SSE

ANNUAL REPORT 2025


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SSE

Contents

THE SSE GROUP AT A GLANCE

2025 FIGURES

INCOME

178,8 MCHF

EBITDA

29,2 MCHF

NET RESULT

14,8 MCHF

NUMBER OF EMPLOYEES

693

HEAD OFFICE

Brigue, Switzerland

PRESENT IN

8 European countries

EXPORTS TO MORE THAN

40 countries


ROC L6
Atlas Copco

MESSAGE FROM THE CHAIRMAN AND THE EXECUTIVE BOARD MEMBER

2025: A PIVOTAL YEAR FOR THE SSE GROUP

Lumina Project: strategic planning for the development of our activities
In 2025, the SSE Group embarked on one of the most significant strategic initiatives in its history with the launch of the Lumina project, which envisions a potential strategic partnership involving its explosives business

Following a detailed review of the explosives market, and more specifically its composition in Europe, the Group's Board of Directors concluded that a new phase of consolidation in the sector is likely to begin. In this context, it was determined that a joint approach with a strategic partner was a relevant option to explore. Although the SSE Group already enjoys a strong position in Europe, market momentum appears favorable for initiating such discussions and evaluating opportunities for long-term value creation.

Initial discussions were held with four major international groups in the sector, all of which shared their vision and insights. Ultimately, the decision was made to hold exclusive talks with the EPC Group. Although no decision was reached regarding a merger of the Explosives businesses, these discussions reinforced the conviction that the Group is firmly positioned to look to the future with confidence and determination.

The Lumina project therefore remains fully relevant and will continue to be actively explored in the months ahead.

Strong growth in financial performance

The year 2025 was particularly successful for the SSE Group, with increased profitability across all of its business segments. The Group's profitability continues to rise, showing a marked improvement for the eighth consecutive year.

Revenue remained stable at CHF 179 million. The chemicals business made a strong contribution to this performance, with revenue remaining very robust at approximately CHF 37 million, compared to CHF 30 million in 2024, a 21% increase. The next two years are expected to remain at high levels, even though the flagship product NOP is expected to gradually lose its importance for the SSE Group. EBITDA rose again to reach CHF 29.2 million, compared to nearly CHF 26 million in 2024, representing an increase of more than 12%. EBIT amounts to nearly CHF 20 million, an increase of 11% compared to 2024.

Net income came in at nearly CHF 15 million, a sharp increase (+92%) compared with the previous year, primarily due to the creation of specific provisions totaling CHF 8 million in 2024 related to the closure of our Eurodyn dynamite production facility in Germany.

Very positive developments in our markets

In the explosives market, we are very pleased with our business performance. Revenue has increased slightly despite the closure of our Eurodyn plant during the year.

All of our markets are growing, except for Scandinavia. We remain one of the market leaders in Switzerland, Germany, Poland, the Czech Republic, and Slovakia.

We are seeing a sharp increase in exports from Switzerland, particularly of pentrite (PETN), a well-known dual-use explosive with both civilian and military applications. This trend is driven in particular by the growing strength of the European defense industry, which is seeking to secure its supply chains within the continent. In the current geopolitical context, security and defense-related activities are growing in importance, with expanding defense procurement programs opening up new opportunities in a sector characterized by attractive margins. The SSE Group intends to seize these opportunities while rigorously applying all legal and regulatory provisions and control procedures relating to dual-use products, both nationally and internationally.

In the Chemicals division, sales and production also posted strong growth (+20%), driven in particular by sales of NOP.

An exceptional investment program

As in 2024, the Group continued to make significant investments in tangible assets, reaching CHF 14 million in 2025, or more than 8% of revenue.

The SSE Group is thus continuing to strengthen and modernize its two core businesses.

Completion of the Eurodyn closure program

As announced in our 2024 annual report, the winding down of Eurodyn operations has now been completed. It was carried out within budget.

In the dynamite manufacturing sector, plant closures are particularly critical from a safety standpoint, and we are very pleased that no incidents occurred during the site's closure.

