86
Purchase of treasury shares			-17 632				-17 632
Sale of treasury shares							0
Dividends paid				-18 459		-18 459	-36 918
Profit of treasury shares			-438	438			0
Share-based payments	21		1 336	-1 592			-256
Currency translation adjustments						-672	-672
<b>As of 31.12.2022</b>		<b>440</b>	<b>-13 405</b>	<b>50 829</b>	<b>-245 021</b>	<b>250 472</b>	<b>43 315</b>

The attached explanatory Notes are an integral part of mobilezone's consolidated financial statements (cf. Note 20).

# Notes to the consolidated financial statements

## Segment information

### Income statement (CHF 000)

#### Net sales

Cost of goods and materials

#### Gross profit

Gross profit margin

Other operating income

Personnel costs

Other operating costs

#### Operating profit before depreciation (EBITDA)

Depreciation property, plant and equipment

Amortisation of intangible assets

#### Operating profit (EBIT)

EBIT margin

### Balance sheet (CHF 000)

Current assets

Non-current assets

#### Assets

#### Liabilities

### Investments in property, plant and equipment and intangible assets

The segment "Switzerland" comprises mobilezone ag, IT Business Services GmbH, TalkTalk AG and mobilezone reload ag.

The segment "Germany" comprises mobilezone Deutschland GmbH, mobilezone handel GmbH, powwow GmbH powwow Berlin GmbH.

The Group Management of mobilezone Group is the chief operating decision maker. The mobilezone Group monitors performance on the basis of the segment operating profit before interests and taxes (EBIT). The total assets of each segment comprise all assets of the segment. Internal reporting of the mobilezone Group is based on the Swiss GAAP FER.

mobilezone Group		Switzerland		Germany		Unallocated / eliminations	
2022	2021	2022	2021	2022	2021	2022	2021
1 002 701	981 537	305 426	322 654	696 298	659 227	977	-344
-801 739	-781 880	-193 025	-211 629	-608 837	-572 321	123	2 070
200 962	199 657	112 401	111 025	87 461	86 906	1 100	1 726
20.0%	20.3%	36.8%	34.4%	12.6%	13.2%		
2 010	692	380	424	1 892	900	-262	-632
-77 362	-74 740	-49 692	-47 824	-24 223	-23 799	-3 447	-3 117
-46 094	-49 284	-22 209	-21 243	-26 087	-24 355	2 202	-3 686
79 516	76 325	40 880	42 382	39 043	39 652	-407	-5 709
-3 821	-4 011	-2 960	-3 264	-806	-685	-55	-62
-5 079	-5 639	-2 430	-2 830	-2 649	-2 809	0	0
70 616	66 675	35 490	36 288	35 588	36 158	-462	-5 771
7.0%	6.8%	11.6%	11.2%	5.1%	5.5%		
323 457	278 760	111 591	96 520	204 098	167 498	7 768	14 742
53 951	48 040	28 876	24 474	24 296	22 555	779	1 011
377 408	326 800	140 467	120 994	228 394	190 053	8 547	15 753
334 093	282 458	123 676	108 214	307 241	291 187	-96 824	-116 943
17 506	13 938	9 679	6 958	7 759	6 980	68	0

The allocation of net sales to a country is based on the location of the registered office of the company that generated the sales. The "Unallocated / eliminations" category comprises transactions between countries/segments and the holding company. Intercompany assets and liabilities are eliminated.

# Principles of Group accounting

## Corporate information

mobilezone's business activities include marketing telecommunications service contracts (mobile and fixed-line telephony, Internet, and digital TV) of all major network operators in Switzerland (Swisscom, Sunrise, Salt) and in Germany (Vodafone, Deutsche Telekom, Telefónica Deutschland) as well as selling mobile communications devices (smartphones and watches, tablets, wearables) and related accessories.

In Switzerland, the company markets telecommunications service contracts and sells mobile telecommunication devices and the related accessories via its own network of shops and through its B2B organisation. In addition, mobilezone offers consultation and outsourcing services for business customers in the area of mobile telecommunications and also offers repair services for mobile phones from many manufacturers. In Germany, marketing and sales are handled via the company's own online portals, by partner-managed shops as well as via online portals managed by third parties. With the brand "TalkTalk" in Switzerland and the brand "HIGH" in Germany, mobilezone competes in the market with its own mobile, fixed-line, and Internet offers as a Mobile Virtual Network Operator (MVNO). In Switzerland, the offers are based on the network capacities of Sunrise and in Germany on those of Deutsche Telekom.

The parent company of the mobilezone Group is mobilezone holding ag, Suurstoffi 22, 6343 Rotkreuz, Switzerland. The company is listed on the SIX Swiss Exchange: stock ticker symbol MOZN / Swiss Security Number 276 837 69.



## 1. Significant accounting policies

### 1.1 Principles of preparation of the financial statements

The consolidated financial statements of mobilezone Group have been prepared in accordance with all existing guidelines of Swiss GAAP FER (accounting and reporting regulations). The consolidated financial statements of mobilezone provide a true and fair picture of its asset, financial, and earnings situation (true and fair view) in accordance with the principles of Swiss GAAP FER, and comply with Swiss law. The consolidated accounts have been prepared on the basis of the historical cost principle, except for derivative financial instruments and securities, which are listed at their fair market value. The Group's consolidated accounts are based on the Group companies' separate financial statements that have been prepared in accordance with uniform guidelines. The uniform balance sheet date is 31 December. The reporting currency is the Swiss franc (CHF). The consolidated financial statements are drawn up on the going concern principle.

### 1.2 Definitions of performance measures not defined by Swiss GAAP FER.

The Group uses particular key figures to measure performance that are not defined by Swiss GAAP FER. Since these performance measures are not defined by Swiss GAAP FER, their comparability with similar figure of other companies may be restricted. To better explain these performance measures, they are presented below.

- "EBITDA" corresponds to the operating profit (EBIT) before depreciation of property, plant & equipment and amortisation of intangible assets.
- Gross profit corresponds to net sales after deduction of the cost of goods and materials.
- Gross profit margin is calculated by dividing gross profit by net sales.
- The EBIT margin is calculated by dividing the operating result (EBIT) by net sales.
- The sub-total "Gross cash flow from operating activities" in the cash flow statement is calculated from the profit before taxes adjusted for the financial result and non-cash transactions.

### 1.3 Principles of consolidation

#### Scope of consolidation

The consolidated financial statements of mobilezone include the financial statements of mobilezone holding ag and of all the subsidiaries it controls directly or indirectly by majority of votes or other means. mobilezone holding ag holds shares in the following companies:

Company, registered office	Country	Currency	Share capital (000)	Group share		Segment	Consolidation
				2022	2021		
mobilezone ag, Rotkreuz	CH	CHF	2 850	100%	100%	CH	F <sup>1</sup>
IT Business Services GmbH, Rotkreuz	CH	CHF	40	100%	100%	CH	F <sup>1</sup>
mobilezone reload ag, Rotkreuz	CH	CHF	100	100%	100%	CH	F <sup>1</sup>
TalkTalk AG, Rotkreuz	CH	CHF	100	100%	100%	CH	F <sup>1</sup>
mobilezone Deutschland GmbH, Cologne	GER	EUR	25	100%	100%	DE	F <sup>1</sup>
mobilezone handel GmbH, Bochum	GER	EUR	25	100%	100%	DE	F <sup>1</sup>
powwow GmbH, Cologne	GER	EUR	778	100%	100%	DE	F <sup>1</sup>
powwow Berlin GmbH, Bochum	GER	EUR	25	100%	100%	DE	F <sup>1</sup>
Bonamic GmbH, Bochum	GER	EUR	250	32%	32%	DE	E <sup>2</sup>
einsAmobile GmbH, Obertshausen	GER	EUR	50	25%	25%	DE	E <sup>2</sup>

<sup>1</sup> F: Full consolidation

<sup>2</sup> E: Equity accounting

Assets and liabilities, as well as expenses and income of the fully consolidated companies are incorporated at 100 per cent. All intercompany transactions and relations between the consolidated companies are offset against each other and eliminated. Intercompany profits from such transactions are eliminated. The acquisition cost of subsidiaries is compared at the time of acquisition against the fair market value of the net assets acquired, liabilities and contingent liabilities based on their new valuation, and the resulting goodwill is offset at the time of acquisition against shareholders' equity retained earnings.

