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Business Report



SKAN Fact Sheet¹ (in CHF)

Order intake
+21.8%²

359.5 m

Net sales
+12.9%²

361.3 m

EBITDA
+13.6%²

57.0 m

EBITDA-
Margin
+0.1pp^{2/3}

15.8%

Operating
cash flow
nm⁴

+46.7 m

Cash
-36.9%²

53.7 m

Assets
+3.0%²

384.5 m

Investments
+52.4%²

53.8 m

Employees
+83²

1'471

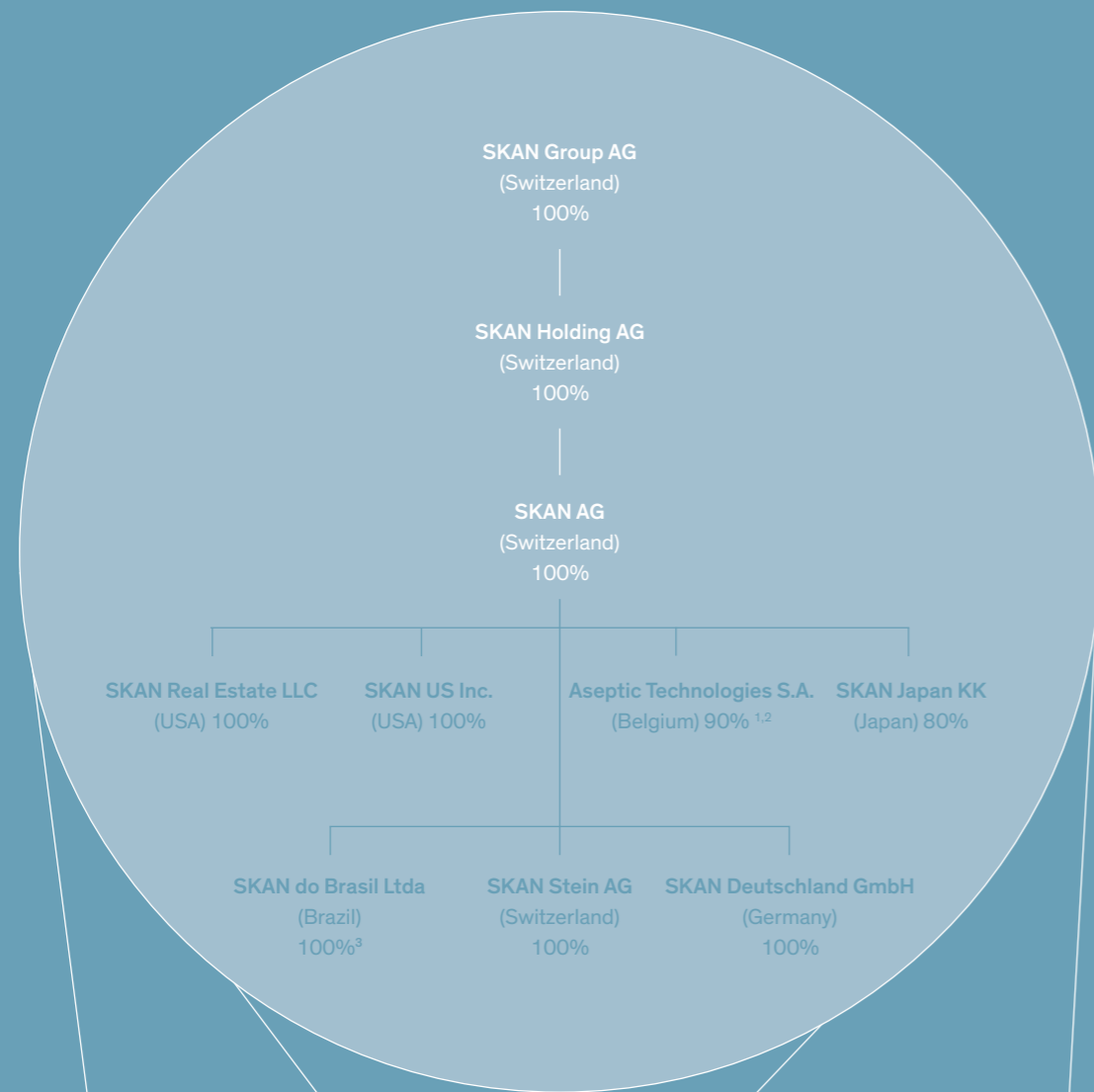
¹ Figures as reported

² Change compared to previous year

³ Percentage points

⁴ Comparison to previous year not meaningful

Locations



¹ 5% increase in the shareholding in Aseptic Technologies S. A. as of 27 May 2024.
² Investment in associated entity Plast4Life (Belgium) held by Aseptic Technologies S. A.
³ New subsidiary founded on 5 February 2024.

Key Figures

	2024	in % of net sales	2023	in % of net sales	change in %
in thousand CHF					
Financial key figures					
Order intake	359'473		295'125		21.8%
Order backlog	318'341		312'143		2.0%
Net sales from goods and services	361'295		320'020		12.9%
EBITDA	56'961	15.8%	50'144	15.7%	13.6%
EBIT	44'482	12.3%	37'750	11.8%	17.8%
Profit for the period	40'791	11.3%	27'898	8.7%	46.2%
Other key figures					
Net working capital (NWC)	8'209		-5'885		nm ¹
Return on capital employed (ROCE)	21.5%		19.7%		9.3%
Investments (PPE ² and Intangible Assets)	53'789		35'298		52.4%
Equity	202'563		176'362		14.9%
Equity ratio	52.7%		47.2%		11.5%
Cash flow from operating activities	46'700		8'700		nm ¹
Cash flow from investing activities	-69'057		-17'346		nm ¹
Cash flow from financing activities	-9'349		-15'801		40.8%
Headcount as of 31 December	1'471		1'388		6.0%
Segment key figures					
Equipment & Solutions					
Order intake	255'014		213'277		19.6%
Order backlog	282'964		289'885		-2.4%
Net sales from goods and services	270'904		237'106		14.3%
EBITDA	30'314	11.2%	26'843	11.3%	12.9%
Services & Consumables					
Order intake	104'459		81'848		27.6%
Order backlog	35'377		22'257		58.9%
Net sales from goods and services	90'391		82'914		9.0%
EBITDA	26'647	29.5%	23'301	28.1%	14.4%
Stock key figures					
Registered shares	22'483'524		22'483'524		0.0%
Earnings per share (in CHF)	1.73		1.17		47.5%
Dividends per share (in CHF)	0.40		0.35		14.3%

¹ Comparison to previous year not meaningful
² Property, plant, and equipment

Letter to shareholders

SKAN Group reached several distinct milestones in the 2024 financial year. Sales and profits reached record levels. Strategic initiatives were driven forward and delivered their first results. A sustainability strategy was adopted and corresponding responsibilities were defined. With well-filled order books, the outlook is confident.



Thomas Huber, CEO and Beat Lüthi, Chairman of the BoD

Dear Shareholder

We are pleased to report another successful financial year for the SKAN Group. The growth of our market continued unabated in 2024. The ongoing trend towards injectable drugs, and thus towards our process solutions for the aseptic filling of biopharmaceutical active ingredients, ensured high demand among our customers. In the reporting year, there was particularly strong demand for filling lines for antibody drug conjugates (ADCs) – modern oncology drugs that enable more targeted therapies. SKAN received several orders in the double-digit million range for such large and complex lines with the highest quality requirements. Another, albeit less pronounced, driver was equipment for filling GLP-1 drugs for obesity, which accounted for around 15% of the order intake in the reporting year. Last but not least, the logjam of orders that occurred after the coronavirus boom has now been cleared.

Taken together, these factors contributed to a marked increase in incoming orders compared to the previous year. In particular, a significant increase in requests for quotations was noticeable from May onwards, reflected in an acceleration of incoming orders towards the end of 2024. The success rate for quotations remained high, which is attributable to the high quality and leading technology of SKAN systems as well as our process expertise. This enabled SKAN to consolidate its position as number one in the high-end segment of the isolator market.

Strong order intake

Overall, the SKAN Group recorded incoming orders of CHF 359.5 million. This corresponds to an increase of 21.8% compared to the previous year. The order backlog climbed to CHF 318.3 million, which gives us good visibility in the equipment business for the rest of the year. The SKAN Group increased its net sales by 12.9% to CHF 361.3 million; adjusted for currency effects, growth was 13.6%. Earnings before interest, taxes, depreciation, and amortization (EBITDA) grew by 13.6% to CHF 57.0 million, corresponding to an EBITDA margin of 15.8%.