The facilities have been returned to their owner, and the SSE Group is now free of any future obligations related to this activity.

We thank all the teams for their commitment and professionalism in carrying out this extraordinary operation.

SSE Share Price and Dividend

In 2025, the SSE share price rose from CHF 5,075 at the start of the year to CHF 6,050 as of December 31. The company's market capitalization thus exceeded CHF 175 million by the end of 2025.

As of April 1, 2026, the share price crossed the CHF 6,250 threshold.

In light of the excellent results for 2025, characterized by increases in EBITDA, EBIT, and consolidated net income, as well as the steady growth in earnings over the past seven years, the Board of Directors decided to propose a dividend of CHF 125 per share, an increase of CHF 15 compared to 2024.

The members of the Board of Directors of SSE Holding.

Outlook

Recent geopolitical developments, some of which are cause for concern, make forecasting for 2026 more challenging. Nevertheless, thanks to our positioning in the explosives and chemicals sectors, we are confident that the 2026 fiscal year will see a favorable trend in terms of financial results.

The Group should therefore be less affected than many Swiss companies heavily dependent on exports, as our business is primarily focused on the local markets where we operate.

We should also benefit from our exposure to infrastructure markets as well as developments in the European defense industry. The chemicals business, meanwhile, is expected to maintain a solid level of performance, although a slight normalization of volumes is anticipated following two years of exceptional growth.

Strategic Development of the Group

Amid the current climate of geopolitical uncertainty, the Board of Directors is continuing its efforts to ensure the continuity of the SSE Group and the implementation of its strategies. All directors have confirmed their availability for the current fiscal year. To strengthen shareholder representation on the Board, the Board proposes the nomination of a new board member, Ms. Laura Tolub, who will be presented at the Annual General Meeting.

In the second half of the year, the SSE Group will strengthen its equity by launching a capital increase to support its strategic development and long-term growth projects.

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

Finally, we extend our sincere thanks to our shareholders for their continued trust, loyalty and support.

Raymond Loretan
Chairman

Daniel Antille
Executive Board Member

OPERATIONAL REVIEW, MESSAGE FROM THE GROUP CEO

2025 continued the positive trend of recent years, with an increase in earnings and profitability. The fine chemicals sector continues its momentum with a 20% increase in revenue.

How is the strategic discussion you initiated in the explosives sector progressing?
Through the Lumina project, we initiated strategic discussions with various potential partners for our business in the field of civil explosives and drilling and blasting. As a first step, we conducted an analysis of the main potential partners. At that stage, we entered into exclusive discussions with the EPC Group, but these did not come to fruition. Several factors led us to launch the Lumina project. First, the investments required to continue our explosives business in a changing market are expected to be significant. Demands for innovation, sustainability, and competitiveness are constantly growing, and it is clear that a larger group would have significant advantages in meeting these challenges. Furthermore, our group's appeal to young talent is a major challenge for the future of our industry. Attracting, retaining, and developing the skills we will need tomorrow is a key factor for success, and integration into a larger

Valsynthese: Building on Core Strengths
2025 was a record year for Valsynthese and an important milestone in the company's development. Following the operational separation into an independent legal entity completed in 2024 as part of the Group's two legs strategy, we further strengthened our position as a specialized European CDMO partner for demanding fine chemical projects. The strong performance achieved this year reflects both favorable market dynamics and the successful execution of key customer programs. While such exceptional levels cannot be expected every year, they provide an important foundation for the company's future development.

A strategic review conducted during the year confirmed that Valsynthese is built on strong fundamentals: deep expertise in hazardous chemistry, flexible infrastructure, experienced teams, and long-standing customer relationships. At the same time, it highlighted areas where we must continue to evolve - particularly in customer diversification, commercial reach, and selected new technologies.

We have therefore defined a balanced path forward. Valsynthese will continue to serve both specialty chemical and pharmaceutical customers, combining near-term business opportunities with long-term growth potential in regulated markets. To support this development, we are strengthening business development activities, evaluating strategic partnerships, and exploring targeted M&A opportunities where they can accelerate market access or add complementary capabilities.

