SSE

ANNUAL REPORT 2023





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SSE

THE SSE GROUP AT A GLANCE

2023 FIGURES

INCOME
170 MCHF

EBITDA
19,8 MCHF

NET RESULT
6,3 MCHF

NUMBER OF EMPLOYEES
727

HEAD OFFICE
Brig, Switzerland

LOCATED IN
8 European countries

EXPORTS TO MORE THAN
40 countries


TOVEX
GEFAHR
DANGER
FARA
10.1.101.095

AN EXCEPTIONAL YEAR, THE RESULT OF A MARKET-DRIVEN GROWTH STRATEGY

Despite an economy under pressure, the SSE Group achieved record results in 2023, increasing for the sixth consecutive year, driven by growth in operating activities and a remarkable improvement in profitability. EBITDA was nearly CHF 20 million, and EBIT was above CHF 10 million for the first time in our history, reaching CHF 12 million. Net profit reached CHF 6.3 million, up 50% compared to 2022.

Expansion and growing profitability

The strategic vision we have been pursuing for several years is bearing fruit. The exceptional profitability of the 2023 financial year even exceeded our expectations. However, sales remained relatively stable, rising by 1% in consolidated terms in Swiss francs, which strengthened in 2023. Without this accounting effect, at constant exchange rates, our growth would exceed 4% compared with 2022.

In explosives, our slightly lower revenues reflect the decline in raw material prices. We nevertheless maintained our margins, despite stagnating or even declining volumes at the end of 2023 due to the economic slowdown. With the exception of Scandinavia, our market share increased everywhere, and we are among the leaders in Switzerland, Germany, Poland, the Czech Republic and Slovakia. This positive trend explains our strategy of withdrawing from the least profitable markets and activities in order to develop activities with high added value.

Fine chemicals could become a game changer

In fine chemicals, our sales and production activities posted strong growth of over 40%, boosted in part by sales of 3-NOP. We are a partner of DSM-Firmenich for the production of their new food additive, Bovaer. Certified in the EU, Brazil and Chile, and soon in the USA, it is the first industrial product capable of considerably reducing methane production by ruminants. Marketed worldwide by our partner for a global herd of several billion cows, it could prove to be a game changer. After having had a positive impact on our results in 2023, it should provide the basis for sustained growth in the short and medium term.

Financial activity

In 2023, the SSE Group decided to end the active management of its liquid assets through stock market investments, an activity which generated a net financial result of CHF 0.8 million in its last year. In the future, investments will focus solely on the Group's operational activities.
In this regard, in order to strengthen our operational activities, in 2023 the Group financed an extraordinary investment program of CHF 17 million, up 90% from the previous year, equivalent to more than 10% of our revenues.

Changes in scope in 2023

In the Czech Republic, on July 1, 2023, we acquired 75% of CB Destrukce, a company in which the Group had held a minority stake for over 5 years. Thanks to this company, which provides drilling for our other local subsidiary, SSE Explo Ceska, the SSE Group now offers an integrated drilling and blasting solution. This vertical integration has enabled us to become one of the leaders in the Czech market.

More than 45 additional employees have thereby joined the SSE Group. CB's economic contribution has had a positive impact on the 2023 accounts.

In Slovakia, the integration of the newly-acquired B-Blast enabled the same growth strategy to be implemented in a stable market, resulting in new contracts, increased market share and an immediate impact on profitability and earnings.

On June 30, 2023, the SSE Group transferred the teams and assets from its Norwegian company to an international group, as activities in this market were suffering from a too low business volume. This carefully considered decision has enabled us to discontinue an activity that has long penalized our profitability. The related financial charges were provisioned in 2022.

SSE share price and dividend up sharply

In 2023, the share price rose from CHF 3150 to CHF 3750, surpassing CHF 4000 on April 12, 2024. In December, capitalization exceeded CHF 110 million, compared with CHF 100 million in April 2023.

In view of the steady rise in earnings since the Group's transformation that was initiated in 2013, equity representing 50% of the consolidated balance sheet, and the favorable outlook, the Board of Directors proposes to increase the dividend by CHF 25 to CHF 100.

Outlook for 2024: optimism despite a troubled climate

In 2024, barring extraordinary events, particularly geopolitical, profitability should remain at a high level for the Group as a whole, despite the conflicts in Ukraine and Israel. Our investments will continue through self-financing, with amounts similar to 2023. In civil explosives, we aim to contribute to market consolidation in Europe, where we are a key player and a leader in most of our markets. As for chemicals, the take-off that has been underway since 2021 should continue and develop strongly.

A simplified structure adapted to new ambitions

SSE Holding is adapting its structure and transforming itself into an industrial holding company in civil explosives and chemicals. The aim is to support the promising development of its two industrial sectors by giving them greater independence and autonomy.



SSE Holding board members visiting a site in Poland.

On January 1, 2024, the structure will be modified as follows:

a. All companies active in the explosives sector will be grouped together in a new holding company, EurEx Holding SA (Europe Explosifs), headquartered in Brig and 100% owned by SSE Holding SA. The value of the transferred holdings is just over CHF 50 million.

b. At the Gamsen site, the buildings, installations and land dedicated to chemical production will be transferred to Valsynthese SA, for a book value of CHF 11 million. The industrial land at Gamsen, earmarked for future development, will be transferred to our financial subsidiary.

c. SSE Finance SA will absorb SuonInvest SA to become the Group's sole financial company. Its purpose will be to support the development of the Group's two historical industrial sectors. It will also act as a reinsurer for the Group's operating companies. On January 1, 2024, SSE Finance SA's balance sheet exceeded 10 million euros.

This adaptation of the Group's structure will enhance the agility of our industrial development and enable the two operational sectors to seize growth opportunities, either independently or with partners.

In this period of profound transformation and development, the Board of Directors is ensuring the continuity and implementation of the new deployment strategy, and all the directors have confirmed their availability for the coming year.

On behalf of the Board of Directors, we would like to thank our CEO, Mr. Gilles de Preux, and all our directors, managers and employees. Their unfailing commitment and the quality of their work have greatly contributed to the Group's exceptional development.

We would also like to thank you, our shareholders, for your trust, support and loyalty.



Raymond Loretan
Chairman



Daniel Antille
Executive Board Member


Produktion
NOP
PRODUKTION
NOP
DE DIETRICH
De Dietrich
PROCESS SYSTEMS
CR06 be01
CR06

WE ARE NOW A SERVICE COMPANY IN BOTH CHEMICALS AND EXPLOSIVES

How has the SSE Group managed to maintain growth despite market stability?
There are three main factors behind this increase. New contracts offset some of the declines in volume, particularly in Poland and Slovakia, where we gained market share; then the successful integration of new acquisitions in the Czech Republic and Slovakia within six months; and finally, the development of the chemicals business unit, which is growing strongly both in volume and revenues, approaching 15% of consolidated Group sales, compared with 10% in 2022.

In the explosives sector, we continued to develop a comprehensive, high value-added service offering for our drilling and blasting customers, which contributed significantly to the increase in profitability. Most of our markets, with the exception of Scandinavia, saw strong growth in financial results. We also improved production efficiency at our sites in Gamsen and Germany, and the profitability of production activity in Switzerland, even though exports suffered slightly from the strength of the Swiss franc in 2023.