In terms of sales growth, the SKAN Group fell short of the expectation communicated for 2024. This was due to the fact that some projects were postponed to 2025. Although the relevant systems were already at the customers' premises at the end of the year, work on-site was delayed. At the EBITDA margin level, however, the target was exceeded.

Profit for the 2024 financial year amounted to CHF 40.8 million. The Board of Directors proposes to the Annual General Meeting of SKAN Group AG on 7 May 2025 that a dividend of CHF 0.40 per share be distributed.

Equipment & Solutions with progress in integration and standardization

The Equipment & Solutions segment increased the order intake in the financial year 2024 by 19.6% to CHF 255.0 million. Net sales rose by 14.3% to CHF 270.9 million. The segment thus contributed 75% of the SKAN Group's total sales. The segment's EBITDA rose by 12.9% to CHF 30.3 million, resulting in an EBITDA margin of 11.2%.

In the reporting year, the SKAN Group generated good sales of large-scale systems, including those used for the aseptic filling of the aforementioned ADC or GLP-1 substances. At the same time, the trend towards personalized medications requires smaller production batches, and thus smaller, flexible systems. The integrated systems that the SKAN Group has been developing for some time together with Aseptic Technologies and other long-standing partner companies are designed to meet these requirements. In the reporting year, a large portion of the expenditures for research and development, which corresponded to approximately 8.3% of sales, was invested in the development of such integrated solutions.

The SKAN Group also made good progress with the strategic initiative to increase the degree of standardization of the systems. Measurable successes were seen in a reduction of complexity through the use of standardized components and the associated increase in efficiency. An extraordinary contribution to the sales of the Equipment & Solutions segment was made last year by the trading business, which fulfilled a major order for 246 biosafety cabinets for a Swiss pharmaceutical manufacturer.

Services & Consumables benefits from growing installed base

The Services & Consumables segment recorded an order intake of CHF 104.5 million in the 2024 financial year, 27.6% more than in the previous year. Net sales increased by 9.0% to CHF 90.4 million and EBITDA amounted to CHF 26.6 million, corresponding to an EBITDA margin of 29.5%.

One driver of growth in the service business is the continuous expansion of our installed base of SKAN systems. These require maintenance, periodic requalification as required by regulations, and spare parts. The retrofit business – the renewal of technical equipment and software for older isolators – also developed favorably.

As expected, our subsidiary Aseptic Technologies continued to see growing acceptance of its automated processing solutions for closed vials. New drugs filled in AT-Closed Vials® have been approved for distribution, meaning that eight drugs

had been approved by health authorities in 17 regions and launched by the end of 2024. The development pipeline of medications to be filled in our AT-Closed Vial® contains several hundred active ingredients. Accordingly, the sales volume of AT-Closed Vial® and associated consumables, such as filling sets, is expected to increase further in the future.

The Pre-Approved Services project was also driven forward in the reporting year. The response from initial selective customer discussions has been extremely positive. According to the current project status, the inspection by the Swiss regulatory authority is planned for the first quarter of 2026, so that commercial operation can start in the second half of 2026.

Investing in future growth

Most of the investments, totaling CHF 53.8 million, were used to develop pre-approved services in the 2024 financial year. The remaining funds were used to expand infrastructure in Switzerland and Belgium.

Cash flow from operating activities rose significantly, from CHF 8.7 million to CHF 46.7 million, primarily driven by increased profitability, reduced inventory levels, and effective management of trade receivables. Equity at the end of 2024 amounted to CHF 202.6 million, corresponding to an equity ratio of 52.7%.

Sustainability strategy in place and responsibilities defined

In the 2024 financial year, SKAN pushed ahead with its sustainability policy and anchored it even more firmly within the company. We have adopted a group-wide ESG strategy that ensures that sustainability considerations are systematically integrated into our business activities. The corresponding responsibilities have also been defined. At the Board of Directors level, Vice President Cornelia Gehrig is responsible for sustainability, while CEO Thomas Huber is responsible for sustainability at the Executive Board level.

In addition to the sustainability report in accordance with the GRI (Global Reporting Initiative) standard, which SKAN has been publishing since 2021, we successfully completed the assessment of the Task Force on Climate-related Financial Disclosures (TCFD) for the first time last year. This assessment has given us a comprehensive understanding of the climate-related opportunities and risks that are relevant to our business. In addition, the necessary data collection was established in the reporting year to comply with the Corporate Sustainability Reporting Directive (CSRD), which will be required at the European level.

SKAN confirms double-digit growth target for 2025

The SKAN Group is focused on a market that is benefiting from structural growth. The medical applications targeted by our customers' medications will continue to increase. The trend towards injectable drugs will continue, as will the shift from traditional clean rooms to superior isolator technology. Accordingly, customer demand for aseptic filling process solutions and related services and consumables will also continue.

Due to the nature of our project business, there may be delays in the execution of orders. From today's perspective, the Board of Directors and Management therefore expect a subdued sales development in the first half of 2025. We assume that the resulting shortfall in sales and earnings can be largely compensated for in the second half of the year, so that we still expect sales growth in the mid-teens for the full year. At the EBITDA margin level, a target between 14% and 16% has been set.

In addition to the structural growth drivers and the high order backlog, the strong order intake in the fourth quarter of 2024 and the first months of 2025 are particularly encouraging. Furthermore, some customers have reserved production capacities for the coming months. The newly acquired projects will be reflected in sales in the second half of 2025 and then especially in 2026.

Sincere thanks

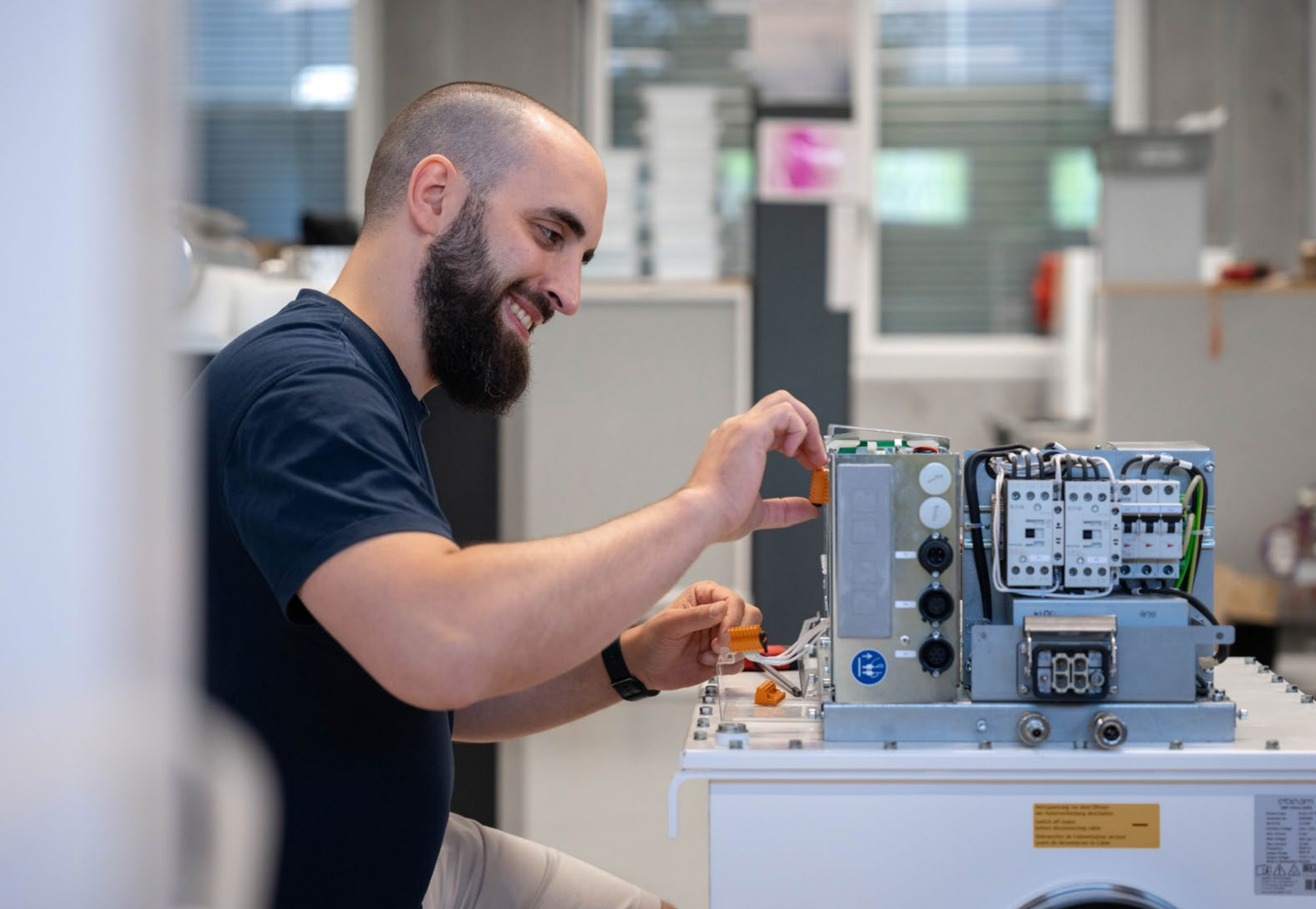
The fact that we are able to report on another successful financial year is primarily the achievement of our employees. They have shown commitment to the company at all levels in 2024. On behalf of the Board of Directors and the Executive Board, we would like to express our sincere thanks for this. We would also like to thank our customers for their trust and you, dear shareholders, for your support.