Upon consolidation, all intercompany receivables and payables, transactions and resulting unrealised gains between group companies are eliminated. Companies in which the Group holds at least 20 per cent but not more than 50 per cent of the voting rights are recognised based on the equity method. The investment is valued on a proportionate equity basis.

### **Estimates and discretionary decisions**

The preparation of financial statements in accordance with Swiss GAAP FER requires evaluations, assumptions, and estimates that influence the items in the financial statements as of the balance sheet date. These evaluations, assumptions, and estimates are based on empirical values and other factors that are considered adequate under the given conditions. The actual results may deviate from these estimates. The estimates and the assumptions based on them are subject to continuous revision. Changes to estimates that affect the annual financial statements are included in the reporting period in which the estimate was revised as well as in future reporting periods if they are affected by the revised estimates.

## **1.4 Principles of recognition and valuation**

### **Foreign currency conversion**

The consolidated financial statements are prepared in Swiss francs. The functional currency of all Group companies is the Swiss franc or the euro. Every company within the Group determines its own functional currency. The items included in the financial statements of the respective companies are valued using this functional currency. Gains or losses arising from transactions and foreign currency translations of balance sheet items are included in the income statement. In the case of Group companies with another functional currency, the positions of the balance sheet are translated using the exchange rate in effect on the date of the balance sheet and the items of income statement and statement of cash flows at the average rates in Swiss francs. The resulting currency translation differences are recognised directly in shareholders' equity. Foreign currency differences on non-current Group loans with an equity nature are recognised directly in shareholders' equity. In the event of loss of control over a company, the corresponding accumulated translation differences are reclassified to the income statement. As of 31 December 2022, a euro exchange rate was used for converting the balance sheet of 0.9839 (previous year: 1.0339) and for the income statement and statement of cash flows an average rate of 1.0048 (previous year: 1.0810).

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, current credit bank balances, and current deposits with original maturity of less than three months. Cash and cash equivalents are treated as affecting net income and are stated at nominal value.

### **Securities**

Securities are initially valued at historical cost plus transaction costs. Subsequently, securities are adjusted to market value and are recognised in the income statement under current assets.

### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not listed on any stock exchange. They arise when mobilezone directly makes money, goods, or services available to a debtor and does not intend to trade with the receivable. Receivables from sales of services and products are valued at their nominal value, less the necessary value adjustments for receivables at risk. In addition to individual value adjustments for specific receivables known to be at risk, lump sum value adjustments are made for items that are overdue. The adjustment corresponds to the difference between the book value of the receivables and the current proceeds of the resulting cash flows expected. The changes in the value adjustment are recognised in the income statement. The nominal value corresponds roughly to the market value. With the exception of values maturing more than twelve months after the balance sheet date, they are included in the current assets. The latter are classified under "Other assets" in non-current assets.

### **Inventories**

Inventories are stated at cost or net realizable value, whichever is lower. The cost of inventories is calculated using the weighted average cost method. Goods with longer storage periods are subject to appropriate value adjustments. Net realizable value is the estimated selling price in the ordinary course of business, less selling expenses. The price of a mobile phone is determined based on whether the

product is sold on a stand-alone basis or in conjunction with a provider subscription. Net realizable value therefore takes into account both components. In addition, price protection arrangements with suppliers are also taken into account in determining the need for any value adjustments on inventories.

### Accruals

Significant amounts in the accruals are sales accruals for soliciting new customers and contract renewals. Sales accruals are calculated on the basis of sales and contracts not yet allocated. The effective allocation takes place in subsequent periods and can differ from the sales accruals. Differences in the allocations to sales accruals and revised assessments are recognised in the subsequent period in which the effective allocation or the revised assessment occurs.

### Property, plant and equipment

Property, plant and equipment are stated at historical cost or manufacturing cost less accumulated depreciation. Depreciation is charged to the income statement on a straight-line basis on the basis of the following estimated useful lives of items of property, plant and equipment:

- Office equipment and furnishings incl. IT and vehicles 2 to 10 years
- Shop equipment 5 to 8 years

### Intangible assets

Acquired rights, such as contracts with clients, lessors, and suppliers, and similar rights that generate financial earnings are capitalised and amortised on straight-line basis over the contractual or estimated useful life of usually five years. Customer acquisition costs for mobile, fixed-line telephony and Internet customers are capitalised. Acquisition costs for mobile, fixed-line, and Internet customers are depreciated on a straight-line basis over a maximum term of 36 months.

The software item mainly includes the system and operating software. Software is valued at the acquisition cost minus operationally necessary amortisations and impairments. The amortisations are recognised in the income statement on a straight-line basis over the useful life. The useful life amounts to 2 to 15 years.

### Goodwill

Goodwill refers to the difference between purchase price and the actual value of the acquired net asset. It arises in the acquisition of subsidiaries. Goodwill is offset against shareholders' equity at the time of acquisition. If parts of the purchase price depend on future events, these contingent considerations are estimated and recognised at the time of purchase. If divergences arise during the subsequent definitive purchase price settlement, the goodwill offset against shareholders' equity is adjusted accordingly. When a subsidiary is sold, acquired goodwill that had at an earlier time been offset against shareholders' equity is taken into account at historical cost to determine the profit or loss affecting net income. The effect of a theoretical capitalization of goodwill with scheduled amortisation, as well as possible value adjustments to the statement of financial position and the income statement over a useful life of five years is shown in the Notes.

### Impairment of assets

Assets are tested annually for impairment on the balance sheet date. The test is made on the basis events and indications that indicate an over-valuation of the book values. Losses due to impairment are recognised in the income statement when an asset's book value is higher than its recoverable value. The recoverable value is defined as the higher of the net market value and utility value. If the factors on which the determination of the recoverable value was based have improved considerably, a value impairment stated in a previous reporting period will be reversed in the income statement, either in part or in full, and included in the income statement.

### Current financial liabilities

Current financial liabilities including trade and other current accounts payables and are stated at nominal value.

### Provisions

Provisions are built for current or future legal or de-facto obligations when, on the balance sheet date, as a result of past events, reasonable estimates regarding the future outflow of funds are possible and when such a transfer is likely. The provisions are determined based on the best possible estimate of the expected expenditures.

Contingent liabilities are stated in the Notes if a future obligation is possible or if a present obligation exists, but an outflow of funds is not probable or the amount cannot be reliably determined.

**Treasury shares**

Treasury shares are recognised at historical cost in the shareholders' equity as a separate minus position. Gains or losses from the sale of treasury shares are recognised within capital reserves.

**Earnings per share**

The number of ordinary shares used to calculate earnings per share is determined on the basis of the weighted average number of ordinary shares issued less the weighted average number of treasury shares held. For the diluted earnings per share, an adjusted number of shares is determined as the total of the common shares used to calculate the earnings per share and the potentially dilutive shares from the stock option programmes. To account for dilution from stock option programmes, the number of ordinary shares that could have been purchased at the market price based on the cumulative difference between the market price and the exercise price of the outstanding options is determined. The market price used for this purpose corresponds to the average price of the mobilezone share.

**Option plans**

The options allocated as part of the long-term management participation programmes are measured at fair value at the time of allocation. The value of the options is measured using the Black-Scholes model and recognised as personnel expense on a straight-line basis over the vesting period.

**Operating leasing and financial leasing**

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. As of 31 December 2022 and as of 31 December 2021, there were no financial leasing contracts.

**Pension benefits**

The mobilezone Group has defined-contribution pension plans. Each of the Swiss subsidiaries is affiliated with a collective foundation, a multi-employer plan. The mobilezone Group is not obliged to cover a possible plan deficit. These pension benefit plans are financed with contributions from employees and employer. There are no pension plans at the foreign subsidiaries.