What do you call services in the explosives sector?
Over the past 7 years, we have transformed the core business of the SSE Group, which had been recognized mainly as a producer of quality explosives, its historical know-how. Various targeted acquisitions carried out between 2013 and 2016 have allowed us to add quarry services to our portfolio, now making up over 50% of our business. Our comprehensive expertise in drilling and blasting enables us to control the entire value chain, implement new systems, harness innovation and thereby be more efficient and achieve greater profitability.

Hypex, a potential game changer
As part of its drive to innovate and offer sustainable solutions to its customers, the SSE Group signed an exclusive partnership with Swedish company Hytech in December 2022. This agreement could enable it to be one of the first companies to produce and market an ecologically sustainable explosive, Hypex Bio, in Western and Central Europe. Hypex is currently being introduced by Hytech in the mines of the Boliden Group in Sweden, and will soon be introduced in Canada by BME, the mining division of the Omnia Group.

The SSE Group will start producing the new explosive this summer with new equipment installed in Brig. The first tunnel and quarry tests will be carried out by the end of 2024. This will enable it to define a standard in Switzerland before launching this biodegradable solution, with the potential to be a game changer, on the European market.

Hypex represents a significant step forward in reducing the carbon footprint of explosives. Thanks to its composition based mainly on hydrogen peroxide, it helps to reduce soil pollution to virtually zero. Unlike conventional explosives, it emits no nitrates or ammonium, making it a more environmentally-friendly solution. Although the explosive potential of hydrogen peroxide has been known for a long time, Hypex has succeeded in stabilizing it, which could represent a major breakthrough in the field of civil explosives.

By transforming itself into a service company, is the SSE Group a pioneer in its industry?
In the explosives sector, this phenomenon has become widespread. Over the past few years, most companies have noticed the evolution in market expectations and have had to adapt their strategy accordingly. Customer relations are no longer based solely on products, but also on the provision of services and innovative solutions. Our Group is committed to remaining a pioneer in this field, in both our sectors of activity.

Are a catch-up effect and the building of infrastructure driving your growth in Eastern Europe?
Most European markets had a difficult year in 2023 in terms of business volumes. However, our strategy of offering integrated services enabled us to gain market share in this environment.

In Romania, for example, we had been suffering from low profitability in recent years. We adapted our strategy and invested in the quality and technical training of our teams. The resulting performance, with a sharp rise in revenues and profitability, validated our approach and our resilience.

On the other hand, our strategic vision of regional growth explains our investment in Greece at the beginning of 2023. Over the next three years, through the acquisition of a minority stake in a local partner, we plan to become one of the leaders in this market, one of the most dynamic in Europe for underground mining. Through our Greek partner, we could also export our products to Albania and North Macedonia, and position ourselves in the Balkans to seize any opportunities there.

Valsynthese, a driver of growth for the SSE Group
In 2023, Valsynthese celebrated with all its partners forty years of innovation and excellence. The festivities provided an opportunity to retrace the history of our chemicals division with emotion and pride, while reaffirming with conviction our ambitions for it. During the year, our fine chemicals unit once again posted record results, with substantial sales growth and a significant contribution to the Group's overall profitability.

Despite the challenges faced by the fine chemicals industry, including rising costs due to inflation and geopolitical tensions such as the conflict in Ukraine, Valsynthese has successfully charted its growth path. A case in point is our strategic partnership with the Belgian company Chemium for the development of MgFlow technology for "Grignard" chemistry, which will open up new horizons in chemical processes and consolidate our position as a leader in high-energy chemistry.

Another key driver of our success has been the remarkable growth of our flagship product, NOP. Developed in collaboration with DSM-Firmenich, NOP is an active ingredient in Bovaer, designed to reduce methane emissions from cows.

To further strengthen and support our production capacities, we have invested CHF 12 million in modern ISO- and GMP-certified facilities. These facilities enable us to produce advanced intermediates for fine chemicals and active pharmaceutical ingredients (APIs) with DMF registration.

In 2023 you also invested 17 million, or 10% of your revenues. Why?
A large part of this sum, 60%, covers recurrent investments: fleet, trucks, drilling rigs. For the rest, we also wanted to support the exceptional growth of our chemicals business unit, with which we are fully satisfied. In line with our roadmap, it has contributed to the Group's growth in volumes, sales and profitability.

This boost in growth comes as no surprise. It is the expected outcome of a technological and strategic investment plan for the Gamsen site. In the space of two or three years, fine chemicals has become the SSE Group's second strategic pillar of development, profitability and value creation.

How do you explain the success of your fine chemicals business unit?
This success stems from our ongoing commitment to updating and developing our fine chemicals business unit, launched in 2020 as the Erebus project. It is the fruit of investments made between 2020 and 2023, and even into 2024, aimed at integrating new technologies. For example, Valsynthese, which celebrated its fortieth anniversary in 2023, will be ready to carry out hydrogenation from September 2024, opening up new opportunities that complement its traditional expertise in nitration. We are also particularly proud of the strategic partnerships signed in 2023, which we hope will boost production across several product lines in the future.

What are Valsynthese's new strengths?
Valsynthese has transformed itself from a leading industry subcontractor for specific reactions to a provider of industrial solutions and a true CDMO (Contract Development Manufacturing Organization). This evolution is the result of our strategic choice in 2020. The Erebus program also involved replicating in pharmaceuticals the integrated services strategy that had been so successful in civil explosives. In both sectors, the SSE Group is now both a manufacturer and a service provider, which is an asset.



Gilles de Preux
CEO, SSE GROUP


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We create chemistry
Sodium Nitrate
free flowing
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SUSTAINABLE DEVELOPMENT AT SSE RESONANCE INITIATIVE

The world is currently undergoing unprecedented developments with the aim of preserving our planet and its resources for future generations. The mining, construction and fine chemicals sectors are also called upon to play a key role in the success of this energy, ecological and ethical transition.

Over its 140-year history, our Group has been built on strong values and principles founded on respect for the individual. Today, these values continue to inspire and guide all our managerial decisions and actions. Over the years, the challenges of sustainable development have become an increasingly important concern for us. We have begun integrating social and environmental practices by certifying our industrial sites to the international ISO 14001 environmental management standard, and by developing a number of local initiatives for our employees and the communities surrounding our operations.

To reinforce our commitment, we will intensify innovation and the integration of sustainability not only throughout our value chain, but also at the very heart of our business model. In 2023, to make this commitment a reality, we drew up an ambitious sustainability strategy, with demanding and rigorous roadmaps in line with our deep convictions. The SSE Group will proudly inaugurate a major initiative named RESONANCE in 2024.

RESONANCE will be a significant step in our commitment to ESG (Environmental, Social and Governance) and will enable us to have a coordinated approach with all our subsidiaries.

This initiative will coordinate and consolidate all the SSE Group's major actions in these areas, fully integrating them into the Group's strategy. RESONANCE will have a profound and transformative impact within our Group, and should resonate both internally and externally in promoting and supporting our values.

By uniting our efforts through this initiative, we commit to playing an active role in promoting the well-being of society and the environment, while fully embodying our purpose. In the coming months, the SSE GROUP will be launching a number of major in-house projects to make this ambition a reality, with clearly defined objectives



"For the SSE Group management, RESONANCE is much more than just a corporate program. This initiative embodies our identity and values, symbolizing our collective commitment to environmental and societal responsibility as an industrial group. We are deeply proud to contribute to accelerating the transformation of the civil explosives and fine chemicals sectors by stimulating innovation and creating value for all: our employees, our customers, our partners and shareholders, and society as a whole. This approach will demonstrate that the alliance between sustainability and profitability is not only possible but also beneficial for everyone."