Beat Lüthi
Chairman of the BoD



Thomas Huber
CEO



SKAN at a glance

SKAN is a pioneer in the field of aseptic and aseptic-toxic manufacturing processes for the (bio-)pharmaceutical industry. The company is the market and technology leader for high-quality, process-critical isolator systems for filling drugs according to vigorous sterility standards. In addition, the company offers its customers process support, services, and consumables.

Innovative solutions and an efficient life-cycle support organization make SKAN an important partner for the pharmaceutical and biotech industry, Contract Manufacturing Organizations (CMO's), and research laboratories worldwide.

Founded in 1968, SKAN employs 1'471 people as of the reporting year. More than half of them work at the Allschwil headquarters in the Life Sciences Hub of the Basel region. The other employees are spread between the subsidiaries in Switzerland, Germany, Belgium, Japan, and the USA.

Milestones in 2024

02.

Seja bem-vindo ao Brasil! – SKAN's support from Brazil



In February, SKAN do Brasil, the first Brazilian subsidiary in São Paulo, was established. In the future, direct sales, service, and customer support for SKAN isolator systems in Brazil will be provided from there.

03.

Great Place to Work – Certified



In 2024, SKAN was designated as a Great Place to Work – thanks to the positive feedback from our employees. This recognition celebrates our inspiring and forward-thinking work environment, where trust, teamwork, and appreciation are at the core of our success.

05.

XR-Mockup



For the past few years, we have been offering XR mockup solutions to our clients. In 2024, another client opted for our XR mockup services, and we were able to enhance our solution with new features. Mockups based on our XR technology allow our partners to shorten the time spent on the design process and allow for more flexibility in terms of space needed compared to traditional mockups.

06.

ACHEMA 2024



In June, SKAN attended the 2024 edition of ACHEMA. Together with Aseptic Technologies, the latest innovations and products of SKAN were showcased in the 150m² of exhibition space, drawing positive attention and engagement from attendees.

09.

Flexible Production Summit



A highlight was hosting the Flexible Production Summit: An exclusive customer event focused on flexible production solutions, set against the stunning backdrop of the Swiss Alps.

10.

Successful collaboration



October 2024 marked the final stage of a big project and successful collaboration: 241 of our claire[®] neo safety cabinets were delivered and installed at the new state-of-the-art R&D facility of a Swiss pharmaceutical manufacturer.

11.

MTI – SKAN's Material Transfer Isolator



The Material Transfer Isolator has been specifically designed for the critical step of material transfers into filling isolators. It enables safe, fast, and flexible transfers of tools, consumables, and other items. Through fully automated processes, the MTI offers one of the most efficient solutions for validated transfer processes with a minimal footprint.

12.

Inclusion at SKAN



For several years, our company has proudly partnered with mitschaffe.ch, a hiring agency that supports individuals with disabilities. Since the beginning of this collaboration, we have employed three talented individuals, and they continue to thrive and express their satisfaction in their roles. We are committed to fostering an inclusive workplace where everyone has the opportunity to succeed and grow.

Together always one step ahead






For more than 50 years we have been developing and manufacturing isolator systems for aseptic and aseptic-toxic production processes in (bio-)pharmaceutical production. We operate our business in two reporting segments: "Equipment and Solutions" (E&S) and "Services and Consumables" (S&C). Within Equipment and Solutions, we offer our customers

process solutions (standardized/modular and customized isolators), integrated process solutions (automated process solutions and closed-vial filling systems) as well as laboratory and cleanroom equipment. Within our Services and Consumables business, we provide global life cycle support and offer ready-to-use consumables to our customers.

Innovative products, customer-specific solutions, and an efficient life cycle support organization have led SKAN to become a global market leader and important partner for the (bio)pharmaceutical industry, CMOs, and research laboratories. Our headquarters are located in Allschwil (Switzerland).

1 MES = Manufacturing Execution System



Equipment and Solutions ("E&S")	Pure Solutions Pure Solutions Trading <ul style="list-style-type: none"> → Laboratory/cleanroom equipment → Safety workbenches → Laminar flows → Fume cupboards 	Process Solutions <ul style="list-style-type: none"> → Customer-specific isolator solutions for aseptic manufacturing and filling → Process warranty incl. complete GMP compliance 	Integrated Process Solutions <ul style="list-style-type: none"> → Modular isolators equipped flexibly with process tools → Close collaboration with process tool partners 		Aseptic Technologies (AT) <ul style="list-style-type: none"> → Proprietary, automated closed-vial filling equipment for small/medium-batch cell & gene therapy integrated within isolator 	Process Automation <ul style="list-style-type: none"> → Global process solution providing automated (robotic) process handling fully integrated within the isolator 
	Services and Consumables ("S&C")	Consumables <ul style="list-style-type: none"> → Personal protective equipment Services <ul style="list-style-type: none"> → Consulting → Commissioning → Maintenance 	Consumables <ul style="list-style-type: none"> → Biological indicator → Spares (gloves, filters, etc.) 	Services <ul style="list-style-type: none"> → Life cycle support → GMP requalification → Performance studies 	Consumables <ul style="list-style-type: none"> → Closed vials → Connectors → Filling kits Services <ul style="list-style-type: none"> → Rent a machine → Life cycle support → GMP requalification 	Consumables <ul style="list-style-type: none"> → Refer to process consumables Services <ul style="list-style-type: none"> → Refer to process services → Digital integration into MES¹ and ERP systems

Management Summary 2024

The SKAN Group continues its growth path

The SKAN Group can look back on a very successful financial year 2024. In particular, the net sales rose from CHF 320.0 million to CHF 361.3 million. This corresponds to a growth rate of +12.9%. Both business segments made a considerable contribution to this growth. The segment Equipment & Solutions recorded a stronger development than Services & Consumables.

After the order intake was normalized on a healthy level in the previous year, the order intake increased from CHF 295.1 million to CHF 359.5 million in the reporting year. This marks a growth rate of +21.8%.

The order backlog rose from CHF 312.1 million to CHF 318.3 million in 2024. This gives SKAN very good planning visibility for the rest of the year. SKAN Group increased its Book-to-bill ratio from 0.9 to 1.0.

Equipment & Solutions segment continues steady growth with net sales

During the reporting year, the Equipment & Solutions segment recorded an order intake of CHF 255.0 million. This marks an increase of +19.6%.

Net sales increased by 14.3% to CHF 270.9 million, with the segment accounting for 75% of the total net sales of the SKAN Group. SKAN increased its sales with large systems including aseptic filling of ADC or GLP1 active ingredients. In the reporting year, the trading business contributed largely to this segment, processing a major order for 246 bio-safety systems for a leading Swiss pharmaceutical manufacturer. Segment EBITDA increased by 12.9% to CHF 30.3 million, resulting in an EBITDA margin of 11.2%.

During the reporting year, the SKAN Group invested a significant amount of around 8.3% of group net sales in integrated solutions and in general research and development activities.