A key element of our future strategy is the expansion into technologies that naturally build on our existing strengths. Carbonylation, chlorination, hydroformylation-related applications, and flow chemistry are examples of areas where our know-how in complex and hazardous chemistry creates a clear competitive advantage. Flow chemistry in particular offers attractive potential for safer, more controlled, and more sustainable production processes.

Looking ahead, we remain focused on disciplined growth, operational excellence, and strategic flexibility. Valsynthese continues to evolve into a more focused, resilient, and technology-driven CDMO platform - with the ambition of creating sustainable long-term value for customers, employees and shareholders alike.

organization could offer more opportunities for career advancement and professional development. The Lumina project is not yet complete, however. We look ahead with confidence. The strength of our results allows us to take the time needed to evaluate our various options under favorable conditions and to pursue, with composure and discipline, the strategic initiatives that are most relevant to the Group's future.

How did 2025 perform?
The explosives business posted stable results, in line with our forecasts. We had already anticipated a decline in sales following the closure of Eurodyn in Germany. The increase in the export of explosives and a strong performance in the fine chemicals business helped offset the decline in revenue.

We are continuing our value creation strategy by constantly improving our various financial ratios. We are proud of our results, which once again reached record levels. EBITDA is up, representing more than 16% of our sales, and net income is close to CHF 15 million, which is encouraging.

What are the results in the explosives business?
In the explosives sector, we have observed that our domestic and export markets are exceeding expectations in terms of volume and profitability. Indeed, in the Swiss market, demand in the tunnel construction sector has remained strong.

On the export side, the current geopolitical context has driven growth in demand, particularly for our flagship dual-use products, namely pentrite (PETN) and Plastex+. Although we are not directly active in the military defense sector, we receive numerous requests for dual-use explosives that are closely related to our core areas of expertise. We have been able to successfully meet this sustained demand in a market that struggles to supply this type of product.

What are your other growth drivers?
These are Germany and Central Europe. The former market plays a significant role for the SSE Group. It remains more or less stable, with profitability on the rise. It was not overly affected by the closure of Eurodyn in 2025. The closure proceeded as planned, and the site was returned to its owners. We are very proud to have wound down our operations without a single accident. A comprehensive social plan was successfully implemented for all employees affected by the closure. The provisions set aside in 2024 covered all costs associated with the operation.

In Central Europe, Poland is our main market: it is generally stable in terms of volume and is highly profitable. Two other countries stood out: the Czech Republic and Slovakia saw growth that exceeded our expectations, with the latter showing a notable improvement in profitability.

Innovation and Technology: Advancing Sustainable Solutions
2025 marked an important milestone with the operational deployment of the nitrate-free explosive HypexBio in Swiss tunnel construction. Compared to conventional products, HypexBio significantly reduces residues in blasted rock, water contamination, and fume emissions. In addition, the product's carbon footprint is reduced by more than 60%, underlining its contribution to more sustainable construction practices.

The first tunnel to be fully excavated using HypexBio is the SBB tunnel in Ligerz. In 2026, HypexBio will also be deployed in sections of the new Axenstrasse tunnels, including areas where excavated material is partially deposited directly into the lake. These projects have triggered strong interest across the tunneling sector. In parallel, initial trials have been successfully conducted in quarries, with the objective of launching commercial applications in Switzerland in 2026. The next strategic step is the expansion into European markets, subject to obtaining the necessary approvals and certifications from national authorities, as HypexBio represents a new technology.

Innovation in 2025 was also strongly driven by advancements in artificial intelligence. A structured approach combining bottom-up initiatives from employees with targeted implementation programs has led to tangible results. AI-supported tools such as Copilot have been introduced to enhance efficiency in daily administrative work, while predictive maintenance solutions in production enable early detection of potential disruptions and improve overall reliability and resource utilization. In our core Drill & Blast services, AI is expected to play an increasing role in blast design, planning and performance optimisation, allowing continuous optimization in terms of precision, efficiency, and safety.