**Net sales and revenue recognition**

Net sales include all revenues from the sale of goods and services, less reductions in earnings, rebates, discounts and VAT. Revenues from the sale of goods are included in the income statement when the significant risks and rights of ownership have been transferred to the buyer. One-time commissions from providers are recognised upon conclusion of the contract. Recurring "airtime" profit-sharing commissions from providers are based on the subscribers' monthly payments of mobile phone bills to the providers. These amounts are recorded in the income statement based on the providers' invoices on an accrual basis. Service revenues are recognised in the period in which the services were rendered.

**Income tax**

Current income taxes are calculated based on the taxable income of the year and are recorded in the income statement. Deferred income taxes are calculated using the balance sheet liability method. Temporary differences arise from divergences between the book value of assets and liabilities for financial reporting purposes and the value used for tax purposes. Deferred tax is calculated using tax rates enacted or substantially enacted on the balance sheet date and will be offset in future tax periods. Deferred tax loss carryforwards and deferred income tax credits are activated only to the extent that it is probable that they will be realised in the future.

## 2. Type and scope of financial risks

### 2.1 Financial risk management

The financial instruments of mobilezone Group predominantly include cash and cash equivalents to provide sufficient funds for the business activities of the Group companies. The Group has various other financial instruments, such as trade accounts payable and receivable resulting directly from business activities, at its disposal. The main risks arising from these financial instruments include liquidity risk and risk of loss of receivables. In terms of other financial assets, such as securities and other receivables, the maximum financial risk in the event of a failure of the counterparty corresponds to the book value of these instruments.

### 2.2 Foreign currency risk

For the most part, sales and purchases are denominated in the companies' local currencies (Swiss franc and euro). Given the short-term nature of payments in euro (5–30 days) and the high inventory turnover, as well as mobilezone's currency congruent purchasing and selling of goods, the company generally does not hedge against currency risks on purchases. Any contracts open at the balance sheet date are valued at fair market value with any changes in fair market value fully recognised in the income statement. No forward foreign exchange contracts were open as of 31 December 2022 and 31 December 2021.

### 2.3 Credit risk / risk of loss of receivables

The Group is exposed to credit risks arising from its ordinary business activity. mobilezone's credit risk arises primarily from trade accounts receivable and bank deposits. A considerable portion of net sales consists of cash transactions or is covered by insurance. Therefore, this business activity results in relatively few losses of accounts receivable compared to net sales. The company meets the risk of outstanding accounts receivable by negotiating short payment terms. To counteract the risk of loss of receivables, mobilezone Group employs pre-determined hedging strategies, such as credit reports. Further minimisation of risk is achieved by limiting and controlling the volume of outstanding receivables. Current bank credit balances and deposits are held at financial institutions. The risk of default is minimised by maintaining business relationships with several financial institutions and by continuously monitoring the credit risk.

### 2.4 Interest rate risk

Changes in interest rates can have negative effects on the Group's asset and income situation and can lead to changes in interest income and interest expenses.

### 2.5 Liquidity risk

Currently, mobilezone Group bears no foreseeable liquidity risk as its financial position features a sufficient amount of cash and its credit lines of CHF 182 million (previous year: CHF 224 million) are sufficient to cover peak demands on net working capital. As of 31 December 2022, CHF 33 million (previous year: CHF 90 million) of the credit line amount remained unused.

### 2.6 Capital changes

The primary objective of mobilezone Group's investment control is to ensure that the Group maintains a high credit rating and an advantageous proportion of shareholders' equity in order to support its business activities. Shareholders' equity includes the shareholder's equity items share stock, treasury shares with the goodwill offset against equity and retained earnings. The Group may adjust dividend distributions to shareholders, issue new shares, buyback shares, or borrow capital for adjusting or maintaining its capital structure. No such changes were made to the objectives and guidelines as of 31 December 2022, or 31 December 2021.



## Fabian Klekamp

Software developer, customer of mobilezone Germany

### Why am I a mobilezone customer?

I am amazed by the wide range of products mobilezone offers. It has a huge selection of different smartphone models and brands, including accessories such as cases, charging cables and headphones. It is always easy to find what I am looking for. I have found that the employees are very competent and helpful. They have always given me good advice and helped me find the best product for my needs. Overall, I am very happy with mobilezone and would recommend the company to anyone looking for a new smartphone or accessories.

### What do I appreciate most about mobilezone?

Overall, it can be said that mobilezone's vast selection of items, including the latest releases, along with its expert advice and exceptional customer service, makes the company an attractive choice for many customers.



# Notes to the consolidated income statement

## 1. Net sales

(CHF 000)	2022	2021
Sales of mobile communication products, mediation of subscriptions, services	389 704	365 508
One-time commissions and recurring "airtime" of mobile communications providers	612 997	616 029
<b>Total net sales</b>	<b>1 002 701</b>	<b>981 537</b>

## 2. Other operating income

(CHF 000)	2022	2021
Gains on sales of current assets	114	82
Other operating income	1 896	610
<b>Total other operating income</b>	<b>2 010</b>	<b>692</b>

## 3. Personnel costs

(CHF 000)	2022	2021
Wages and salaries	66 127	65 248
Social security costs	7 668	7 702
Pension costs	1 715	1 459
Other personnel costs	1 852	331
<b>Total personnel costs</b>	<b>77 362</b>	<b>74 740</b>

Number of employees as of 31 December in full-time equivalents	995	1 018
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In the reporting year, mobilezone did not receive any reimbursement for the short-time working allowance (previous year: CHF 0.7 million). The reimbursements are stated net in the item wages and salaries.

## 4. Other operating costs

(CHF 000)	2022	2021
Rental costs	12 383	12 246
Advertising	13 481	14 230
Repair and maintenance, general and administrative costs	20 230	16 792
Loss from divestment	0	6 016
<b>Total other operating costs</b>	<b>46 094</b>	<b>49 284</b>

Advertising expenditure in the reporting year includes cost contributions of third parties of CHF 7.4 million (previous year: CHF 6.2 million).

The loss from divestment in the previous year resulted from the deconsolidation of einsAmobile GmbH in January 2021 (cf. Note 14).

## 5. Financial income

(CHF 000)	2022	2021
Interest income	14	56
Other financial income	49	789
Dividend	2	0
<b>Total financial income</b>	<b>65</b>	<b>845</b>

## 6. Financial expenses

(CHF 000)	2022	2021
Interest expenses	1 938	2 628
Equity accounting result	0	406
<b>Total financial expenses</b>	<b>1 938</b>	<b>3 034</b>

## 7. Income tax

(CHF 000)	2022	2021
Current income taxes	9 413	11 362
Deferred income taxes	4 793	2 461
<b>Total income tax expenses</b>	<b>14 206</b>	<b>13 823</b>

Current income taxes are based solely on the profit in the reporting year. Deferred income taxes are based on changes in temporary differences. In the reporting year, deferred taxes on losses carried forward in the amount of CHF 0.8 million (previous year: CHF 1.5 million) were reversed.

<b>Income tax reconciliation (CHF 000)</b>	<b>2022</b>	<b>2021</b>
Profit before taxes	68 743	64 486
Average applicable tax rate	20.48%	20.68%
Expected tax expenses	14 079	13 336
Reassessment of capitalised losses carried forward	310	808
Expenses not recognised for tax purposes/tax-exempted income	218	250
Tax expenses/income from prior periods	-401	-571
<b>Effective income tax expenses</b>	<b>14 206</b>	<b>13 823</b>
Effective income tax rate	20.67%	21.44%

The average tax rate is the weighted average of the tax rates of the individual Group companies and may therefore vary annually.

<b>Deferred tax assets and liabilities (CHF 000)</b>	<b>2022</b>	<b>2021</b>
Financial assets	0	9
Intangible assets	178	68
Capitalised losses carried forward	747	1 548
Other	581	676
<b>Total deferred income tax assets</b>	<b>1 506</b>	<b>2 301</b>
Trade accounts receivable	483	489
Inventories	1 180	857
Intangible assets	4 104	467
<b>Total deferred income tax liabilities</b>	<b>5 767</b>	<b>1 813</b>

Deferred income tax positions are calculated at the tax rates that are applicable to the respective companies. These ranged between 12 and 33 per cent (previous year: 12 and 33 per cent). As in the previous year, no income tax expenses were recognised directly in the shareholders' equity.