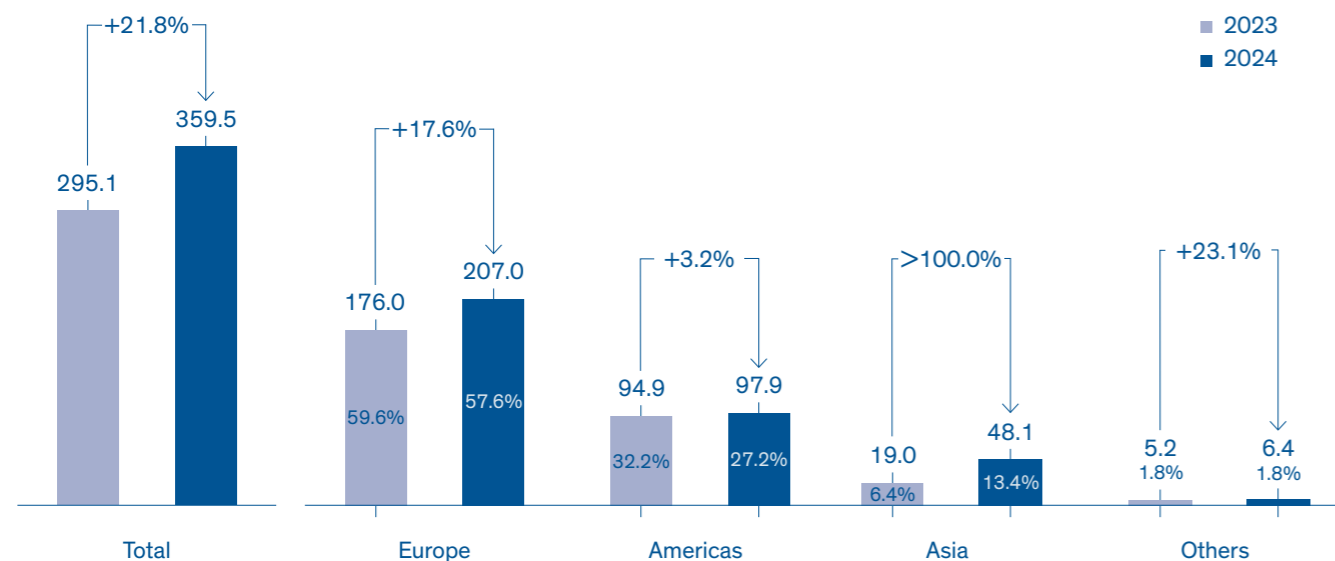
Services & Consumables shows significant growth

In the fiscal year 2024, the Services & Consumables segment recorded an order intake of CHF 104.5 million, representing a significant growth of +27.6% compared to the previous year. Net sales increased by 9.0% from CHF 82.9 million to CHF 90.4 million. This growth in the service business was the result of the continuous growth of our installed base of SKAN systems, which need maintenance, regulatory-mandated periodic requalifications, and spare parts. In addition, the retrofit business, the renewal of technical equipment and software for older isolators, developed positively in the reporting year.

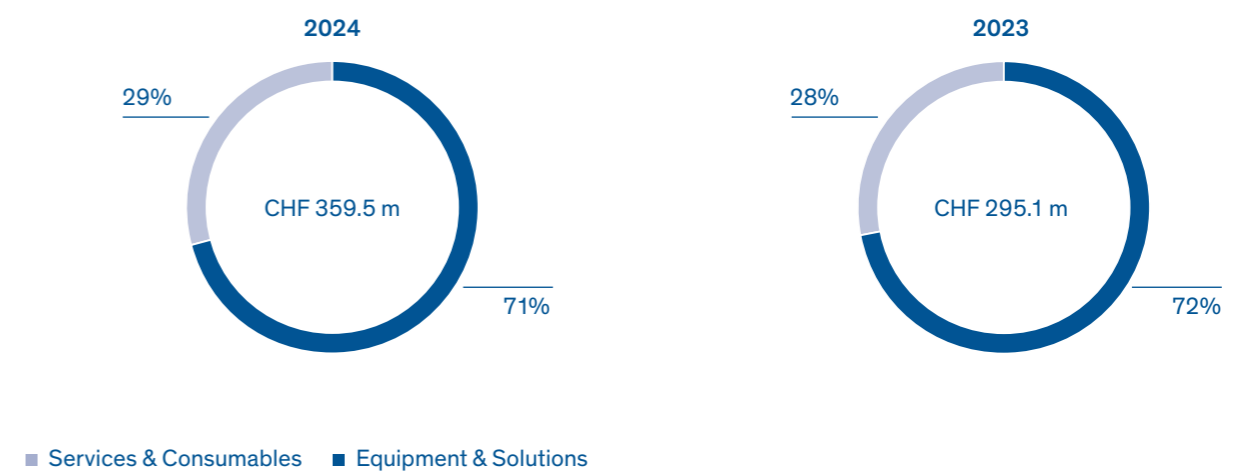
EBITDA rose from CHF 23.3 million to CHF 26.6 million, a growth of +14.4%. In the reporting year 2024, the consumables and spare parts contributed remarkably to the increase in net sales.

As expected, acceptance of the automated process solutions for AT-Closed Vials® continued to grow. Currently, eight drug products filled in AT vials are available on the market, having received a total of 17 approvals from six major health authorities, including the FDA, MHRA, and EMA. These approvals underscore the high quality and reliability of AT vial technology in meeting global regulatory standards especially in the Cell & Gene market.

Order intake by region (in CHF million)



Order intake by segments



The share of the order intake within both the segments of Equipment & Solutions and Services & Consumables shifted slightly. The share of E&S decreased by 1.0% from 72% to 71%, whereas the share of S&C grew by 1.0% from 28% to 29%.

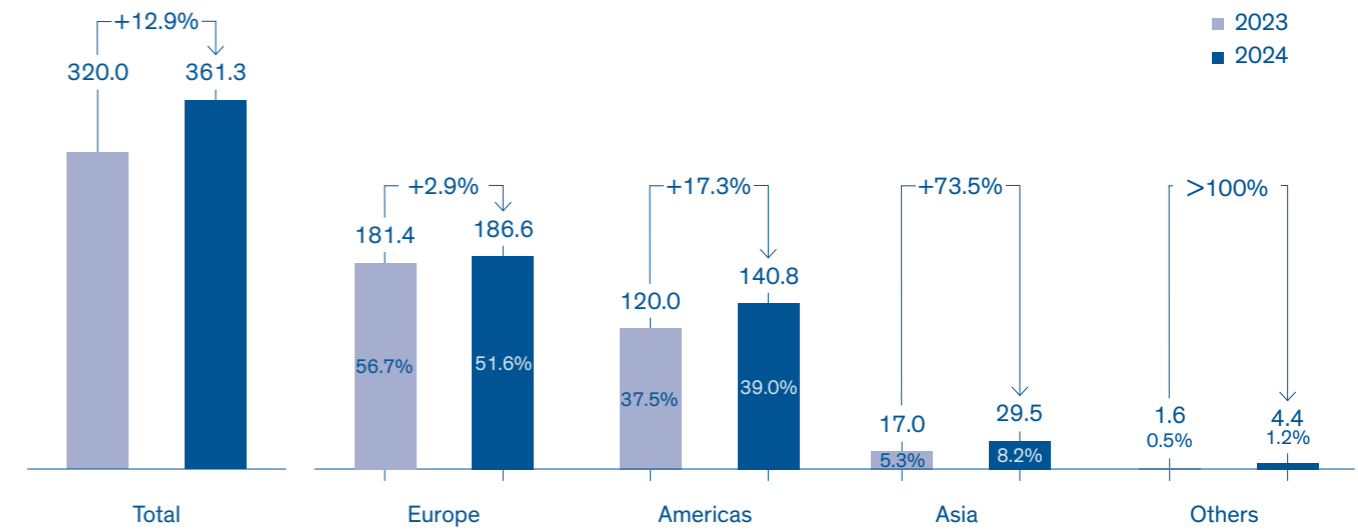
Order intake by region

In the European market, SKAN registered order intakes valued at CHF 207.0 million during the reporting period, corresponding to an increase of 17.6% compared to the previous year. The American market grew from CHF 94.9 million to CHF 97.9 million. The Asian share of the total order volume doubled year-over-year, increasing from 6.4% to 13.4%. This significant growth was primarily driven by several large orders, reflecting the region's growth.

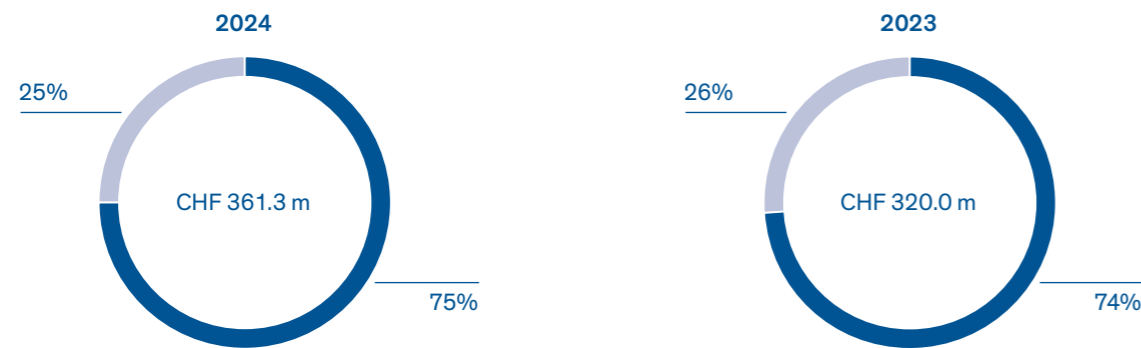
Net sales by region

In a regional perspective, the European market increased slightly by 2.9% from CHF 181.4 million to CHF 186.6 million. In the segment Americas, sales rose by 17.3% from CHF 120.0 million to CHF 140.8 million. Sales in Asia increased remarkably by 73.5% to CHF 29.5 million. The share of the Asian market in total sales increased by +2.9% from 5.3% to 8.2% compared to the previous year. In Europe, the share of the sales decreased slightly from 56.7% to 51.6%. In Americas, the share of the net sales grew slightly from 37.5% to 39.0%.