All these innovation initiatives are fully aligned with our broader Resonance program, reinforcing our commitment to sustainable growth driven by technology and innovation.

Are some countries lagging behind?
Yes. For example, Romania was affected by the political and economic climate in 2025. Business volumes and profitability suffered as a result. Nevertheless, the business remained profitable during the year. Sweden is still struggling to impress, with results that continue to fall short of expectations, fluctuating between stability and decline. It is a highly competitive market dominated by fierce competition from the world's largest corporations.

Valsynthese continues to grow rapidly. Have you met your goals?
The fine chemicals sector continues to post exceptional results, with revenue increasing by more than 20% in 2025. Furthermore, this strong growth is accompanied by improved profitability.

We have developed numerous projects in fine chemicals. In particular, we are planning new products that will offset our main product, NOP. The latter is expected to gradually lose its importance for the SSE Group. At the same time, hydrogenation technology was launched last year, and we are continuing to develop it through new partnerships.

What is your assessment of the two strategic investments made by the holding company?
In Greece, we are very pleased with our partnership with Eltek, a major local player. Its growth is expected to bring value to the SSE Group.
Regarding the HypexBio product, development is ongoing, and we plan to bring a new, more environmentally responsible type of explosive to market within the next one to three years. Tunnel tests conducted in Switzerland in 2025 were successful, and quarry tests have begun. HypexBio is expected to see increasing use across the rest of the SSE Group.

What are the latest updates on the Resonance project?
Among the concrete projects carried out in 2025, we placed a particular emphasis on innovation, with the implementation of artificial intelligence tools across the group and the launch of an e-learning platform for our engineers. Finally, and this gives me great satisfaction, our foundation, «Our Resonance», was successfully launched, and support has been given to the first projects across the group, demonstrating our sense of responsibility beyond our financial performance alone.

What are your projections for 2026?
We expect slightly lower business volumes in 2026. In the explosives sector, we anticipate a slight decline due to an uncertain and turbulent global geopolitical environment. However, profitability will remain stable. We are also continuing to adjust our operations following the closure of Eurodyn. The chemicals sector will continue to play a very important role within our group, even though a slight decline is anticipated.

Gilles de Preux
CEO, SSE Group

SSE

RESONANCE

From conviction to collective capability Strategic Positioning & Evolution 2025.

Launched in 2024, RESONANCE is the SSE Group's strategic ESG program, designed to integrate sustainability into the way the Group manages, operates, and prepares for the future. More than just a framework, it embodies SSE's commitment to aligning business performance with responsibility toward people, society, and the environment.

In 2025, the program reached a new level of maturity. What began as a strategic vision is gradually becoming a shared capability within the organization. Sustainability is increasingly embedded in governance structures, operational decision-making, and capability development within SSE's Civil Explosives and Fine Chemicals businesses.

This development is part of a broader trend: sustainability is no longer treated as an isolated issue, but is becoming a cornerstone of risk management and the Group's long-term development strategy.

From foundations to structured impact
The year 2025 marked the transition from initial structuring to the deep integration of sustainability throughout the organization.

A key milestone was the completion of the dual materiality assessment, which provided a consolidated view of the sustainability issues most relevant to SSE. This work now clearly reinforces the link between ESG priorities, operational exposure, and long-term financial performance, fostering more structured decision-making at the Group level.
At the same time, SSE has expanded its climate analysis, moving beyond the initial measurement of its carbon footprint to structured scenario modeling and the development of decarbonization pathways across the entire value chain. Climate-related issues are now regularly discussed at the executive management and board of directors levels, reflecting their growing strategic importance.

Several initiatives launched in 2024 have also taken shape. The SSE Science Academy has evolved into a skills development platform, promoting knowledge sharing and capacity building within the business units. The gender equality initiative has entered a pilot phase, laying the operational groundwork for an inclusive and supportive work environment.

In addition, SSE launched the OUR RESONANCE Foundation, creating a structured platform to support social, environmental, and community initiatives in the regions where the Group operates.

All of these developments illustrate a clear evolution: from ambition to concrete integration into governance, organizational structures, and day-to-day operations.