GOVERNANCE / SSE GROUP

BOARD OF DIRECTORS SSE HOLDING SA

Raymond Loretan
Chairmann
Geneva

Franziska Tschudi Sauber
Vice-Chairman
Rapperswil-Jona

Daniel Antille
Executive Board Member
Miège

Caroline Kuyper
Board Member
La Tour-de-Peilz

Thomas Gasser
Board Member
Lungern

Dr. Adrien Ramelet
Board Member
Geneva

Dr. Markus Scheller
Board Member
Zuzgen

Raymond Deferr
Honorary Chairman
Monthey

Board members are elected or re-elected each year.

EXECUTIVE FUNCTION

Daniel Antille
Executive Board Member
Miège

GROUP MANAGEMENT

Gilles de Preux
CEO

Dr. Max Lauwiner
Head of Fine
Chemicals Business Unit

Markus Troger
Chief Business
Development officer

Korneliusz Duda
Chief Technical Officer

Pierre-Antoine Zufferey
Chief Financial Officer

AUDITORS

Ernst & Young S.A.
Lausanne




SSE
WGM 0525A
wecon

STRUCTURE OF THE SSE GROUP

SSE HOLDING (SSE GROUP)

EXPLOSIVES BUSINESS UNIT

SWITZERLAND
SSE
ESSA
Hamberger

SCANDINAVIA
SSE Sverige

GERMANY
SSE Deutschland
Eurodyn
SVB

EASTERN EUROPE
SSE Polska
SSE Ceska
SSE Slovakia
CB Destrukce

BALKANS
SSE Romania
Eltek*

FINE CHEMICALS BUSINESS UNIT

SWITZERLAND
Valsynthese

FINANCIAL ACTIVITIES

SWITZERLAND
SSE Finance
Suoninvest

* minority shareholdings

PRESENCE IN EUROPE



SCANDINAVIA
- SSE Sverige

EASTERN EUROPE
- SSE Polska
- SSE Ceska
- SSE Slovakia
- CB Destrukce

GERMANY
- SSE Deutschland
- Eurodyn
- SVB

SWITZERLAND
- SSE Holding, SSS Finance, Suoninvest
- SSE, Valsynthese, Hamberger
- ESSA

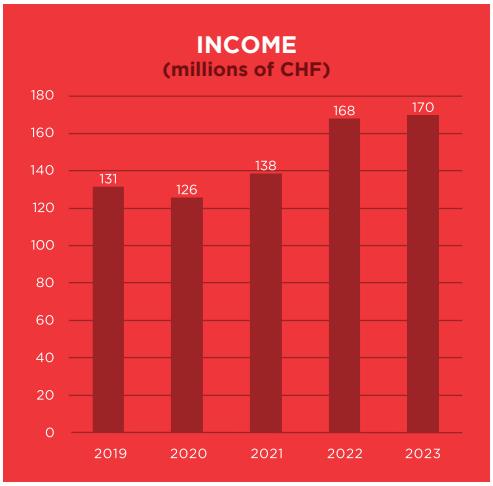
BALKANS
- SSE Romania

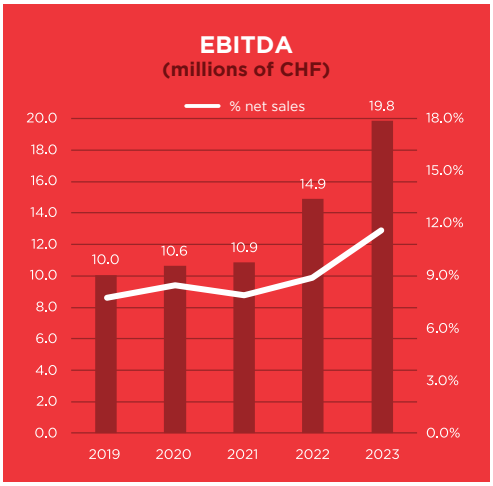
GREECE
- Eltek

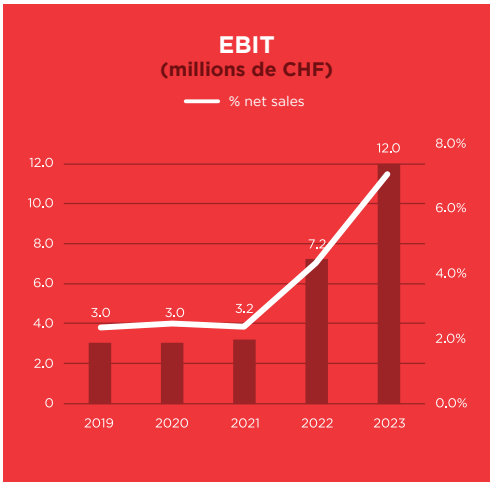
● Holding / financial activity ■ Production and commercialization ▲ Commercialization

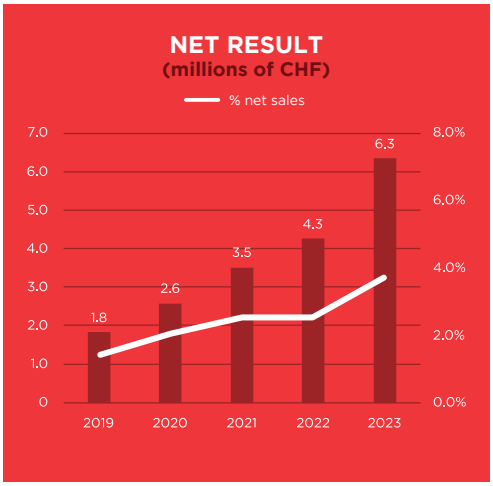


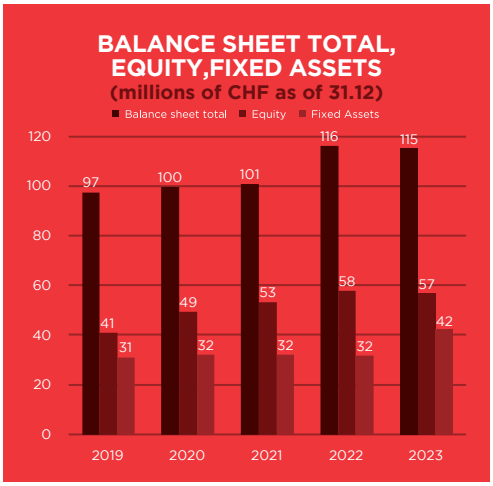
SSE GROUP – KEY FIGURES

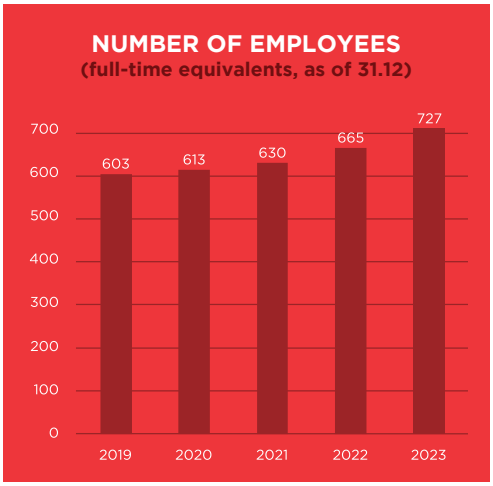












Valuation	2019	2020	2021	2022	2023
Number of shares	24600	26600	28000	29400	29400
Dividend per share (CHF/share)	70	70	70	75	100*
Earnings per share (CHF/share)	75	97	125	145	216
Equity per share (CHF/share)	1662	1860	1904	1967	1938
Share price (CHF)	3150	3050	3060	3275	3762
Capitalization (MCHF)	77	81	86	96	111