Net sales by region (in CHF million)



Net sales by segments

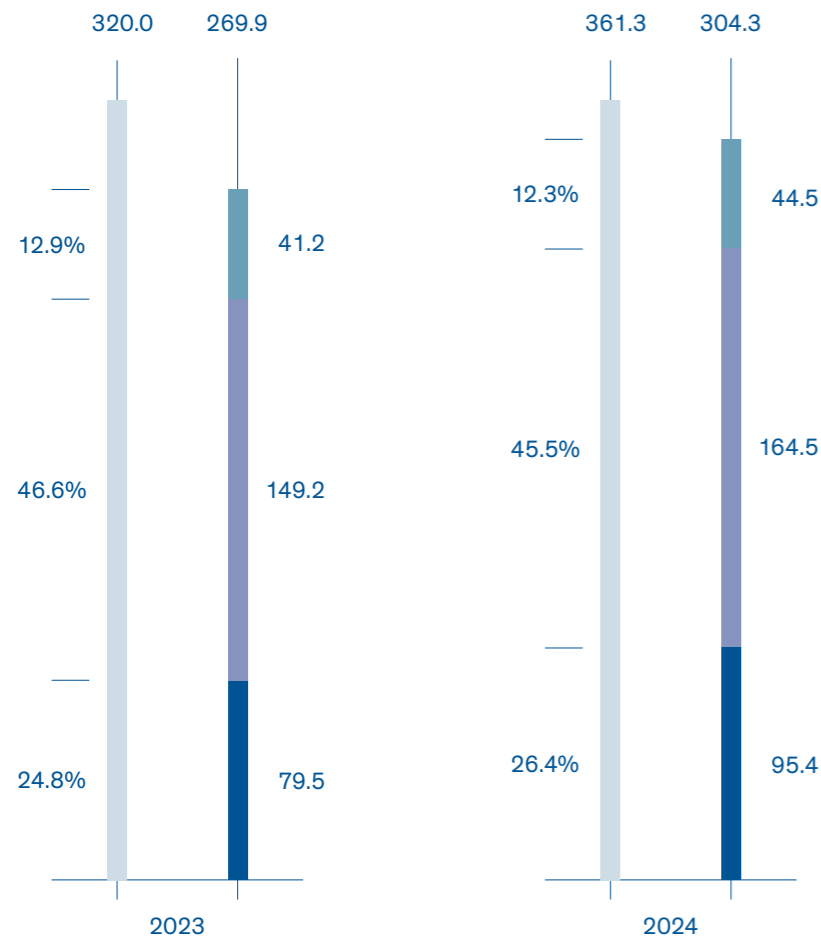


■ Services & Consumables ■ Equipment & Solutions

The distribution of net sales across the segments remains almost unchanged.

Net sales/expenses

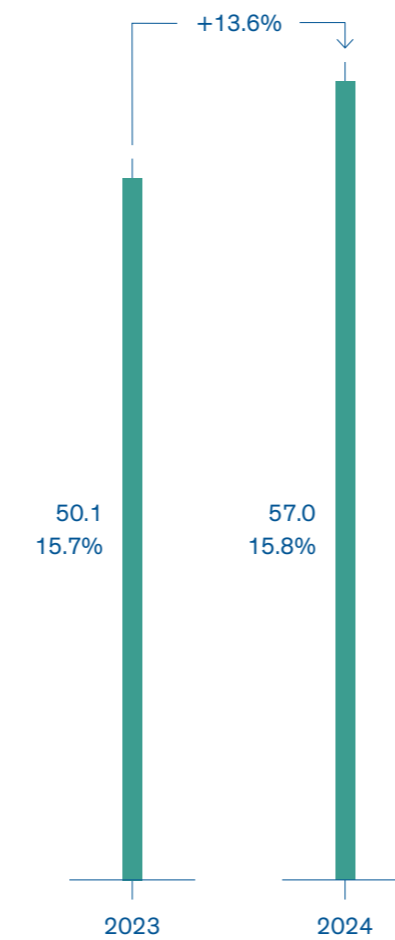
(CHF million and in % of net sales)



- Net sales
- Material and external services
- Personnel expenses
- Other operating expenses
- EBITDA

EBITDA

(CHF million and margin in %)



The SKAN Group's EBITDA increased from CHF 50.1 million to CHF 57.0 million, reflecting a growth of 13.6%. The EBITDA margin improved slightly from 15.7% in the previous year to 15.8%.

Key factors influencing the EBITDA margin included the expansion of the high-margin Services & Consumables segment, driven by increased sales of consumables from Aseptic Technologies, as well as growth in the spare parts and retrofit businesses.

Material intensity rose from 24.8% to 26.4%, as the previous year had seen a higher reliance on in-house production. Over the past 12 months, SKAN Group expanded its workforce

by 83 employees to a total of 1'471 globally. Personnel costs increased accordingly to CHF 164.5 million, representing a 10.2% rise. Investments in personnel towards the end of the prior fiscal year impacted personnel costs in the 2024 reporting period.

Other operating expenses grew by CHF 3.3 million from CHF 41.2 million to CHF 44.5 million, primarily driven by higher travel activity and increased rental and energy costs. However, the increase in other operating expenses was lower than the growth in net sales, reflecting effective cost management despite the expanding business operations.



Investments / Equity

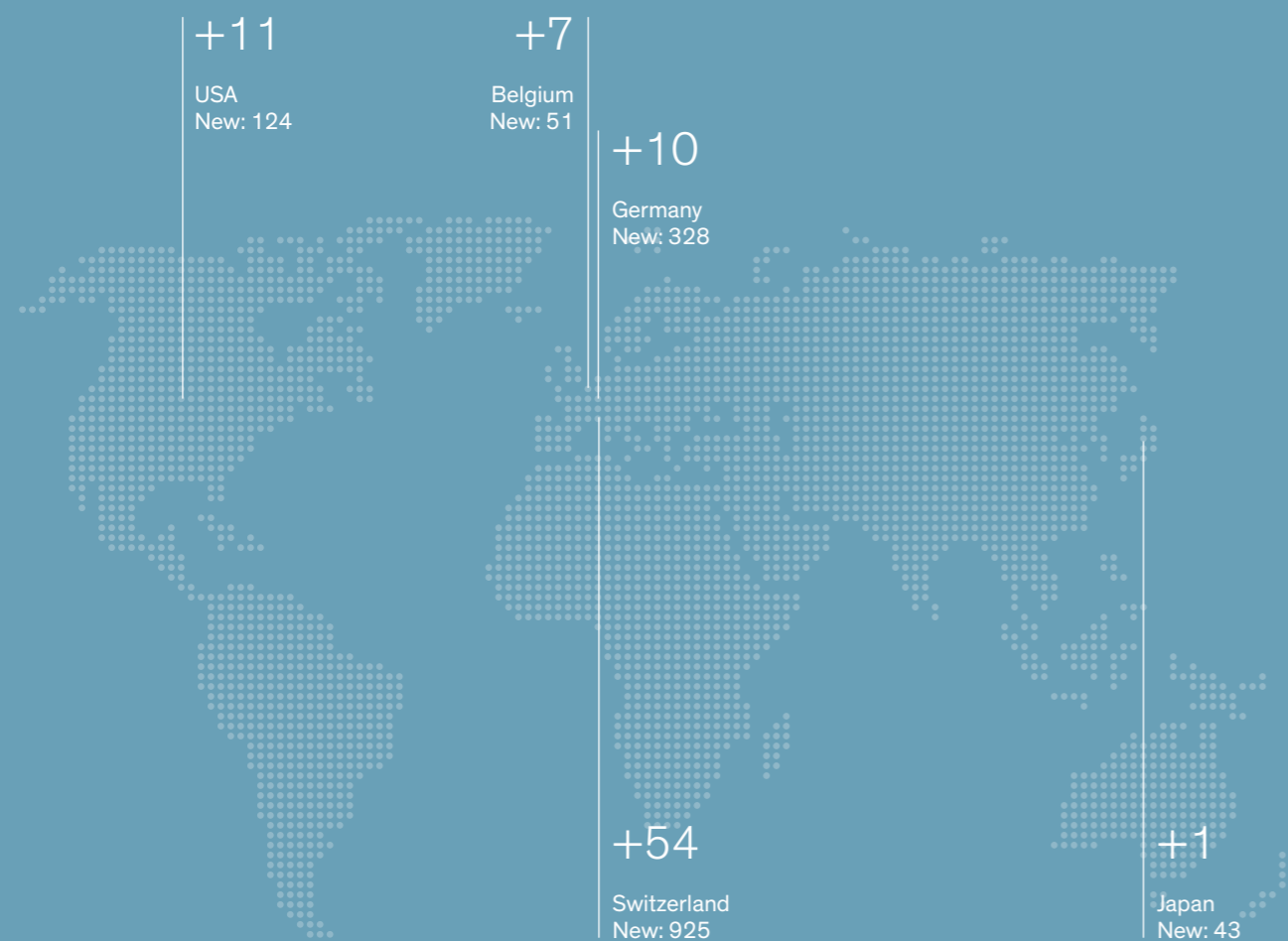
During the reporting year, the total investment of the SKAN Group amounted to CHF 53.8 million (PY: CHF 35.3 million). Of this amount, the majority was allocated to the project of pre-approved services and the expansion of SKAN's offices and laboratory in Allschwil. In addition, SKAN continued to