From a portfolio of initiatives to an integrated system

In 2025, RESONANCE transitioned from a portfolio of initiatives to an integrated system within the SSE organization.

Governance of sustainability issues has been strengthened, with clearer integration into management processes, risk discussions, and strategic planning. ESG considerations are increasingly linked directly to operational performance, investment decisions, and long-term value creation.

At the same time, SSE has strengthened its internal capabilities to support this transformation. The development of competency frameworks, learning systems, and data structures is helping to build a more consistent and scalable approach across the Group. Sustainability is therefore no longer driven solely by individual projects, but is now supported by shared systems, governance, and practices across the Group.

Preparing SSE for the decades ahead

As it has evolved, RESONANCE has taken on an increasingly pivotal role. It bridges the gap between strategic ambition and operational execution, aligns sustainability priorities with business performance, and supports SSE in adapting to the growing expectations of customers, employees, partners, and regulators.

The transformation is ongoing, but the direction is clear: sustainability is becoming an integral part of how SSE operates, makes decisions, and grows.

What was once a conviction is gradually becoming a collective capability.

For more information, please visit www.sse-group.com


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SSE GROUP GOVERNANCE

BOARD OF DIRECTORS OF SSE HOLDING SA

Raymond Loretan
Chairman
Geneva

Franziska Tschudi Sauber
Vice-Chairman
Rapperswil-Jona

Daniel Antille
Executive Board Member
Miège

Caroline Kuyper
Board Member
La Tour-de-Peilz

Lucrèce Foufopoulos – De Ridder
Board Member
Beckenried

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 MANAGEMENT

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

KPMG S.A.
Lausanne


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STRUCTURE OF THE SSE GROUP

SSE HOLDING (SSE GROUP)