# Notes to the consolidated balance sheet

## 8. Trade accounts receivables

(CHF 000)	2022	2021
Accounts receivables, gross	113 424	125 643
Value adjustments	-2 725	-2 568
<b>Total trade accounts receivables</b>	<b>110 699</b>	<b>123 075</b>

Trade accounts receivables do not bear interest and are usually payable within 30 days.

## 9. Inventories

(CHF 000)	2022	2021
Inventories, gross	59 098	54 582
Value adjustments	-1 157	-1 009
<b>Total inventories</b>	<b>57 941</b>	<b>53 573</b>

## 10. Other receivables

(CHF 000)	2022	2021
Other receivables	1 879	3 411
VAT	64	151
Income tax	273	4 932
Accounts receivable due from associates	432	285
<b>Total other receivables</b>	<b>2 648</b>	<b>8 779</b>

## 11. Accruals

(CHF 000)	2022	2021
Unbilled receivables	25 897	31 829
Other accruals	6 920	3 844
<b>Total accruals</b>	<b>32 817</b>	<b>35 673</b>

The other accruals comprise primarily reductions in the cost of goods.

## 12. Property, plant and equipment

(CHF 000)	Buildings, land	Shop equipment	Other property, plant and equipment	Total
Acquisition costs				
<b>As of 01.01.2021</b>	<b>6 052</b>	<b>23 521</b>	<b>9 377</b>	<b>38 950</b>
Additions	0	3 712	1 914	5 626
Change in the scope of consolidation	0	28	- 103	- 75
Reclassification	0	0	0	0
Disposals	0	0	- 298	- 298
Foreign exchange impact	- 336	0	- 144	- 480
<b>As of 31.12.2021</b>	<b>5 716</b>	<b>27 261</b>	<b>10 746</b>	<b>43 723</b>
Additions	0	3 393	3 168	6 561
Change in the scope of consolidation	0	0	0	0
Reclassification	0	0	90	90
Disposals	0	- 134	- 369	- 503
Foreign exchange impact	- 276	0	- 130	- 406
<b>As of 31.12.2022</b>	<b>5 440</b>	<b>30 520</b>	<b>13 505</b>	<b>49 465</b>
Accumulated depreciation				
<b>As of 01.01.2021</b>	<b>302</b>	<b>15 645</b>	<b>4 868</b>	<b>20 815</b>
Additions	190	2 572	1 249	4 011
Change in the scope of consolidation	0	28	216	244
Reclassification	0	0	0	0
Disposals	0	0	- 288	- 288
Foreign exchange impact	- 25	0	- 31	- 56
<b>As of 31.12.2021</b>	<b>467</b>	<b>18 245</b>	<b>6 014</b>	<b>24 726</b>
Additions	168	2 416	1 237	3 821
Change in the scope of consolidation	0	0	0	0
Reclassification	0	0	- 3	- 3
Disposals	0	- 35	- 305	- 340
Foreign exchange impact	- 26	0	- 39	- 64
<b>As of 31.12.2022</b>	<b>609</b>	<b>20 626</b>	<b>6 904</b>	<b>28 140</b>
Book value				
<b>on 31.12.2021</b>	<b>5 249</b>	<b>9 016</b>	<b>4 732</b>	<b>18 997</b>
<b>on 31.12.2022</b>	<b>4 831</b>	<b>9 894</b>	<b>6 601</b>	<b>21 325</b>

### 13. Intangible assets

(CHF 000)	Software	Customer acquisition costs	Acquired shop location	Total
Acquisition costs				
<b>As of 01.01.2021</b>	<b>25 528</b>	<b>9 648</b>	<b>2 640</b>	<b>37 816</b>
Additions	5 225	3 087	0	8 312
Change in the scope of consolidation	-269	0	0	-269
Reclassification	0	0	0	0
Disposals	0	-3 215	0	-3 215
Foreign exchange impact	-594	-309	0	-903
<b>As of 31.12.2021</b>	<b>29 890</b>	<b>9 211</b>	<b>2 640</b>	<b>41 741</b>
Additions	6 373	4 572	0	10 945
Change in the scope of consolidation	0	0	0	0
Reclassification	-90	0	0	-90
Disposals	0	-9	0	-9
Foreign exchange impact	-623	-855	0	-1 478
<b>As of 31.12.2022</b>	<b>35 550</b>	<b>12 919</b>	<b>2 640</b>	<b>51 109</b>
Accumulated amortisation				
<b>As of 01.01.2021</b>	<b>6 505</b>	<b>7 225</b>	<b>2 294</b>	<b>16 024</b>
Additions	2 849	2 683	107	5 639
Change in the scope of consolidation	376	0	0	376
Reclassification	0	0	0	0
Disposals	0	-3 215	0	-3 215
Foreign exchange impact	-135	-183	0	-318
<b>As of 31.12.2021</b>	<b>9 595</b>	<b>6 510</b>	<b>2 401</b>	<b>18 506</b>
Additions	2 526	2 468	85	5 079
Change in the scope of consolidation	0	0	0	0
Reclassification	3	0	0	3
Disposals	0	-9	0	-9
Foreign exchange impact	-140	-213	0	-353
<b>As of 31.12.2022</b>	<b>11 984</b>	<b>8 756</b>	<b>2 486</b>	<b>23 226</b>
Book value				
<b>on 31.12.2021</b>	<b>20 295</b>	<b>2 701</b>	<b>239</b>	<b>23 235</b>
<b>on 31.12.2022</b>	<b>23 566</b>	<b>4 163</b>	<b>154</b>	<b>27 883</b>

## 14. Divestments

### einsAmobile GmbH

mobilezone sold 75 per cent of its shares in einsAmobile GmbH in the previous year. With this transaction, mobilezone withdrew from the wholesale business segment. The company was deconsolidated in January 2021 and it is accounted for using the equity method. The following table presents the balance sheet items sold per date of sale and the result arising from the transaction.

(CHF 000)	01.01.2021
Cash and cash equivalents	-4 103
Trade accounts receivable	-23 233
Inventories	-25 356
Other assets	-3 747
Current liabilities	43 303
<b>Net assets sold</b>	<b>-13 136</b>
Realisation of accumulated currency translation adjustments upon sale	-553
Recycling of goodwill to profit or loss upon sale	-1 641
<b>Subtotal</b>	<b>-15 330</b>
Selling price less transaction costs	6 222
Equity investments	3 092
<b>Loss from divestment</b>	<b>-6 016</b>

## 15. Other assets

(CHF 000)	2022	2021
Deposits, other receivables and assets	458	587
Equity investments	2 779	2 920
<b>Total other assets</b>	<b>3 237</b>	<b>3 507</b>

## 16. Financial liabilities

Current financial liabilities (CHF 000)	Currency	2022	Interest	2021	Interest
Real estate loans	EUR	340	2.08–2.40	458	2.08–2.40
Bank loans	EUR	0		5 170	1.10
Promissory note loans	EUR	0		28 949	0.85
Bank loans	CHF	20 000	1.40–1.47	0	
Promissory note loans	CHF	0		12 000	0.85
<b>Total current financial liabilities</b>		<b>20 340</b>		<b>46 577</b>	



<b>Non-current financial liabilities (CHF 000)</b>	<b>Currency</b>	<b>2022</b>	<b>Interest</b>	<b>2021</b>	<b>Interest</b>
Real estate loans	EUR	612	2.08–2.40	1 000	2.08–2.40
Bank loans	EUR	69 857	2.35	44 458	1.10
Promissory note loans	EUR	492	1.15	517	1.15
Bank loans	CHF	17 000	1.40–1.47	0	
Promissory note loans	CHF	41 000	1.05–1.20	41 000	1.05–1.20
<b>Total non-current financial liabilities</b>		<b>128 961</b>		<b>86 975</b>	