invest in the expansion of production capacities in Görlitz (DE) and Gembloux (BE). The remaining funds were invested in the increase of the shareholding in Aseptic Technologies. Shareholders' equity at the end of 2024 amounted to CHF 202.6 million, corresponding to an equity ratio of 52.7%.

In the last 12 months, 2024 SKAN grew by +83 employees to 1'471 employees globally. In addition, around 183 temporary employees are engaged at SKAN. Thus, at the end of 2024, approximately 1'654 employees worked for SKAN. The +83

employees were employed at the various locations during the financial year. During the reporting year, the personnel expenses rose by CHF 15.3 million from CHF 149.2 million to CHF 164.5 million.

Headcount SKAN Group



The SKAN Group has defined a clear strategy to sustainably continue its growth path and to further increase profitability. It is aimed at consolidating market leadership, expanding the addressable market, expanding the service business, and digital transformation. SKAN has set itself medium-term targets of revenue growth in the mid to upper teens and to gradually increase profitability level to upper teens.

In order to achieve these objectives, the Group has defined a growth strategy based on four pillars:

Strengthen market leadership

To strengthen its market leadership, the SKAN Group will continue to invest in its manufacturing capacities and in innovations (in Görlitz in Germany, in Stein in Switzerland, and in Gembloux in Belgium). Continuous innovation is a prerequisite for SKAN to meet future customer requirements and maintain its technological leadership. For example, the company has developed a solution for cell and gene therapy processes. In addition, SKAN actively contributes to new guidelines and regulations by participating in relevant industry standard setting bodies. Finally, SKAN Group strengthens its market leadership not least by expanding the service business by leveraging its large and growing installed base.

Expand the addressable market towards integrated process systems

In order to offer customers comprehensive solutions for their needs, SKAN is driving the expansion of its product and service offerings towards integrated process solutions. This involves the expansion of the business with systems for filling in closed containers (Crystal® Closed Vial Technology of the subsidiary "Aseptic Technologies"). In parallel, SKAN is developing integrated process systems together with specialized partner companies to combine conventional and also robot-assisted filling systems with its own isolator technology and to offer customers a "one-stop-shop" solution for the aseptic filling of their pharmaceuticals.

Expand Services and consumables business

New services include standardized solutions that enable customers to benefit from shorter design, engineering, assembly, and qualification times. This can shorten the time to market for a new active ingredient by several months. Other new services include "pay-per-use" models, where customers can use standardized isolator products flexibly against payment. The business with consumables, such as "ready-to-fill" closed vials, biological indicators, or aseptic connection systems, has experienced significant growth over the last three years – a momentum that SKAN intends to build on.

Accelerate digital transformation

SKAN drives digital transformation in the industry and offers a wide range of digital services to its customers. In particular, the Group increases the use of augmented and virtual reality services, such as remote acceptance testing, remote training and support, and virtual reality design support. This will enable SKAN to provide more efficient and flexible support to customers, while lowering its environmental footprint by reducing the need for travel. In addition, SKAN is implementing a number of Industry 4.0 initiatives, such as the use of artificial intelligence for predictive maintenance.

Adoption of sustainability strategy and definition of responsibilities

In the 2024 financial year, SKAN pushed ahead with its sustainability policy and targets and anchored it even more firmly in the company. We adopted a Group-wide ESG Strategy, which ensures that sustainability considerations are systematically integrated into our business activities. The corresponding responsibilities have also been defined.

Risk Management

SKAN operates a risk management system that has been approved by the Board of Directors. The risk policy defines the handling of risks and a structured process that prescribes the systematic monitoring of business risks. In it, risks are identified, analyzed, and evaluated with regard to probability of occurrence, extent of damage, and impact on reputation. If necessary, risk mitigation and control measures are determined. The Board of Directors is periodically informed about significant changes in the risk assessment and the risk management activities carried out.

Exchange rate risks

SKAN operates internationally and is exposed to the exchange rate fluctuation risk of various currencies. The risks relate primarily to the EURO, the US dollar, and the Japanese Yen; other currencies have less influence. The exchange rate risks arise from sales in foreign currencies and similar transactions, as well as fixed assets, borrowings, and investments in foreign currencies. To counteract the possible consequences of all these exchange rate risks, SKAN uses forward exchange contracts when necessary and practicable. Currency risks also arise when transactions of a business unit do not take place in the local functional currency, but in another currency. Currency risks in connection with currency translation differences at subsidiaries are not hedged.

Interest rate risks

SKAN is exposed to interest rate risks on cash and cash equivalents and on financial liabilities. As a rule, financial liabilities are subject to variable interest rates.

Market and customer risks

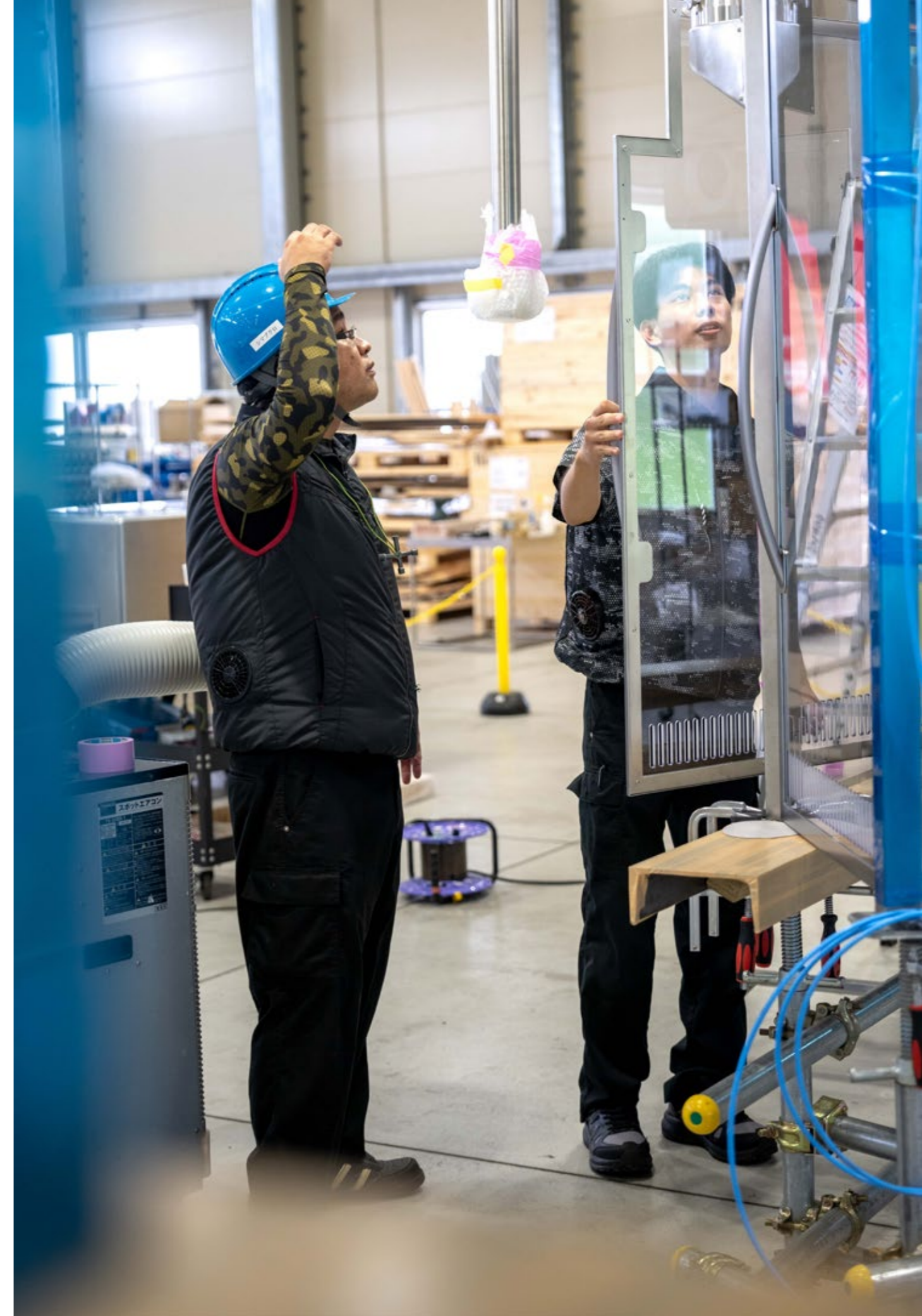
The risk of weak demand from the main customers in the pharmaceutical industry is considered to be low due to market monitoring and the constant optimization of the sales organization. Furthermore, forward planning on the basis of rolling forecasts makes it possible to counter short-term declines and increases in demand in a cost-neutral manner by planning vacation and time accounts, particularly in the production area, or taking timely action to cut costs.