EXPLOSIVES BUSINESS UNIT

SWITZERLAND
SSE Eur-Explo Holding

SWITZERLAND
SSE Hamberger**

SCANDINAVIA
SSE Sverige

GERMANY
SSE Deutschland
SVB

EASTERN EUROPE
SSE Polska
SSE Ceska
SSE Slovakia
CB Destrukce

BALKANS
SSE Romania
Eltek*

FINE CHEMICALS BUSINESS UNIT

SWITZERLAND
Valsynthese

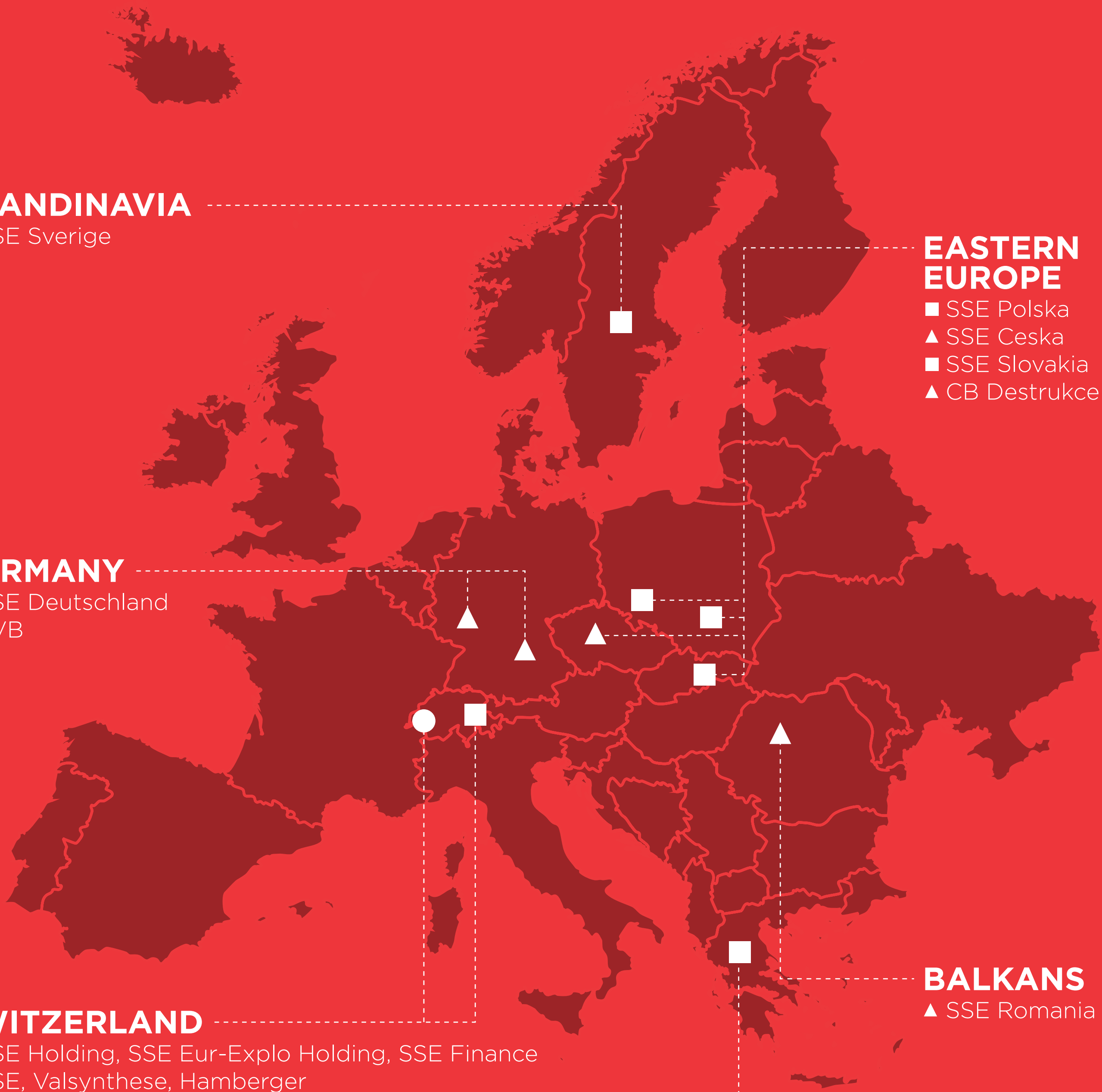
FINANCIAL ACTIVITIES

SWITZERLAND
SSE Finance

* minority shareholdings

** Participation of SSE Holding, but part of the Explosives Business Unit.

PRESENCE IN EUROPE



SCANDINAVIA
■ SSE Sverige

EASTERN EUROPE
■ SSE Polska
▲ SSE Ceska
■ SSE Slovakia
▲ CB Destrukce

GERMANY
▲ SSE Deutschland
▲ SVB

SWITZERLAND
● SSE Holding, SSE Eur-Explo Holding, SSE Finance
■ SSE, Valsynthese, Hamberger