<b>Financial liabilities (CHF 000)</b>	<b>Currency</b>	<b>2022</b>	<b>Interest</b>	<b>2021</b>	<b>Interest</b>
Real estate loans	EUR	952	2.08–2.40	1 458	2.08–2.40
Bank loans	EUR	69 857	2.35	49 628	1.10
Promissory note loans	EUR	492	1.15	29 466	0.85–1.15
Bank loans	CHF	37 000	1.40–1.47	0	
Promissory note loans	CHF	41 000	1.05–1.20	53 000	0.85–1.20
<b>Total financial liabilities</b>		<b>149 301</b>		<b>133 552</b>	

<b>Remaining time to maturity (CHF 000)</b>	<b>2022</b>	<b>2021</b>
Up to 1 year	20 340	46 577
1 to 5 years	128 961	86 975
More than 5 years	0	0
<b>Total financial liabilities</b>	<b>149 301</b>	<b>133 552</b>

The CHF/EUR bank loans are part of a syndicated loan of CHF 140 million credit line (previous year: CHF 140 million). The syndicated loan will mature on 31.12.2027. In the reporting year, the term was extended early by two years (previous year: 31.12.2025). The interest rate of the syndicated loan is based on Saron or Euribor plus a margin, which depends on the ratio of net debt to EBITDA. In the reporting year, the interest rate fluctuated between 1.1 and 2.35 per cent (previous year: 1.1 and 1.5 per cent). All bank loans and the promissory note loans are subject to the customary market conditions and covenants, which are being complied with.

## 17. Trade accounts payables

<b>(CHF 000)</b>	<b>2022</b>	<b>2021</b>
Trade accounts payables	106 722	72 858
Trade accounts payables due to non-consolidated affiliates	852	1 183
<b>Total trade accounts payables</b>	<b>107 574</b>	<b>74 041</b>

## 18. Other current liabilities

<b>(CHF 000)</b>	<b>2022</b>	<b>2021</b>
VAT	11 553	11 387
Withholding tax	0	700
Social security costs	1 891	564
Other	3 766	2 672
<b>Total other current liabilities</b>	<b>17 210</b>	<b>15 323</b>

## 19. Accruals

(CHF 000)	2022	2021
Net sales	3 164	4 328
Cost of goods and materials	23 734	33 075
Personnel costs	4 147	5 104
Other	7 965	1 028
<b>Total accruals</b>	<b>39 010</b>	<b>43 535</b>

## 20. Share capital and treasury shares

The share capital consists of 44,000,000 registered shares (previous year: 44,781,213) with a nominal value of CHF 0.01 each.

As of 31 December 2022, retained earnings include legally required reserves in the amount of CHF 1,685,000 (previous year: CHF 1,685,000), which may not be distributed. These reserves were established based on the legal requirements of the Swiss Code of Obligations.

In the reporting year, a dividend of CHF 0.84 per share (2021: CHF 0.56) was paid to shareholders.

At the annual General Meeting held on 6 April 2022, the shareholders approved the creation of authorised capital at a maximum amount of CHF 40,000 through the issuance of a maximum of 4,000,000 fully paid up registered shares with a nominal value of CHF 0.01 each by 5 April 2024 at the latest.

In the reporting year, 1,107,508 shares worth CHF 16.9 million were acquired as part of share buyback programmes (previous year: 444,570 shares worth CHF 5.8 million). The General Meeting held on 6 April 2022 approved the motion to cancel the 781,213 shares from the 2021/22 share buyback scheme through a capital reduction. The capital reduction was entered into the commercial register on 14 June 2022. The transaction costs of CHF 86,000 for the repurchase of the cancelled shares were set off against capital reserves.

Of the total number of shares as of 31 December 2022, 770,865 shares worth CHF 12.0 million were acquired as part of the first tranche of the 2022 to 2025 share buyback scheme, which was successfully completed on 20 October 2022. More information on the share buyback scheme can be found in the corporate governance report on page 63. Transactions in treasury shares resulted in a profit of CHF 438,000 (previous year: CHF 206,000).

Change in number of treasury shares	Number of shares	Highest price CHF	Average price CHF	Lowest price CHF	Total (CHF 000)
<b>As of 01.01.2021</b>	<b>70 000</b>				<b>560</b>
Purchases of treasury shares	175 000	12.25	11.13	10.48	1 948
Share buyback programme 2021/2022	444 570	13.86	13.13	12.48	5 836
Sales/disposals for share-based payments	-106 128	13.74	11.06	8.13	-1 173
Gains/losses					206
<b>As of 31.12.2021</b>	<b>583 442</b>				<b>7 377</b>
thereof from share buyback programme	444 570				5 836
thereof own portfolio	138 672				1 530
Purchases of treasury shares	50 000	15.24	15.24	15.24	762
Share buyback programme 2021/2022	336 643	14.88	14.47	13.92	4 870
Share buyback programme 2022 to 2025 (1st tranche)	770 865	16.22	15.57	14.61	12 000
Capital reduction through cancellation of shares	-781 213	14.88	13.70	12.48	-10 706
Sales/disposals for share-based payments	-81 334	17.14	16.43	16.16	-1 336
Gains/losses					438
<b>As of 31.12.2022</b>	<b>878 403</b>				<b>13 405</b>
thereof from share buyback programmes	770 865				12 000
thereof own portfolio	107 538				1 405

## 21. Option plans

On 29 December 2017, the Board of Directors adopted an LTI (long term incentive) programme for the management. The individual allocation by the Board of Directors was based on the option plan regulations of mobilezone holding ag. All options have a term of 7 years and a vesting period of 3 years. The right to exercise the options depends on whether the employee is in active employment until the end of the vesting period. The options are non-transferable and can only be exercised by the employee. This is an equity-settled plan. The value of the options is calculated using the Black-Scholes model at the time of allocation, and it is recognised in the income statement on a straight-line basis over the vesting period. The exercise price for the options is set at the higher of the average closing share prices over a period of 60 trading days prior to the allocation period to be determined by the Board of Directors (2022 and 2021), or the closing share price on the allocation date.

In the reporting year, the Board of Directors allocated 300,000 options. (previous year: 354,000 options). No options expired in the reporting year (previous year: 110,000).

Outstanding options as of 31.12.2022:

Allocation date	Expiry date	Exercise price in CHF	Issued	Outstanding as of 01.01.2022	Allocated	Exercised	Expired	Outstanding as of 31.12.2022
29.06.2018	28.06.2025	12.19	380 000	280 000	0	-270 000	0	10 000
21.08.2019	20.08.2026	10.61	85 000	85 000	0	-85 000	0	0
19.08.2020	18.08.2027	8.13	220 000	220 000	0	0	0	220 000
07.06.2021	06.06.2028	11.31	354 000	294 000	0	0	0	294 000
26.04.2022	25.04.2029	15.56	300 000	0	300 000	0	0	300 000
<b>Total</b>			<b>1 339 000</b>	<b>879 000</b>	<b>300 000</b>	<b>-355 000</b>	<b>0</b>	<b>824 000</b>

Outstanding options as of 31.12.2021:

Allocation date	Expiry date	Exercise price in CHF	Issued	Outstanding as of 01.01.2021	Allocated	Exercised	Expired	Outstanding as of 31.12.2021
29.06.2018	28.06.2025	12.19	380 000	330 000	0	0	-50 000	280 000
21.08.2019	20.08.2026	10.61	85 000	85 000	0	0	0	85 000
19.08.2020	18.08.2027	8.13	220 000	220 000	0	0	0	220 000
07.06.2021	06.06.2028	11.31	354 000	0	354 000	0	-60 000	294 000
<b>Total</b>			<b>1 039 000</b>	<b>635 000</b>	<b>354 000</b>	<b>0</b>	<b>-110 000</b>	<b>879 000</b>

## 22. Earnings per share

Earnings per share are calculated by dividing the consolidated profit by the weighted number of shares issued during the year, less the average number of treasury shares. For the calculation of diluted earnings per share, the weighted average number of shares outstanding is adjusted to take into account the options granted to management.