Purchasing and material cost risks

In procurement, the focus is on optimizing purchase prices and ensuring supply reliability and quality through good supplier selection. In the area of steel construction, capacity is primarily distributed within the Group in order to utilize the most optimal and cost-effective options. To avoid supply bottlenecks, inventories of key components are closely monitored and increased if necessary.

Assessment of the overall risk situation

Due to the long-term customer relationships and the strong position in the core areas, SKAN Group operates within a favorable environment with limited risks.





About this report

We are delighted to share our Sustainability Report, covering the reporting period from January 1, 2024, to December 31, 2024. This report underscores our ongoing dedication to integrating Environmental, Social, and Governance (ESG) principles into various facets of our organization. Published on March 25, 2025²⁻³, the report encompasses all entities under our financial control (fully consolidated), with specific disclosures for individual organizational units clearly marked. As SKAN falls within the scope of Art. 964a of the Swiss Code of Obligation, the following report is prepared in line with the requirements set forth in Art 964b Swiss CO. Following the Swiss Ordinance on Climate Disclosures, this report is based on the recommendations of the Task Force on Climate-Related Financial Disclosures. This report has further been prepared in accordance with the current Global Reporting Initiative standards (GRI).

Next to the law on transparency on non-financial matters, the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor (DDTrO) entered into force in January 2023. Given that our annual import and processing volumes of high-risk minerals and metals remain well below the defined thresholds, we are not required to submit a due diligence report under Articles 964j-964l of the Swiss Code of Obligations (OR). Despite this exemption, we enforce a rigorous due diligence process for our suppliers in this area.

The same legal framework also governs transparency and due diligence concerning child labor. Within the SKAN Group and across our supply chain, we are committed to eliminating child labor. In our risk-based assessment we found no indications of child labor in our supply network. In 2025, we will implement further measures and expand our evaluations to strengthen awareness and reinforce this responsibility among our business partners.

This year marked an important milestone in our company's ongoing sustainability journey with the launch of our Group-wide ESG Strategy 2030. Building on a strong foundation of responsible practices, this initiative unites and amplifies our long-standing commitment to sustainability, placing ESG considerations at the core of our decision-making. It reflects our ambition to not only meet but exceed industry standards, fostering innovation and responsibility in equal measure. The ESG Strategy 2025 reinforces our dedication to integrating sustainable practices even more deeply into our operations, ensuring they align with stakeholder expectations and the needs of future generations. Together, we are strengthening the foundation for a more resilient, ethical, and environmentally conscious organization.

SKAN's Journey towards Sustainability: Embracing ESG as path of Innovation and Leadership

SKAN's commitment to sustainability continues our founding ethos of exploring uncharted territories with courage. Since our origins in 1968 as a trading company for Scandinavian health products, SKAN has consistently demonstrated the core values of commitment, innovation, and responsibility. The company revolutionized aseptic manufacturing decades ago and is now committed to integrating ESG initiatives into its core operations and this report details out ambitious journey into the ESG landscape. This is not solely about meeting regulatory requirements, but is a reflection of the company's dedication to embedding sustainability into all business areas focusing on the three critical elements: People, Product and Planet. See: "How we achieve sustainability" on page 37.

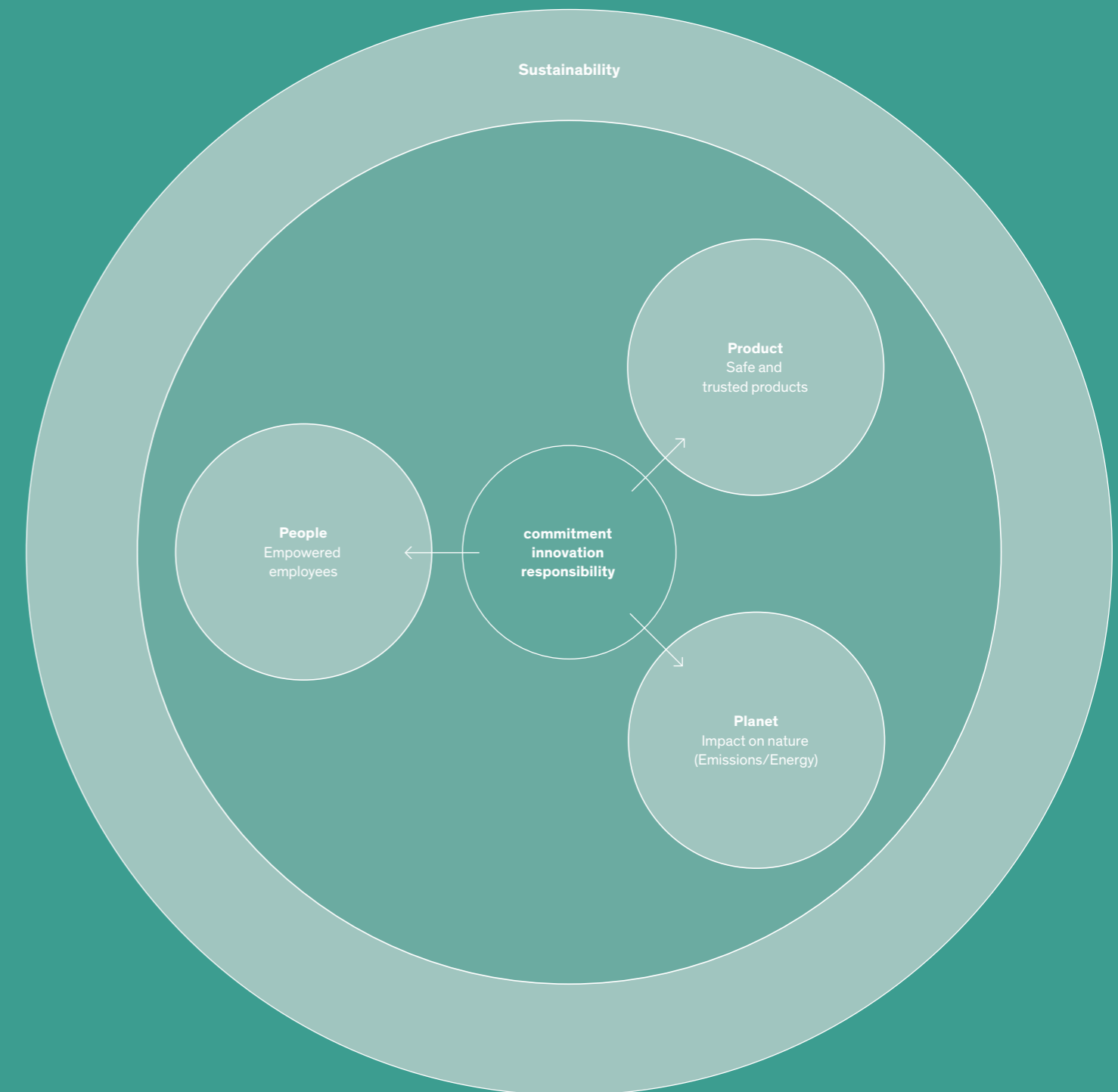
As of January 1, 2024, SKAN has embraced a structured ESG framework, marking a new chapter in its history as a global market leader in aseptic production technology. This strategic move goes beyond compliance or reputation management; it is a response to the growing imperative for companies to actively contribute to a sustainable future. SKAN's journey reflects the challenges, milestones, and transformative potential of aligning business practices with global sustainability goals, ensuring the company's continued success in a world increasingly defined by climate challenges, evolving regulations, and heightened expectations for corporate responsibility.