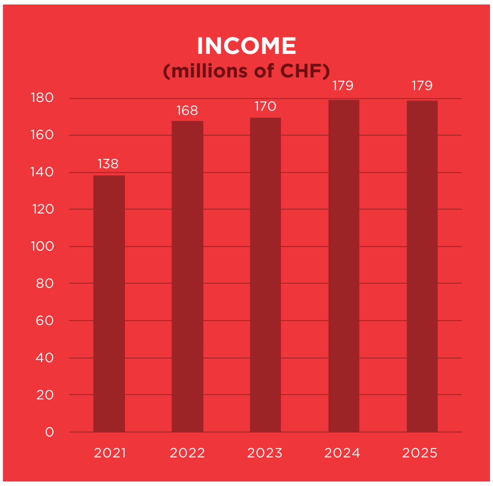
BALKANS
▲ SSE Romania

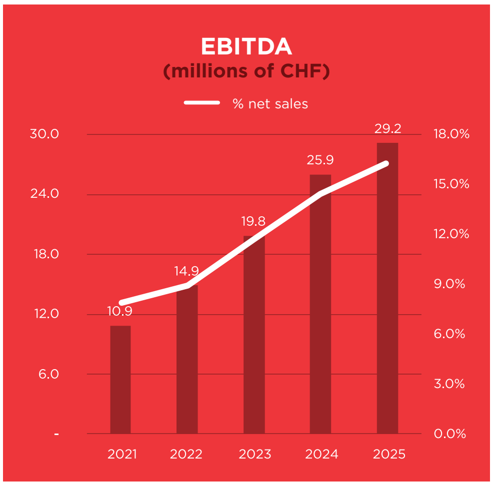
GREECE
■ Eltek

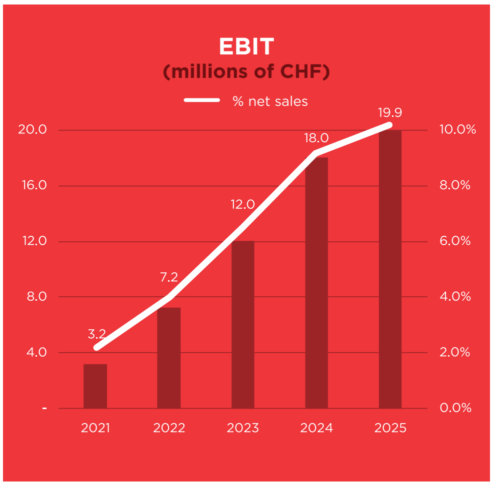
● Holding / financial activity ■ Production and commercialization ▲ Commercialization

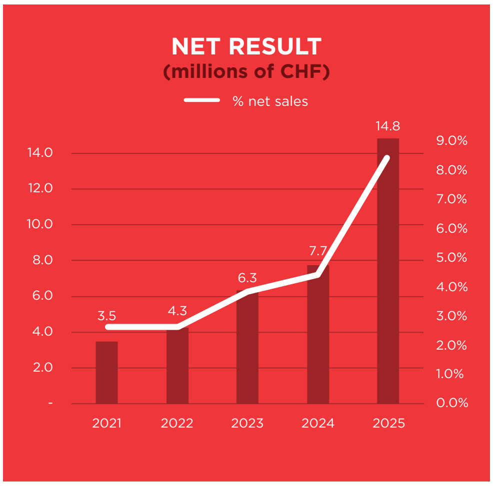
SSE

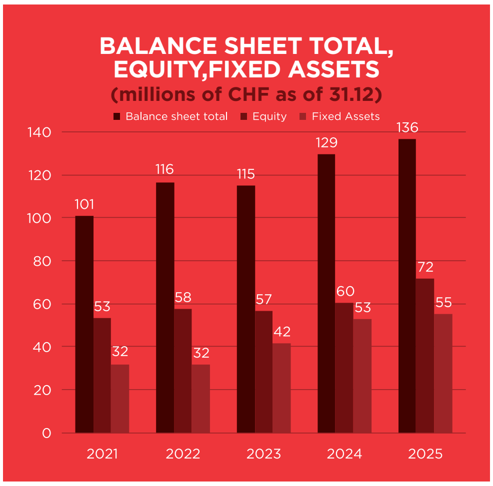
SSE GROUP – KEY FIGURES

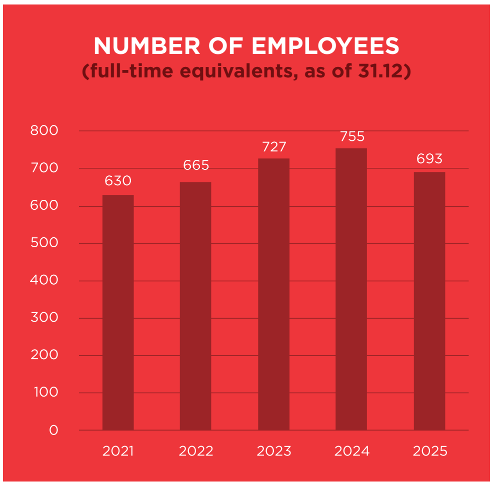












Valuation	**2021**	**2022**	**2023**	**2024**	**2025**
Number of shares	28000	29400	29400	29400	29400
Dividend per share (CHF/share)	70	75	100	110	125
Earnings per share (CHF/share)	125	145	216	263	504
Equity per share (CHF/share)	1904	1967	1938	2054	2442
Share price (CHF)	3060	3275	3762	5150	6195
Capitalization (MCHF)	86	96	111	151	182