** dividend proposed to the general assembly of SSE Holding*

SSE GROUP

CONSOLIDATED BALANCE SHEET

Assets (in CHF)

Current assets	**Notes**	**31.12.23**	**31.12.22**
Cash		12 644 927	14 347 943
Securities	(1)	2 406 000	8 008 000
Trade receivables	(2)	22 005 217	24 325 725
Other receivables, other current assets	(3)	3 680 168	3 573 481
Short-term loans		12 555	10 474
Inventories	(4)	18 430 536	20 888 154
Total current assets		**59 179 402**	**71 153 777**
Fixed assets			
Financial fixed assets			
• Long-term loans, net	(5)	1 591 525	45 749
• Securities and other long-term financial assets, net	(6)	10 321 446	11 106 612
Investments in associates		1 214 766	1 235 921
Tangible assets	(7)	41 856 579	31 733 725
Intangible assets	(8)	619 835	856 597
Other long-term assets		76 414	-
Total fixed assets		**55 680 565**	**44 978 605**
Total Assets		**114 859 968**	**116 132 382**

Liabilities and equity (in chf)

Short-term liabilities	**Notes**	**31.12.23**	**31.12.22**
Trade payables		9 357 194	10 070 315
Short-term financial liabilities	(9)	2 833 617	3 446 828
Other short-term liabilities	(10)	8 266 546	5 423 190
Short-term provisions	(11)	6 075 252	4 330 813
Total short-term liabilities		**26 532 609**	**23 271 146**
Long-term liabilities			
Long-term financial liabilities	(12)	18 778 298	25 122 094
Long-term provisions	(13)	12 583 082	9 913 998
Total long-term liabilities		**31 361 380**	**35 036 092**
Total liabilities		**57 893 989**	**58 307 238**
Equity			
Share capital		2 940 000	2 940 000
Legal capital reserves			
• Reserves from capital contributions (agio)	(14)	19 610 177	21 815 177
Retained earnings			
• General reserve		1 900 000	1 900 000
Other reserve from retained earnings			
• Consolidated reserve		26 174 740	26 910 337
• Profit of the year		6 341 062	4 259 630
Total Equity		**56 965 979**	**57 825 144**
Total liabilities and equity		**114 859 968**	**116 132 382**

CONSOLIDATED INCOME STATEMENT

Income (in chf)	**Notes**	**2023**	**2022**
Sales		166 293 633	163 851 547
Other operating income		3 377 741	4 139 803
Total of sales and operating income		**169 671 374**	**167 991 350**
Variation of inventories of work-in-progress and finished goods	(15)	-1 744 948	2 853 065
Total Income		**167 926 426**	**170 844 415**
Expenses			
Cost of goods sold		-82 264 671	-97 681 082
Other direct production expenses		-7 309 799	-4 704 412
Payroll expenses		-48 039 896	-44 638 494
Maintenance and research expenses		-854 348	-820 560
Administration expenses		-9 632 645	-8 122 923
Total operating expenses		**-148 101 359**	**-155 967 471**
Earnings before interest, tax, depreciation and amortization (EBITDA)		**19 825 067**	**14 876 943**
Depreciation of tangible assets		-7 174 167	-7 160 539
Depreciation of intangible assets and financial assets		-611 507	-467 209
Earnings before interest and tax (EBIT)		**12 039 393**	**7 249 195**
Interest income and expenses	(16)	-983 250	-513 158
Financial result	(17)	801 369	669 817
Exchange gains/losses	(18)	-883 856	-1 552 844
Income from associates		229 963	394 136
Extraordinary result	(19)	-2 088 821	-788 234
Other taxes		52 780	-193 757
Profit before tax		**9 167 578**	**5 265 155**
Taxes		-2 826 516	-1 005 525
Profit of the year		**6 341 062**	**4 259 630**

SSE GROUP – CONSOLIDATED CASH-FLOW STATEMENT

(in chf)	Notes	2023	2022
Net result of the year		6 341 062	4 259 630
Impact of exchange rate / restatement of companies accounted for using the equity method	(20)	-217 155	-1 337 581
Exchange gains/losses of the year		883 856	1 552 844
Depreciation/Value adjustment on fixed assets positions		7 785 674	7 627 748
Elimination of value adjustments on marketable securities	(21)	-1 200 000	
Changes in provisions		2 542 907	2 355 732
Changes in short-term receivables		5 881 920	-4 368 718
Changes in inventories		2 174 294	-5 123 498
Changes in short-term receivables (without financial liabilities)		-3 025 628	-48 012
Other changes in assets/liabilities	(22)	603 453	771 943
Operating cash flow		**21 770 385**	**5 690 088**
Investments in tangible assets		-16 514 583	-9 875 468
Sales of tangible assets		849 650	814 596
Investments in intangible assets		-357 107	-248 748
Investments in financial assets		-399 942	-6 688 048
Sales of financial assets		484 613	1 750 693
Investing cash flow		**-15 937 368**	**-14 246 975**
Increase/Repayment of loans/debts		-10 049 176	8 947 519
Receipts resulting Increase of share capital		-	4 270 000
Expenses related to the increase of share capital		-	-44 245
Dividend paid to shareholders		-2 205 000	-1 960 000
Financing cash flow		**-12 254 176**	**11 213 274**
Exchange gains/losses of the year		-883 856	-1 552 844
Net change in cash and cash equivalents		**-7 305 016**	**1 103 543**
Cash at the beginning of the year		22 355 943	21 252 400
Cash at the end of the year		15 050 927	22 355 943
Net change in cash and cash equivalents		**-7 305 016**	**1 103 543**

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023

1. Presentation of the accounts
The consolidated financial statements are prepared in accordance with accounting principles required by Swiss law.

2. Basis of consolidation

Scope of consolidation
The consolidated financial statements comprise the financial elements of SSE Holding SA and those of its subsidiaries and associated companies (detailed hereunder) according to the rules indicated below.

In 2023, SSE Holding increased its ownership stake in CB Destrukce s.r.o. from 25% to 100%. Consequently, this company is fully consolidated as of 31 December 2023, whereas it was accounted for using the equity method as of 31 December 2022. Hellenic Explosives Technology LTD, in which SSE Holding acquired a stake in December 2022, was not accounted for using the equity method in the 2022 financial statements due to its immaterial impact on the 2022 consolidated financial statements. In the 2023 consolidated financial statements it is accounted for using the equity method. Ownership stake in SlovDrill s.r.o. was sold in 2023, and as of 31 December 2023 this company is no longer accounted for using the equity method.