Calculation of earnings per share		2022	2021
Net profit	CHF	54 537 000	50 663 000
Number of shares outstanding	Number	44 000 000	44 781 213
Weighted average number of shares outstanding	Number	43 693 650	44 639 429
<b>Earnings per share undiluted</b>	<b>CHF</b>	<b>1.25</b>	<b>1.13</b>
Adjustments for options	Number	222 208	88 133
Weighted average number of shares outstanding	Number	43 915 857	44 727 562
<b>Earnings per share diluted</b>	<b>CHF</b>	<b>1.24</b>	<b>1.13</b>

## 23. Goodwill

Goodwill has been offset against retained earnings at the time of acquisition. The resulting effects on shareholders' equity and on profit or loss are documented below based on the assumption of a useful life of goodwill of five years.

Effect of a theoretical capitalisation of goodwill on the consolidated balance sheet and income statement:

<b>Balance sheet (CHF 000)</b>	<b>2022</b>	<b>2021</b>
<b>Stated shareholders' equity</b>	<b>43 315</b>	<b>44 342</b>
Equity ratio	11.5%	13.6%
<b>Acquisition value goodwill</b>		
At the beginning of the fiscal year	245 021	246 662
Additions	0	0
Disposals	0	-1 641
At the end of the fiscal year	245 021	245 021
<b>Accumulated amortisation</b>		
At the beginning of the fiscal year	193 879	167 558
Amortisation current year	27 961	27 962
Disposals	0	-1 641
At the end of the fiscal year	221 840	193 879
<b>Theoretical net book value goodwill</b>	<b>23 181</b>	<b>51 142</b>
<b>Theoretical shareholders' equity without offsetting of goodwill</b>	<b>66 496</b>	<b>95 484</b>
Theoretical equity ratio	16.6%	25.3%

Effect of a theoretical amortisation of goodwill on results:

<b>Income statement (CHF 000)</b>	<b>2022</b>	<b>2021</b>
Stated net profit	54 537	50 663
Theoretical amortisation of goodwill	-27 961	-27 962
<b>Net profit after amortization of goodwill</b>	<b>26 576</b>	<b>22 701</b>

## 24. Operating leasing

On 31 December 2022, the mobilezone Group operated in 124 shops (previous year: 124) throughout Switzerland, which were all rented. Most of the leases have a fixed term of three to five years and an option to renew for several years.

As of the balance sheet date, future payments for shops, storage and office rooms and other non-current contracts with fixed term are coming due as follows:

2022 (CHF 000)	Premises	Other	Total
Less than 1 year	10 126	807	10 933
1 to 5 years	23 335	666	24 001
More than 5 years	3 596	0	3 596
<b>Total</b>	<b>37 057</b>	<b>1 473</b>	<b>38 530</b>

2021 (CHF 000)	Premises	Other	Total
Less than 1 year	10 294	892	11 186
1 to 5 years	23 926	1 485	25 411
More than 5 years	2 170	0	2 170
<b>Total</b>	<b>36 390</b>	<b>2 377</b>	<b>38 767</b>

## 25. Contingent liabilities and future commitments, capital commitments and restrictions of ownership

As of 31 December 2022, land and buildings in the amount of CHF 4.8 million (previous year: CHF 5.2 million) and cash and cash equivalents worth CHF 2.5 million were pledged for credit lines at banks (previous year: CHF 2.6 million). There are no further items requiring disclosure.

## 26. Related party disclosures

Related parties and companies are organizations in which mobilezone participates significantly as well as members of the Group Management, the Board of Directors and their close relatives, and key shareholders and companies controlled by them. All transactions in the total amount are conducted at market values.

Transactions and balances with related parties and companies (CHF 000)	2022	2021
Net sales	3 064	13 990
Cost of goods and materials	-1 680	-8 612
Cost of services	-30	-2 301
Financial income	0	7
Receivables	433	275
Liabilities	598	992

## 27. Significant shareholders

The shares of mobilezone holding ag are broadly distributed. Significant shareholders are listed in the annual financial statements on page 120.

## 28. Remuneration of members of the Board of Directors and Group Management

Further details of the remuneration paid to members of the Board of Directors and Group Management are provided in the remuneration report on pages 78 to 80.

## 29. Legal risks

Some Group companies are involved in legal disputes in the normal course of business. The management has estimated the outcome of these legal cases based on the information currently available and has not recognised any provisions in the reporting year. However, there are inherent risks in connection with legal claims, depending on the conduct and perspective of the competent court and the counterparty, that can result in a significant outflow of economic resources.

## 30. Events occurring after the balance sheet date

On 6 January 2023, mobilezone acquired 100 per cent of the shares in Digital Republic AG, Zurich, an online provider of mobile Internet (Mobile Virtual Network Operator, MVNO), and SIGA exchange GmbH, Heilbronn, an operator of telecommunications shops at US Army bases in Germany. In the 2022 fiscal year, Digital Republic AG and SIGA exchange GmbH generated sales of approximately CHF 4.5 million and EUR 6.0 million, respectively.

No other significant events have occurred after the balance sheet date.

On 8 March 2023, the Board of Directors of mobilezone holding ag authorised these financial statements for issuance. The Board of Directors proposes the General Meeting on 5 April 2023 that these consolidated financial statements be approved.





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## STATUTORY AUDITOR'S REPORT

To the general meeting of mobilezone holding ag, Rotkreuz

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of mobilezone holding ag and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements (pages 84 to 108) give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and its consolidated results of operations and consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

#### Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Key audit matter	How our audit addressed the key audit matter
<b>Accruals from unbilled receivables</b> <p>mobilezone generates some of its sales income from agreements with mobile network providers and other partners, which compensate mobilezone for the costs of acquiring new customers and extending contracts. The commissions are determined on the basis of sales and agreed contracts and are settled and paid with a time lag to the actual conclusion of the transaction. mobilezone's management accrues estimated unbilled commission income as of the balance sheet date on its own sales records and its own experience. Final agreement with the mobile network providers and the other partners is in some cases still pending. The calculation of the commissions has a direct impact on the sales income and the profit reported in the consolidated financial statements and involves significant estimation uncertainties and scope for judgment. We therefore consider this item to be a significant audit matter in relation to the consolidated financial statements.</p> <p>The assessment of accruals from unbilled sales income in the amount of CHF 25.9 million (or 6.9% of the Group's total assets) was a key audit matter in our audit of the 2022 consolidated financial statements for the reasons stated above.</p> <p>Please refer to note 1.4 Principles of recognition and valuation in combination with note 11 Accruals.</p>	<p>We checked the reconciliation process as defined in the internal control system and the compliance with the related internal controls that relate to the commission income from the largest mobile network providers and other partners.</p> <p>In addition, we performed in particular the following audit procedures:</p> <p>We tested management's calculation and the accuracy of its estimates by examining, on a sample basis, the actual final billings received in fiscal year 2022 in relation to prior year's estimate as at 31 December 2021.</p> <p>For those accruals for which the provisional billings were already available and the payments received, we performed a reconciliation on a sample basis to the estimate made as of the balance sheet date 31 December 2022.</p> <p>We compared material accruals for special commissions in respect of target achievements with correspondence between mobilezone and the mobile network providers and had these balances confirmed.</p> <p>For accruals as of 31 December 2022, that had not been definitively confirmed by invoices or other evidence prior to the completion of our audit, we tested internal calculations. In addition, we critically assessed management's statements and assumptions by considering the past recoverability of accruals. We obtained corresponding audit evidence on a sample basis.</p> <p>We also verified the mathematical accuracy of the internal calculations.</p>

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#### Other Information

The board of directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the financial statements, the compensation report and our auditor's reports 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 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 of the consolidated financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH 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.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits>. This description forms part of our auditor's report.



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### **Report on Other Legal and Regulatory Requirements**

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the board of directors.

We recommend that the consolidated financial statements submitted to you be approved.