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SSE GROUP

CONSOLIDATED BALANCE SHEET

Assets (in CHF)

Current assets	**Notes**	**31.12.25**	**31.12.24**
Cash		7 772 980	8 133 469
Trade receivables	(1)	26 406 623	24 776 034
Other short-term receivables	(2)	2 166 661	2 407 015
Inventories	(3)	17 586 950	19 125 362
Prepaid expenses and accrued income		3 752 502	2 009 663
Total current assets		**57 685 716**	**56 451 543**
Fixed assets			
Financial assets			
• Long-term loans	(4)	3 594 646	3 002 804
• Long-term securities	(5)	12 380 612	12 250 000
• Other long-term financial assets	(6)	249 882	1 338 515
Investments in associates		1 151 202	1 682 863
Tangible assets	(7)	55 477 038	53 230 803
Intangible assets	(8)	5 697 201	1 324 872
Other long-term assets		41 665	52 902
Total fixed assets		**78 592 246**	**72 882 759**
Total Assets		**136 277 962**	**129 334 302**

Liabilities and Equity (in CHF)

Short-term liabilities	Notes	31.12.25	31.12.24
Trade payables		8 734 357	8 919 597
Short-term interest-bearing financial liabilities	(9)	2 574 524	2 338 873
Other short-term liabilities	(10)	11 912 246	10 402 121
Provisions	(11)	6 708 323	12 592 270
Total short-term liabilities		**29 929 450**	**34 252 861**
Long-term liabilities			
Long-term interest bearing financial liabilities	(12)	25 541 150	22 316 573
Provisions	(13)	8 998 389	12 376 503
Total long-term liabilities		**34 539 539**	**34 693 076**
Total liabilities		**64 468 989**	**68 945 937**
Equity			
Share capital		2 940 000	2 940 000
Reserves from capital contributions (agio)	(14)	13 436 177	16 670 177
Legal retained earnings		1 900 000	1 900 000
Consolidated reserve		38 718 565	31 153 386
Profit for the year		14 814 231	7 724 802
Total Equity		**71 808 973**	**60 388 365**
Total liabilities and equity		**136 277 962**	**129 334 302**

CONSOLIDATED INCOME STATEMENT

Income (in chf)	Notes	2025	2024
Revenue		176 062 989	176 459 952
Other operating income		2 726 489	2 825 667
Total of sales and operating income		**178 789 478**	**179 285 619**
Change in semi-finished and finished goods	(15)	-2 469 826	2 056 147
Total Income		**176 319 652**	**181 341 765**
Expenses			
Cost of goods sold		-72 597 548	-85 542 023
Other direct production expenses		-10 773 151	-6 725 138
Payroll expenses		-50 920 125	-51 835 976
Maintenance and research expenses		-1 163 238	-821 905
Administration expenses		-11 700 644	-10 471 067
Total operating expenses		**-147 154 706**	**-155 396 109**
Earnings before interest, tax, depreciation and amortization (EBITDA)		**29 164 946**	**25 945 656**
Depreciation of tangible assets		-8 701 857	-7 581 758
Depreciation of intangible assets		-551 211	-381 996
Earnings before interest and tax (EBIT)		**19 911 878**	**17 981 902**
Interest income		281 467	264 093
Interest expenses	(16)	-807 674	-1 009 970
Financial result	(17)	247 547	3 344 234
Exchange gains/losses	(18)	-341 197	12 254
Share of result from associates		165 415	-63 444
Extraordinary income	(19)	7 334 392	569 645
Extraordinary expenses	(20)	-7 301 115	-8 828 156
Other taxes		-576 767	-417 120
Profit before tax		**18 913 945**	**11 853 438**
Direct taxes		-4 099 714	-4 128 637
Profit for the year		**14 814 231**	**7 724 802**

Société Suisse des Explosifs Group

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