Subsidiaries
As at 31 December 2023, all the companies in which SSE Holding SA exercises an exclusive or majority control, either directly or indirectly, are fully consolidated according to the global integration method, except for NL Events SA and ISCP Inc., which are not considered as material, as well as SUGYP SA, Hellenic Explosives Technology LTD and SSP Immobilier SA, which are accounted for using the equity method. Assets, liabilities, expenses and income of fully consolidated companies are recognized at 100% in the annual consolidated financial statements.

Associates
Companies in which SSE Holding SA has, directly or indirectly, a shareholding between 20% and 50% of the capital and makes it possible to exercise a decisive influence, have been recorded in the consolidated balance sheet as at 31 December 2023, using the equity method. In 2023, this concerns SUGYP SA, Hellenic Explosives Technology LTD and SSP Immobilier SA.

Other investments
Investments of less than 20% are shown on the balance sheet at acquisition cost, after deduction of appropriate depreciation. They are included under «Securities and other long-term financial assets».

Consolidated companies

Companies	Seat	Participations in %		Consolidation method
		2023	2022	
Société Suisse des Explosifs SA	Brig, Switzerland	100	100	Global integration
SSE Finance SA	Brig, Switzerland	100	100	Global integration
Valsynthese SA	Brig, Switzerland	100	100	Global integration
ESSA Explosiv Service SA	Brig, Switzerland	100	100	Global integration
Hamberger Swiss Pyrotechnics AG	Spiez, Switzerland	100	100	Global integration
NL Events SA	Brig, Switzerland	100	100	Not consolidated (1)
SSE Sverige AB	Gyttorp, Sweden	100	100	Global integration
SSE Norge AS	Trondheim, Norway	100	100	Global integration
SSE Deutschland GmbH	Homburg, Germany	100	100	Global integration
Eurodyn Sprengmittel GmbH	Würgendorf, Germany	100	100	Global integration
Sprengmittelvertrieb in Bayern GmbH	Kümmersbruck, Germany	100	100	Global integration
SSE Polska Sp. z.o.o.	Rogów Sobócki, Poland	100	100	Global integration
SSE Explo Ceska s.r.o.	Tuchorice, Czech Republic	100	100	Global integration
SSE Slovakia s.r.o.	Humenné, Slovakia	100	100	Global integration
SSE Explo Romania srl	Cluj-Napoca, Romania	100	100	Global integration
Explotec MAC DOOEL	Radovis, Republic of Macedonia	100	100	Global integration
Suoninvest AG	Visp, Switzerland	100	100	Global integration
ISCP Inc. (USA)	USA	100	100	Not consolidated (1)
SlovDrill s.r.o.	Vlkanová, Slovakia	-	50	Not consolidated (1)
CB Destrukce s.r.o.	Ceské Budejovice, Czech Republic	100	25	Global integration (2)
SUGYP SA	Corcelles-près-Payerne, Switzerland	30	30	Equity method
SSP immobilier SA	Corcelles-près-Payerne, Switzerland	33,3	33,3	Equity method
Hellenic Explosives Technology LTD	Grevena, Greece	21,7	21,7	Equity method (3)

(1) The companies NL Events SA and ISCP Inc. are not consolidated due to the size of their balance sheets, which is considered insignificant. The stake in the company SlovDrill s.r.o. was sold in 2023.

(2) In 2022, CB Destrukce s.r.o. was accounted for using the equity method. Following the acquisition of the remaining 75% of its shares on 1 July 2023, it is now fully owned by SSE Holding and is fully consolidated as of 31 December 2023.

(3) In 2022, Hellenic Explosives Technology LTD was not accounted for using the equity method, as this stake was acquired in December 2022, and the impact of this acquisition was considered immaterial in the 2022 accounts. In 2023, it is accounted for using the equity method.

3. Accounting and valuation principles

• Consolidated financial statements comply with Swiss law and Swiss Code of Obligations (art. 957 et seq.). The financial statements were prepared on the basis of historical costs. SSE Holding SA and the companies in which it holds a majority shareholding close their books on 31 December.

• Foreign currencies conversion: assets and liabilities in foreign currencies are converted in Swiss Francs (CHF) at the exchange rate prevailing at year-end. Income and expenses in foreign currencies are converted at the exchange rate prevailing at the end of each month.

Exchange rates used for balance sheet items:

(in CHF)	**31.12.23**	**31.12.22**
EUR	0,931	0,986
USD	0,841	0,938
CZK	0,038	0,041
NOK	0,083	0,092
PLN	0,215	0,210
SEK	0,084	0,088
RON	0,187	0,200
MKD	0,015	0,016

• Securities: securities are valued at their market value.

• Trade and other receivables: net amounts, including provisions. Trade receivables are due to deliveries of goods or services to customers. All other receivables are listed under «Other receivables, other current assets».

• Inventories: inventories consist in raw materials, finished goods and accessories, valued at average cost and including provisions for obsolescence.

• Securities and other financial assets held on a long-term net basis: total amounts reported are net and include provisions.

• Associates: it includes the shares of SSE Holding SA in the net assets of associates.

• Tangible and intangible fixed assets: it includes accumulated depreciation.

• Financial liabilities: short-term financial liabilities correspond to loan tranches and leasing's reimbursement due within one year. Loan tranches and leasing's reimbursement due after one year are included in long-term financial liabilities.

• Other short-term liabilities: it essentially includes accruals and deferred income and receivables not resulting from deliveries of goods and services.

• Depreciation: Depreciation rates used in Groupe SSE's entites are as follows:

• Machines and vehicles	5-10 years
• Installations	3-10 years
• Equipments	3-8 years
• Built property	10-40 years
• Software licenses	5-7 years

• Share of result of associates: it includes the share of net income of associates.

• Exchange gains / losses: it includes gains and losses due to the exchange rate changes on the valuation of foreign currencies assets.

• Extraordinary income: this corresponds to the sum of non-recurring income and expenses (sales of assets, dissolution and constitution of reserves, income from the sale of companies).

4. Comments on the consolidated financial statements

(1) Securities (in chf)	**31.12.23**	**31.12.22**
Market value	2 406 000	8 008 000
Total	**2 406 000**	**8 008 000**

The decrease as of 31 December 2023 is due to the sale of a major part of the securities portfolio at the end of 2023.

(2) Trade receivables (in chf)	**31.12.23**	**31.12.22**
Trade receivables, gross	24 893 575	27 037 655
Provisions for receivables	- 2 868 280	- 2 711 930
Trade receivables	**22 025 295**	**24 325 725**

Movements in provisions for receivables	31.12.23	31.12.22
Balance at the beginning of the year	- 2 711 930	- 2 941 383
Provisions movements in profit and loss account	- 238 761	- 805
Reversed provisions	51 291	103 081
Exchange rate impact	31 120	127 178
Provisions for receivables	**- 2 868 280**	**- 2 711 930**

Breakdown of receivables by maturity	non-expired	<30 days	31-90 days	91-120 days	> 120 days	Total
Trade receivables, gross	17 573 602	3 535 493	1 288 047	351 892	2 144 541	24 893 575
Provisions for receivables	-	- 572 909	- 290 307	- 166 137	- 1 838 926	- 2 868 280
Total	**17 573 602**	**2 962 583**	**997 740**	**185 755**	**305 614**	**22 025 295**

(3) Other receivables, other current assets (in chf)	**31.12.23**	**31.12.22**
Receivables non-related to deliveries of goods and services	1 253 799	1 932 004
Advances to suppliers	612 339	81 656
Prepaid expenses, unbilled revenues	585 225	983 533
Tax receivables	444 621	171 289
Other current assets	784 184	404 999
Other receivables, other current assets	**3 680 168**	**3 573 481**

(4) Inventories (in chf)	**31.12.23**	**31.12.22**
Raw materials	6 681 400	7 397 684
Finished goods	10 396 998	12 141 946
Accessories	1 352 138	1 348 525
Total	**18 430 536**	**20 888 154**

(5) Long-term loans, net
Include interest-bearing loans to third-parties.