Zurich, 8 March 2023

BDO Ltd

Reto Frey  
Auditor in charge  
Licensed Audit Expert

Philipp Kegele  
Licensed Audit Expert

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# Financial statements mobilezone holding ag

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# Income statement

1 January to 31 December (CHF 000)	2022	2021
Dividend income	26 600	27 500
Other financial income	6 539	7 327
Other operating income	6 970	7 143
<b>Total income</b>	<b>40 109</b>	<b>41 970</b>
Financial expenses	-7 618	-8 847
Personnel costs	-4 904	-3 023
Other operating costs	-846	-661
Depreciation property, plant and equipment	-54	-61
Income tax expenses	-286	230
<b>Total expenses</b>	<b>-13 708</b>	<b>-12 362</b>
<b>Net profit</b>	<b>26 401</b>	<b>29 608</b>

# Balance sheet

As of 31 December (CHF 000)	Notes	2022	2021
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		8 375	16 082
Other current receivables	6	74 570	70 618
Accruals		869	658
<b>Total current assets</b>		<b>83 814</b>	<b>87 358</b>
<b>Non-current assets</b>			
Financial assets	7	175 402	184 444
Investments	8	39 817	39 817
Property, plant and equipment		73	77
<b>Total non-current assets</b>		<b>215 292</b>	<b>224 338</b>
<b>Total assets</b>		<b>299 106</b>	<b>311 696</b>
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Current interest-bearing liabilities	9	21 667	48 268
Other current liabilities	10	489	1 565
Accruals	11	1 192	1 227
<b>Total current liabilities</b>		<b>23 348</b>	<b>51 060</b>
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities	12	128 349	85 975
<b>Total non-current liabilities</b>		<b>128 349</b>	<b>85 975</b>
<b>Shareholders' equity</b>			
Share capital	13	440	448
Capital reserve			
– Reserve from capital contributions		42 842	66 651
– Other capital reserve		131	131
Voluntary profit reserve		6 098	6 098
Treasury shares	14	–13 405	–7 377
Available earnings		111 303	108 710
<b>Total shareholders' equity</b>		<b>147 409</b>	<b>174 661</b>
<b>Total liabilities and shareholders' equity</b>		<b>299 106</b>	<b>311 696</b>





## Lydia Valdivieso

Teacher, customer of mobilezone Germany

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### Why am I a mobilezone customer?

After a short online search for the best offer the device I wanted, I quickly landed on the Sparhandy platform. In addition, a good friend recently had a very good experience when they ordered from this supplier. So I ordered it straight away and only one day later I had the phone in my hands.

### What do I appreciate most about mobilezone?

I particularly appreciate the price-performance ratio of Sparhandy. In the end, I got my new smartphone much cheaper than I had thought I would before my research.

# Notes to the financial statements

## Principles

### 1. General

These financial statements have been prepared in accordance with the provisions of Swiss accounting legislation (Title 32 of the Swiss Code of Obligations). A description of the essential valuation principles that were applied but are not prescribed by law follows below.

### 2. Financial assets

The financial assets include long-term loans. Loans granted in foreign currencies are valued at the current closing rate, taking into account the imparity principle.

### 3. Investments

Investments are capitalised at cost minus any necessary value adjustments. Investments that are significant are valued individually, but those that are similar in nature are usually valued together as a group.

### 4. Treasury shares

Treasury shares are recognised at acquisition costs as a debit item in shareholders' equity at the time of acquisition. Upon resale, the gain or loss will be recognised in the income statement as financial income or expense.

### 5. Dispensing with cash flow statement, management report and additional information in the Notes

Since mobilezone holding ag prepares consolidated financial statements in accordance with a recognised accounting standard (Swiss GAAP FER), the company has decided, in accordance with the pertinent legal provisions, to dispense in these financial statements with the information in the Notes regarding interest-bearing liabilities and auditing fees as well as with a cash flow statement and a management report.

## Details regarding the financial statements

### 6. Other current receivables

(CHF 000)	2022	2021
Group companies	74 379	70 400
Third parties	191	218
<b>Total</b>	<b>74 570</b>	<b>70 618</b>

### 7. Financial assets

(CHF 000)	2022	2021
Group companies	175 279	184 186
Third parties	123	258
<b>Total</b>	<b>175 402</b>	<b>184 444</b>

### 8. Direct and indirect investments

Company	Headquarters	Currency	Share capital (000)	Capital/ voting share 31.12.22	Capital/ voting share 31.12.21
mobilezone ag	CH Rotkreuz	CHF	2 850	100%	100%
IT Business Services GmbH	CH Rotkreuz	CHF	40	100%	100%
mobilezone reload ag	CH Rotkreuz	CHF	100	100%	100%
TalkTalk AG	CH Rotkreuz	CHF	100	100%	100%
mobilezone Deutschland GmbH	GER Cologne	EUR	25	100%	100%
mobilezone handel GmbH	GER Bochum	EUR	25	100%	100%
powwow GmbH	GER Cologne	EUR	778	100%	100%
powwow Berlin GmbH	GER Bochum	EUR	25	100%	100%
Bonamic GmbH	GER Bochum	EUR	250	32%	32%
einsAmobile GmbH	GER Obertshausen	EUR	50	25%	25%

### 9. Current interest-bearing liabilities

(CHF 000)	2022	2021
Group companies	1 667	2 149
Banks	20 000	46 119
<b>Total</b>	<b>21 667</b>	<b>48 268</b>

The current interest-bearing liabilities to Group companies include current accounts.

### 10. Other current liabilities

(CHF 000)	2022	2021
Group companies	64	1
Pension funds	144	0
Third parties	281	1 564
<b>Total</b>	<b>489</b>	<b>1 565</b>

## 11. Accruals

(CHF 000)	2022	2021
Executive bodies	28	440
Third parties	1 164	787
<b>Total</b>	<b>1 192</b>	<b>1 227</b>

## 12. Non-current interest-bearing liabilities

The non-current interest-bearing liabilities are bank loans and promissory notes.

## 13. Share capital and authorised capital

The General Meeting held on 6 April 2022 approved the motion to cancel 781,213 shares. The capital reduction was entered into the commercial register on 14 June 2022. The share capital consists of 44,000,000 registered shares (previous year: 44,781,213 registered shares) with a nominal value of CHF 0.01 each.

At the annual General Meeting held on 6 April 2022, the shareholders approved the creation of authorised capital at a maximum amount of CHF 40,000 through the issuance of a maximum of 4,000,000 fully paid up registered shares with a nominal value of CHF 0.01 each by 5 April 2024 at the latest. As of the balance sheet date, there was no conditional share capital.

## 14. Treasury shares

Change in number of treasury shares	Number of shares	Highest price CHF	Average price CHF	Lowest price CHF	Total (CHF 000)
<b>As of 01.01.2021</b>	<b>70 000</b>				<b>560</b>
Purchases of treasury shares	175 000	12.25	11.13	10.48	1 948
Share buyback programme 2021/2022	444 570	13.86	13.13	12.48	5 836
Sales/disposals for share-based payments	-106 128	13.74	11.06	8.13	-1 173
Gains/losses					206
<b>As of 31.12.2021</b>	<b>583 442</b>				<b>7 377</b>
thereof from share buyback programme	444 570				5 836
thereof own portfolio	138 672				1 530
Purchases of treasury shares	50 000	15.24	15.24	15.24	762
Share buyback programme 2021/2022	336 643	14.88	14.47	13.92	4 870
Share buyback programme 2022 to 2025 (1st tranche)	770 865	16.22	15.57	14.61	12 000
Capital reduction through cancellation of shares	-781 213	14.88	13.70	12.48	-10 706
Sales/disposals for share-based payments	-81 334	17.14	16.43	16.16	-1 336
Gains/losses					438
<b>As of 31.12.2022</b>	<b>878 403</b>				<b>13 405</b>
thereof from share buyback programmes	770 865				12 000
thereof own portfolio	107 538				1 405

Of the total number of shares as of 31 December 2022, 770,865 shares in the amount of CHF 12.0 million were acquired as part of the first tranche of the 2022 to 2025 share buyback programme. More information on the share buyback programme can be found in the Corporate Governance report on page 63. Transactions in treasury shares resulted in a gain of CHF 438,000 (previous year: gains of CHF 206,000).

## 15. Significant shareholders

The following significant shareholders and shareholder groups were listed with a share of more than three per cent of the capital or voting rights in the share register:

Company	2022	2021
BlackRock, Inc. (Mother company), New York, U.S.A.	3.02%	n.a.
Credit Suisse Funds AG, Zurich <sup>1</sup>	5.02%	4.74%
Haubrich GmbH, Düsseldorf <sup>1, 2</sup>	5.09%	5.00%
Swisscanto Fondsleitung AG, Zurich <sup>1</sup>	3.73%	n.a.
UBS Fund Management (Switzerland) AG, Basel	6.57%	3.88%
Wilke Stroman, Cologne <sup>2</sup>	n.a.	n.a.