(6) Securities and other long-term financial assets, net
This item includes SSE Holding investments in third-companies, a 50% investment of SSE Deutschland GmbH in a deposit in Germany and a 24% investment in Sprewa Sprengmittel GmbH, as well as long-term securities held by SSE Holding SA.

(7) Tangible assets

(in chf)	Lands and buildings	Factories	Installations	Vehicles	Total
Net value as at 1 January 2023	8 781 324	733 262	18 915 986	3 303 153	31 733 725
Investment	245 554	84 587	14 206 659	3 187 740	17 724 540
Disinvestment	-290 217	-52 004	-96 496	-266 813	-705 528
Consolidation variation	20 468	-	21 159	1 043 534	1 085 161
Depreciation of the year	-1 724 055	-57 007	-3 768 844	-1 563 168	-7 113 074
Exchange rate impact	-167 912	-41 441	-385 479	-273 413	-868 245
Tangible assets as at 31 December 2023	**6 865 163**	**667 397**	**28 892 985**	**5 431 034**	**41 856 579**

	Lands and buildings	Factories	Installations	Vehicles	Total
Net value as at 1 January 2022	11 180 038	461 869	16 856 951	3 495 590	31 994 448
Investment	501 523	188 375	7 606 721	1 578 849	9 875 468
Disinvestment	-	-	-811 312	-25 005	-836 317
Consolidation variation	-111 718	180 373	-619 261	-310 934	-861 541
Depreciation of the year	-2 401 667	-54 073	-3 500 898	-1 188 075	-7 144 712
Exchange rate impact	-386 852	-43 282	-616 215	-247 271	-1 293 620
Tangible assets as at 31 December 2022	**8 781 324**	**733 262**	**18 915 986**	**3 303 153**	**31 733 725**

(8) Intangible assets
As at 31 December 2023, intangibles assets mainly include licenses and activated expenses for IT projects (ERP and Track&Trace).

The Goodwill related to the acquisition of subsidiaries of EPC Group in 2013 and Orica Group in 2016 is eliminated in equity as at 31 December 2023 as well as at 31 December 2022.

The goodwill of first consolidation of Eurodyn Sprengmittel GmbH and Sprengmittelvertrieb in Bayern GmbH (in the accounts of SSE Deutschland GmbH) is eliminated in equity as at 31 December 2023 as well as at 31 December 2022.

(9) Short-term financial liabilities
Financial liabilities include short-term bank debts and short-term leasings. Short-term bank debts include loan tranches that must be reimbursed within the next 12 months following the closing date. The balance of bank loans is recorded as long-term financial liabilities. The breakdown of short-term bank debts and short-term leasings is as follows:

Short-term financial liabilities (in chf)	31.12.23	31.12.22
Short-term loan as at 1 January	2 431 696	2 255 479
Increase in loans due less than one year on 31 December	1 341 000	286 407
Repayment/Change in long-term loan	- 1 768 426	- 68 147
Adjustment for exchange rate	-75 202	-42 044
Short-term loan as at 31 December	**1 929 068**	**2 431 696**

Short-term leasings (in chf)	31.12.23	31.12.22
Short-term leasings as at 1 January	1 015 132	1 045 371
Increase	855 393	472 238
Repayment	- 974 000	- 429 277
Adjustment for exchange rate	8 025	- 73 200
Short-term leasings as at 31 December	**904 550**	**1 015 132**

(10) Other short-term liabilities
Other short-term liabilities essentially include accruals and deferred income and receivables not resulting from deliveries of goods and services.

(11) Short-term provisions

Short-term provisions (in chf)	31.12.23	31.12.22
Short-term provisions as at 1 January	4 330 813	3 923 945
Increase in the provisions of the year	5 525 361	3 556 733
Unused and reversed provisions during the year	- 133 367	- 153 851
Used provisions during the year	- 3 340 723	- 2 726 183
Exchange rate impact	- 306 832	- 269 831
Short-term provisions as at 31 December	**6 075 252**	**4 330 813**

(12) Long-term financial liabilities

Long-term financial liabilities (in chf)	31.12.23	31.12.22
Long-term loans as at 1 January	24 011 683	15 329 270
Increase in loans due more than one year on 31 December	4 101 944	12 034 966
Repayment/Change to short-term loan	- 10 668 166	- 3 246 352
Exchange rate impact	- 110 347	- 106 202
Long-term loans as at 31 December	**17 335 114**	**24 011 683**

Long-term leasings (in chf)	31.12.23	31.12.22
Long-term leasing as at 1 January	1 110 410	1 187 783
Increase	671 540	725 241
Repayment	- 357 745	- 718 456
Exchange rate impact	18 979	- 84 159
Long-term leasing as at 31 December	**1 443 184**	**1 110 410**

(13) Long-term provisions

Long-term provisions (in chf)	31.12.23	31.12.22
Long-term provisions as at 1 January	9 913 998	8 220 332
Increase in long-term provisions during the year	2 783 778	1 874 725
Unused and reversed provisions during the year	- 24 271	- 7 552
Used provisions during the year	- 26 676	- 100 016
Exchange rate impact	- 63 747	- 73 490
Long-term provisions as at 31 December	**12 583 082**	**9 913 998**

(14) Reserves from capital contributions (agio)
The variation between 31 December 2023 and 31 December 2022 corresponds to the payment of the dividend (CHF 2'205'000) paid by SSE Holding SA.

(15) Variation of inventories of work-in-progress and finished goods
These changes are recognized as income in accordance with Swiss accounting law.

(16) Interest income and expenses
It corresponds mainly to interest expenses for bank loans and leases for financing tangible assets.

(17) Financial result
In 2023, the gain is primarily due to a revaluation of the securities held by Suoninvest.

(18) Exchange gains/losses
In 2023, exchange rates for most foreign currencies which are significant for SSE Group have fallen compared to the Swiss franc. Exchange losses in 2023 are mainly due to a decrease in foreign currency assets (inter-company loans) in SSE Holding and SSE Finance accounts.

(19) Extraordinary result
In 2023, the extraordinary loss is mainly due to an increase in provisions made at group level.

(20) Exchange rate impact / restatement of associates
In 2023, this item mainly includes exchange rate impact on cash flow consolidation at Group level. Since in 2023 there has been a significant fluctuation of exchange rates and, in addition, the consolidation of cash flow was based on average exchange rates over the entire year, this results in the exchange rate differences referred to in this item.

(21) Value adjustment of marketable securities
An adjustment of CHF 1,200,000 on securities held by Suoninvest was recorded as a profit in this company and is reflected in the net result item of the cash flow statement. Since it is a revaluation with no impact on cash flow, it is eliminated from the cash flow statement.

(22) Changes in other assets/liabilities
The amounts included in this item primarily reflect the fact that in some companies capital expenditure was recorded as work in progress (temporary assets) as the related projects had not been finalized by 31 December 2023.

5. Auditors' fees

(in chf)	2023	2022
Audit of the financial statements	260 021	280 235

6. Off-balance-sheet leases and long-term lease agreements

(in chf)	31.12.23	31.12.22
Off-balance-sheet leases	878 904	691 826
Off-balance-sheet lease agreements	624 307	766 016
Total	**1 503 210**	**1 457 842**

7. Subsequent events
All subsequent events were included in the preparation of the financial statements.

8. Extraordinary result
See the comments on the consolidated financial statements (point 19).

9. Pledged assets

(in chf)	31.12.23	31.12.22
	1 572 655	1 488 816

10. Release of excess reserves
In 2023, there has not been any reduction in excess reserves.

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To the General Meeting of
SSE Holing SA, Brig-Glis

Lausanne, 24 May 2024

Report of the statutory auditor

Report on the audit of the consolidated financial statements

Opinion
We have audited the consolidated financial statements of SSE Holding SA and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement, and the consolidated cash flow statement 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 24 to 33) comply with Swiss law and the consolidation and valuation principles as set out in the notes.

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.

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 stand-alone financial statements 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.

Board of Directors' responsibilities for the consolidated financial statements
The Board of Directors is responsible for the preparation of the consolidated financial statements in accordance with 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 our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

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 the consolidated financial statements according to the instructions of the Board of Directors.

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

Ernst & Young Ltd

Karine Badertscher Chamoso
(Qualified Signature)

Licensed audit expert
(Auditor in charge)

Tania Rodrigues
(Qualified Signature)

Licensed audit expert

SSE HOLDING SA – STATUTORY ACCOUNTS

BALANCE SHEET

Assets (in chf)

Current assets	**Notes**	**31.12.23**	**31.12.22**
Cash		339 266	64 110
Trade receivables			
• Third parties		29 715	-
• Group companies	(1)	4 420 421	4 861 646
Other receivables			
• Third parties	(2)	367 508	606 441
Total current assets		**5 156 910**	**5 532 197**
Fixed assets			
Financial fixed assets			
• Long-term loans, net - third parties	(3)	1 852 525	200 000
• Long-term loans, net - SSE Group companies	(4)	4 782 014	4 422 173
• Long-term securities, net		618 877	618 877
Investments	(5)	59 753 402	56 830 999
Total fixed assets		**67 006 818**	**62 072 050**
Total Assets		**72 163 728**	**67 604 247**

Liabilities and equity (in chf)

Short-term liabilities	**Notes**	**31.12.23**	**31.12.22**
Trade payables			
• Third parties	(6)	-	841 250
• Group companies	(7)	2 611 007	-
Other short-term liabilities			
•Third parties		733 451	158 824
Accrued liabilities and deferred income		814 987	65 917
Total short-term liabilities		**4 159 445**	**1 065 991**
Long-term liabilities			
Other long-term liabilities			
• Third parties	(8)	2 230 000	-
Long-term provisions	(9)	3 600 000	4 100 000
Total long-term liabilities		**5 830 000**	**4 100 000**
Total liabilities		**9 989 445**	**5 165 991**
Equity			
Share capital		2 940 000	2 940 000
Legal capital reserves			
• Reserves from capital contributions (agio)		19 610 177	21 815 177
Retained earnings			
• General reserve		1 900 000	1 900 000
Other reserve from retained earnings			
• Extraordinary reserve		16 200 000	16 200 000
• Profit brought forward		19 583 079	16 807 649
• Profit of the year		1 941 027	2 775 430
Total Equity		**62 174 283**	**62 438 256**
Total liabilities and equity		**72 163 728**	**67 604 247**

INCOME STATEMENT
SSE HOLDING SA

Income (in chf)	**Notes**	**2023**	**2022**
Dividends from investments		3 206 922	3 181 425
Other financial income		293 980	650 234
Total Income		**3 500 902**	**3 831 659**
Expenses			
Financial expenses		-48 700	-41 575
Changes in provisions for loans	(10)	-996 017	-500 000
Administration expenses		-33 674	-24 412
Total Expenses		**-1 078 391**	**-565 987**
Exchange gains/losses		-413 321	-449 549
Direct taxes		-68 163	-72 135
Extraordinary result		-	31 442
Profit of the year		**1 941 027**	**2 775 430**

CASH-FLOW STATEMENT – SSE HOLDING SA

(in chf)	Notes	2023	2022
Net result of the year		1 941 027	2 775 430
Depreciation/Value adjustment on fixed assets positions		-	500 000
Changes in provisions		-500 000	-
Changes in short-term receivables		1 850 443	-1 495 816
Changes in short-term receivables (without financial liabilities)		2 615 635	-221 556
Other changes in assets/liabilities		749 070	17 678
Operating cash flow		**6 656 175**	**1 575 736**
Sales of intangible assets		235 096	3 041 000
Acquisition of shareholdings		-2 837 499	-5 296 048
Investing cash flow		**-2 602 403**	**-2 255 048**
Changes in liabilities		-1 573 616	-3 100 255
Increase of share capital		-	4 225 755
Dividend paid to shareholders		-2 205 000	-1 960 000
Financing cash flow		**-3 778 616**	**-834 500**
Net change in cash and cash equivalents		**275 156**	**-1 513 812**
Cash at the beginning of the year		64 110	1 577 922
Cash at the end of the year		339 266	64 110
Net change in cash and cash equivalents		**275 156**	**-1 513 812**

NOTES TO THE FINANCIAL STATEMENTS SSE HOLDING SA

1. Presentation of the accounts
The financial statements are prepared in accordance with accounting principles required by Swiss law.

2. Accounting and valuation principles
• Consolidated financial statements comply with Swiss law and Swiss Code of Obligations (art. 957 et seq.). The financial statements were prepared on the basis of historical costs. SSE Holding SA and the companies in which it holds a majority shareholding close their books on 31 December.

• Foreign currencies conversion: assets and liabilities in foreign currencies are converted in Swiss Francs (CHF) at the exchange rate prevailing at year-end. Income and expenses in foreign currencies are converted at the exchange rate prevailing at the end of each month.

Exchange rates used for balance sheet items:

(in CHF)	31.12.23	31.12.22
SEK	0,084	0,088
NOK	0,083	0,092
USD	0,841	0,938
EUR	0,931	0,986
PLN	0,215	0,210
RON	0,187	0,200
CZK	0,038	0,041

• Investments: include investments over 20%. Total amounts reported are net and include provisions.

• Financial liabilities: long-term financial liabilities are due over more than one year.

3. Comments on the company's financial statements

(1) Trade receivables Group companies
These are current accounts with Group companies.

(2) Other debtors - Third parties
This balance corresponds to the amount to be received for the sale of Poudrerie d'Aubonne SA.

(3) Long-term loans, third parties
This refers to the portion of loans to companies in which the Group holds a minority shareholding.

(4) long-term securities
This refers to the the part of the loans to group companies, which will be reimbursed after 12 months following the date of accounts closing.