<sup>1</sup> The number of participation shares noted in the last disclosure notice have been converted based on the number of shares outstanding as of the balance sheet date of 31 December.

<sup>2</sup> Wilke Stroman and Haubrich GmbH owned shares that are subject to a joint lock-up agreement until 17 June 2022. The shareholder group was dissolved as of 22 June 2022.

The disclosures regarding shareholdings in mobilezone holding ag are published on the electronic platform of the SIX Swiss Exchange and can be retrieved via the Disclosure Office's search screen at the following web link:

<https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>

To our knowledge there is no shareholder's agreement between the significant shareholders.

## Other disclosures

### 16. Number of full-time employees

In the reporting year, the average number of full-time employees was 3 (previous year: 3).

### 17. Contingent liabilities

(CHF 000)	2022	2021
Joint and several liability from VAT – Group taxation	p.m.	p.m.
Guarantee for a subsidiary	3 300 000	3 300 000

### 18. Participations of members of the Board of Directors and the Group Management

Name	Function	Number of shares		Number of options	
		2022	2021	2022	2021
Olaf Swantee	Chairman, independent	34 900	34 900	0	0
Gabriela Theus	Member, independent	2 500	2 500	0	0
Peter K. Neuenschwander	Member, independent	2 000	2 000	0	0
Michael Haubrich	Member, independent	0 <sup>1</sup>	0 <sup>1</sup>	0	0
Lea Sonderegger <sup>2</sup>	Member, independent	0	n.a.	0	n.a.
Markus Bernhard	CEO	130 000	110 000	300 000	380 000
Andreas Fecker	CFO	79 540	59 461	160 000	185 000
Roger Wassmer	CEO Switzerland	24 143	21 063	150 000	150 000
Wilke Stroman	CEO Germany	700 000	1 155 660	74 000	24 000
Jens Barth <sup>3</sup>	CDO	n.a.	302 415	n.a.	0

<sup>1</sup> Michael Haubrich holds 30 per cent (previous year 30 per cent) in Haubrich GmbH (formerly: Haubrich Central & Co. KG, Düsseldorf), which indirectly holds 2,239,154 shares (previous year: 2,239,154 shares) in mobilezone holding ag

<sup>2</sup> At the General Meeting held on 6 April 2022, Lea Sonderegger was elected to the Board of Directors

<sup>3</sup> Jens Barth up to 30 April 2022

Additional information is provided in the remuneration report on page 74 to 80.

### 19. Significant events after the balance sheet date

On 6 January 2023, mobilezone acquired 100 per cent of the shares in Digital Republic AG, Zurich, an online provider of mobile Internet (Mobile Virtual Network Operator, MVNO), and 100 per cent of SIGA exchange GmbH, Heilbronn, an operator of telecommunications shops at US Army bases in Germany. In the 2022 financial year, Digital Republic AG and SIGA exchange GmbH generated sales of approximately CHF 4.5 million and EUR 6.0 million, respectively.

No other significant events have occurred after the balance sheet date.

# Proposal of the Board of Directors

The proposal of the Board of Directors of mobilezone holding ag to the General Meeting on 5 April 2023, is to dispose of the 2022 available earnings and reserves from capital contributions as follows:

<b>Appropriation of available earnings (CHF 000)</b>	<b>2022</b>	<b>2021</b>
Balance carried forward from previous year	90 251	79 102
Capital reduction	-5 349	0
Net profit	26 401	29 608
<b>Available earnings at the disposal of the General Meeting</b>	<b>111 303</b>	<b>108 710</b>
Distribution of a dividend of CHF 0.45 per dividend registered share (previous year: CHF 0.42)	-19 800	-18 808
Undistributed dividends on treasury shares held by the company		349
<b>Retained earnings carried forward to new account</b>	<b>91 503</b>	<b>90 251</b>
<b>Appropriation of reserves from capital contributions</b>		
Reserves from capital contributions – carried forward from previous year	48 192	66 651
Capital reduction	-5 349	0
Distribution of a dividend free of withholding tax in the amount of CHF 0.45 per dividend registered share (previous year: CHF 0.42)	-19 800	-18 808
Undistributed dividends on treasury shares held by the company		349
<b>Reserves from capital contributions carried forward to new account</b>	<b>23 043</b>	<b>48 192</b>

If the proposal is accepted, the dividend of CHF 0.45 per share free of withholding tax out of the reserves from capital contributions and the dividend, which is subject to withholding tax, of CHF 0.45 per share will be paid on 14 April 2023. The last trading day with entitlement to receive the dividend is 11 April 2023. From 12 April 2023, the shares will be traded ex-dividend.





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## STATUTORY AUDITOR'S REPORT

To the general meeting of mobilezone holding ag, Rotkreuz

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of mobilezone holding ag (the Company), which comprise the balance sheet as at 31 December 2022, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements (pages 114 to 122) comply with Swiss law and the company's articles of incorporation.

#### Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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## Key Audit Matter

## How our audit addressed the key audit matter

### **Valuation of investments in Group companies and loans to and current receivables from Group companies**

The assessment of the recoverability of investments in Group companies and loans to and current receivables from subsidiaries is a key audit matter for the following reasons:

The balance sheet items investments in Group companies (CHF 39.8 million), loans to Group companies (CHF 175.3 million) and current receivables from Group companies (CHF 74.4 million) represent a total of CHF 289.5 million, or approximately 96.8% of total assets of CHF 299.1 million, and thus, represent a material portion of the assets.

As mobilezone holding ag secures financing in the group by means of loans, their recoverability is linked to the valuation and the medium-term target achievement of the business results of the group companies.

Evaluating these investments, loans and current receivables for impairment involves scope for judgment (future cash flows, discount rate and growth rate) in assessing whether indicators of impairment exist and in deriving the relevant values in use for the impairment tests.

As part of the annual impairment testing, mobilezone's management compares the carrying amount of the investments recorded in the balance sheet of the company's statutory financial statements prepared in accordance with the Swiss Code of Obligations with the net assets of the corresponding companies as recorded in their financial statements and performs a value-in-use analysis.

In the year under review, no impairment losses were recognized by mobilezone holding ag.

In addition to the comparison of the carrying amounts of the investments in, loans and current receivables due from group companies with the respective net assets of the corresponding group company at their carrying amounts, we performed the following audit procedures in case of a material shortfall in the net assets:

we examined the value-in-use analysis and checked the nature of the calculation method for its appropriateness,

we analyzed and assessed the basic paper prepared by management,

we tested the mathematical accuracy of the calculation in the valuation models that were used,

we critically questioned the assumptions regarding the future cash flows and growth rates and compared them with the outcomes in the current year and the budget,

we checked the derivation of the discount rate and compared the significant parameters used with appropriate market data,

we assessed the sensitivity of the estimated values with regard to the remaining headroom,

we also compared the growth rates used with past developments and tested their plausibility,

we compared the total of the carrying amount of the investments with the stock market capitalisation of mobilezone holding ag.



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### Other Information

The board of directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

The board of directors is responsible for the preparation of the financial statements, which give a true and fair view in accordance with Swiss GAAP ARR and the provisions of Swiss law, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH 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 financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits>. This description forms part of our auditor's report.



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### **Report on Other Legal and Regulatory Requirements**

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Zurich, 8 March 2023

BDO Ltd

Reto Frey  
Auditor in charge  
Licensed Audit Expert

Philipp Kegele  
Licensed Audit Expert

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## Loic Morzier

Sports equipment salesman, customer of the mobilezone shop on Rue Haldimand in Lausanne

### Why am I a mobilezone customer?

I am a mobilezone customer because the customer service is really good. I have never been disappointed with the service.

### What do I appreciate most about mobilezone?

From the greeting, to the advice, to the salespeople, everything is top notch.







## Company and legal information

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