(5) Investments		31.12.23	31.12.22
Société Suisse des Explosifs SA			
Purpose	Manufacturing and sale of explosives and services		
Share capital	CHF 8'000'000		
Seat	Brig-Glis		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
SSE Finance SA			
Purpose	Administration and holding of investments and financial assets		
Share capital	CHF 3'000'000		
Seat	Brig-Glis		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
Valsynthèse SA			
Purpose	Manufacturing and sale of chemical products		
Share capital	CHF 300'000		
Seat	Brig-Glis		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
ESSA Explosiv Service SA			
Purpose	Consultancy services for the use of explosives		
Share capital	CHF 100'000		
Seat	Brig-Glis		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
Explotec MAC DOOEL			
Purpose	Sale of explosives and services		
Share capital	MKD 308'665		
Seat	Radovis, Republic of Macedonia		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
*Explotec MAC DOOEL is an indirect shareholding. It is a 100-percent subsidiary of Société Suisse des Explosifs SA.			
SSE Sverige AB			
Purpose	Manufacturing and sale of explosives		
Share capital	SEK 1'350'000		
Seat	Norab - Sweden		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
SSE Norge AS			
Purpose	Sale of explosives and services		
Share capital	NOK 7'650'000		
Seat	Trondheim - Norway		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%

		31.12.23	31.12.22
Hamberger Swiss Pyrotechnics SA			
Purpose	Manufacturing and sale of pyrotechnic products		
Share capital	CHF 100'000		
Seat	Spiez		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
NL Events SA			
Purpose	Sale of pyrotechnic products		
Share capital	CHF 100'000		
Seat	Brig-Glis		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
SSE Deutschland GmbH			
Purpose	Sale of explosives and services		
Share capital	EUR 100'000		
Seat	Homburg, Germany		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
SSE Polska Sp. z.o.o.			
Purpose	Manufacturing and sale of explosives and services		
Share capital	PLN 2'350'000		
Seat	Rogów Sobócki, Poland		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
SSE Explo Ceska Republika s.r.o.			
Purpose	Sale of explosives and services		
Share capital	CZK 19'650'000		
Seat	Tuchorice, Czech Republic		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
SSE Explo Romania srl			
Purpose	Sale of explosives and services		
Share capital	RON 18'676'760		
Seat	Cluj-Napoca, Romania		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
SSE Slovakia s.r.o.			
Purpose	Sale of explosives and services		
Share capital	EUR 6'639		
Seat	Humenné, Slovakia		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
Eurodyn Sprengmittel GmbH			
Purpose	Manufacturing and sale of explosives		
Share capital	EUR 1'278'300		
Seat	Burbach-Würgendorf, Germany		
Shareholding*		100,0%	100,0%
Voting rights		100,0%	100,0%
Sprengmittelvertrieb in Bayern GmbH			
Purpose	Sale of explosives		
Share capital	EUR 153'387		
Seat	Kümmersbruck, Germany		
Shareholding*		100,0%	100,0%
Voting rights		100,0%	100,0%

* Eurodyn Sprengmittel GmbH and Sprengmittelvertrieb in Bayern GmbH are 100-percent indirect shareholdings. They are 100-percent subsidiaries of SSE Deutschland GmbH.

		31.12.23	31.12.22
ISCP INC			
Purpose	Sale of chemical products		
Seat	Tarrytown (USA)		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
SlovDrill s.r.o,			
Purpose	Sale of explosives and services		
Seat	Vlkanová, Slovakia		
Shareholding		0,0%	50,0%
Voting rights		0,0%	50,0%
CB Destrukce S.R.O.			
Purpose	Drilling service		
Seat	Ceské Budejovice, Czech Republic		
Shareholding		100,0%	25,0%
Voting rights		100,0%	25,0%
SUGYP SA			
Purpose	Sale of fireworks		
Seat	Corcelles-près-Payerne		
Share capital	CHF 100'000		
Shareholding		30,0%	30,0%
Voting rights		30,0%	30,0%
SSP immobilier SA			
Purpose	Real estate transactions		
Seat	Corcelles-près-Payerne		
Share capital	CHF 1'200'000		
Shareholding		33,3%	33,3%
Voting rights		33,3%	33,3%
Suoninvest AG			
Purpose	Administration and holding of investments and financial assets		
Seat	Visp		
Share capital	CHF 1'300'000		
Shareholding		100,0%	100,0%
Voting rights		100,0%	100,0%
Hellenic Explosives Technology LTD			
Purpose	Manufacturing and sale of explosives		
Seat	Grevena, Greece		
Share capital	EUR 5'916'670		
Shareholding		21,7%	21,7%
Voting rights		21,7%	21,7%

(6) Short-term financial liabilities to third parties
This was a bank loan that was fully repaid in 2023.

(7) Short-term financial liabilities to the Group
These are current accounts with Group companies.

(8) Other long-term liabilities to third parties
This refers to the long-term portion of the balance of the purchase price for CB Destrukce S.R.O.
This amount will depend on the company's future results.

(9) Long-term provisions
This is a provision constituted to cover potential future risks.

(10) Changes in provisions for loans
This item includes an increase of CHF 996'017 in 2023 to increase the provision to cover potential future risks.
In 2022, the increase of provision for a loan to a Group company amounted to CHF 500'000.

4. Auditors' fees

(in chf)	2023	2022
Audit of the financial statements	5 100	5 100
Total	**5 100**	**5 100**

5. Off-balance-sheet leases and long-term lease agreements
As at 31 December 2023 and 31 December 2022, there are no lease agreements or off-balance-sheet obligations related to lease agreements.

6. Subsequent events
All subsequent events were included in the preparation of the financial statements.

7. Extraordinary result
A gain was realized in 2022 on the sale of Poudrerie d'Aubonne SA.

8. Number of employees of the company
The company did not have any employees in 2023 and 2022

9. Pledged assets
As at 31 December 2023, there is a guarantee of CHF 45'500'000 with two banks to cover contract obligations of Société Suisse des Explosifs SA. These obligations amount to CHF 16'323'125 as at 31 December 2023.

PROPOSAL FOR THE APPROPRIATION OF AVAILABLE EARNINGS

Board of Directors' proposal (in chf)	**2023**	**2022**
Profit brought forward	19 583 079	16 807 649
Net profit of the year	1 941 027	2 775 430
Balance sheet profit	**21 524 106**	**19 583 079**

The board of directors proposes to carry forward the profit to the new account.

The board of directors proposes the repayment of legal capital reserve as follows:

Reserves from capital contributions (agio)	19 610 177	17 729 422
Capital increase	-	4 085 755
Dividend from reserves from capital contributions (agio) - CHF 100 per share	-2 940 000	-2 205 000
Retained earnings - reserves from capital contributions (agio)	**16 670 177**	**19 610 177**

As the general reserve has reached 50% of the share capital, no allocation is necessary.

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To the General Meeting of
SSE Holding SA, Brig-Glis

Lausanne, 24 May 2024

Report of the statutory auditor

Report on the audit of the financial statements

Opinion
We have audited the financial statements of SSE Holding SA (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and the cash flow 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 36 to 44) 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.

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 and our auditor's report 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.

Board of Directors' responsibilities for the financial statements
The Board of Directors is responsible for the preparation of the financial statements 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 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 our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

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 the financial statements according to the instructions of the Board of Directors.

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

Ernst & Young Ltd

Karine Badertscher Chamoso (Qualified Signature)
Licensed audit expert
(Auditor in charge)

Tania Rodrigues (Qualified Signature)
Licensed audit expert


Q.C
STATUS
PASSED



Société Suisse des Explosifs Group

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