Why ESG?

The world is facing unprecedented environmental and social challenges. Climate change, resource scarcity, and social inequalities are reshaping economies and industries worldwide. As a leader in the biopharmaceutical sector – a field critical to global health – SKAN recognizes the need to align its operations and values with broader sustainability goals. Beyond operational excellence and technological innovation, there is a moral and strategic imperative to reduce environmental impact, foster ethical practices, and contribute positively to society.

Sustainability is no longer optional for companies operating in Europe, Switzerland, and other regions where SKAN has a significant presence. Swiss regulations, such as the Swiss Code of Obligations' updated transparency requirements, mandate large companies to report on non-financial matters like environmental impacts and human rights. At the European level, the Corporate Sustainability Reporting Directive (CSRD) requires comprehensive disclosure of ESG practices and extends to global supply chains. Additionally, the EU Taxonomy Regulation compels businesses to classify economic activities based on their environmental sustainability. For a company like SKAN, deeply integrated into highly regulated health markets, these frameworks are not only obligations but opportunities to demonstrate leadership.

How we achieve sustainability



1 Our company – Who we are

1.1 Overview

SKAN Group AG, a publicly listed corporation headquartered in Allschwil, Switzerland, operates globally through its subsidiaries. ²⁻¹ A leader in isolator systems for aseptic and aseptic-toxic manufacturing in the (bio-)pharmaceutical industry, SKAN supplies solutions to over 35 countries, with key markets in Western Europe, North America and Japan. Our clients include top global (bio-)pharmaceutical firms ²⁻⁶ as described on p. 22- p. 23 of our Business Report as well as our entities included in our sustainability reporting. ²⁻²

A strong supply chain is vital to our operations, prioritizing long-term partnerships with quality-driven, innovative suppliers. Some relationships exceed 25 years. While stainless steel sheet constructions and turned-milled parts are produced in-house, most components come from third-party suppliers selected based on technical quality, cost efficiency, and collaboration. Suppliers must adhere to our Supplier Code of Conduct and are generally ISO 9001 certified. Key suppliers undergo regular assessments, audits, and reviews. ²⁻⁶ Guided by the precautionary principle, we prioritize safety and product integrity. We uphold ethical standards, opposing discrimination, illegal employment, and worker exploitation. Training initiatives, including 2023 data privacy programs, reinforce these values. Sustainability factors into performance goals, affecting variable compensation.

Information on employees at the end of the year (head count) ²⁻⁷

Employee Type	2024			2023		
	Switzerland	Germany	Others	Switzerland	Germany	Others
Permanent	941	327	218	871	318	199
Temporary	40	13	7	45	14	7
Non-guaranteed hours	75	1	-	73	-	-
Full-time	872	305	200	821	311	197
Part-time	184	36	25	168	21	9

Employee Type	2024		2023		2024	2023
	Female	Male	Female	Male		
Permanent	18.0%	82.0%	16.6%	83.4%	1'486	1'388
Temporary	15.0%	85.0%	13.6%	86.4%	60	66
Non-guaranteed hours	9.2%	90.8%	6.8%	93.2%	76	73
Full-time	14.2%	85.8%	13.5%	86.5%	1'377	1'329
Part-time	36.3%	63.7%	32.8%	67.2%	245	198

Workers who are not employees ²⁻⁸

In 2024, the total number of workers who are not employees was estimated at 20 (head count). They are mainly very well-trained experts who we commission for highly specific tasks for which we do not have the expertise in-house.

1.2 SKAN's ESG Strategy to 2030

At SKAN, sustainability is embedded in our corporate strategy, guiding environmental initiatives, social responsibility, and governance practices. Our mission to safeguard patient health and improve access to life-saving medicines aligns with global sustainability objectives, particularly the United Nations Sustainable Development Goals (SDGs), including SDG 3 (Good Health and Well-being), SDG 8 (Decent Work and Economic Growth), and SDG 13 (Climate Action). ESG considerations are integral to our strategy, enhancing stakeholder trust and competitive positioning.²⁻¹²

As we look towards 2030, SKAN is committed to meaningful progress in reducing environmental impact, optimizing resource use, and fostering a workplace that promotes innovation and growth. Our strategy focuses on three key areas: minimizing our environmental footprint, empowering employees, and maintaining high governance standards. Approaching 2030, we will continue to refine our approach, track progress, and make data-driven decisions that contribute to a more sustainable future. The actions we take today will shape our long-term success, benefiting society, the environment, and the global economy.

To further refine our priorities, SKAN is preparing for a double materiality assessment in 2025. This review will align sustainability actions with evolving business objectives and societal needs, ensuring targeted and impactful ESG initiatives. By assessing critical ESG issues, we will establish more defined sustainability goals and strategies for the future.

As part of our roadmap to 2030, we focus on enhancing the sustainability of our products and services. Our goal is to design solutions that minimize energy consumption, reduce waste, and incorporate recyclable materials while supporting customers in their own sustainability efforts. By providing advanced monitoring tools and energy-efficient technologies, we enable them to optimize resource use and achieve their sustainability targets.

A vision for the future: Laying the foundation for change

On January 1, 2024, SKAN formalized its sustainability efforts, reinforcing the belief that companies in the health and life sciences sectors have a unique responsibility to contribute to societal and environmental well-being. ESG was recognized early on as a complementary force to SKAN's core values of technology leadership and customer intimacy. With a strong awareness of sustainability's growing socio-political importance, SKAN has positioned itself as a partner that not only meets high regulatory standards but also actively supports its customers in achieving their own ESG goals. This ongoing journey is guided by a roadmap that balances ambition with pragmatism.

- [Conducting a detailed assessment of ESG potential areas for impact.](#)
- [Establishing clear carbon-neutrality targets for Scope 1, 2, and 3 emissions.](#)
- [Beginning a phased, data-driven approach to integrate ESG into its long-term 2030 strategy.](#)

Carbon neutrality: Setting a course for impact

Reducing CO₂ emissions across our operations is a top priority. We continuously work to enhance the efficiency of our solutions, optimize supply chains, and improve infrastructure sustainability. Our decentralization strategy, aimed at expanding our global presence while reducing long-distance travel, plays a crucial role in lowering transportation-related emissions and offering localized, energy-efficient solutions.

SKAN's progression toward carbon neutrality reflects its commitment to addressing one of the most pressing challenges of our time: climate change. Like any meaningful expedition, this path began with mapping the terrain – assessing the emissions linked to its operations and identifying areas where impactful changes can be made. Recognizing the complexity and urgency of this challenge, SKAN has set clear, ambitious targets for achieving carbon neutrality across all scopes of emissions, aligned with global sustainability goals:

- [Scope 1 \(direct emissions\): CO₂ neutral by 2030.](#)
- [Scope 2 \(energy-related indirect emissions\): CO₂ neutral by 2035.](#)
- [Scope 3 \(indirect emissions\): CO₂ neutral by 2050.](#)

SKAN's efforts are driven by two key fronts: reducing emissions from the use of its solutions and addressing the carbon footprint of its own operations. A significant part of SKAN's emissions footprint is tied to the use of its innovative solutions in pharmaceutical production. As a trusted partner to customers in the biopharmaceutical industry, SKAN has embraced innovation and collaboration to drive reductions in this area. By designing systems that are more energy-efficient and providing tools that allow customers to monitor and optimize their energy consumption, SKAN enables its clients to contribute to a more sustainable future. Initiatives to decentralize services have also reduced the need for physical travel, while waste reduction processes ensure resource efficiency without compromising safety or quality.

Human-centered design: Innovating for people

As part of its sustainability roadmap, SKAN is also redefining the way technology interacts with people. The company has identified Human-Centered Design (HCD) as a key area of focus, aligning technological innovation with the needs and experiences of its users. Drawing on advancements, such as artificial intelligence, virtual reality, and augmented reality, SKAN is creating solutions that are intuitive and adaptive. This focus on people-first design not only enhances operational efficiency but also ensures SKAN's technology supports the well-being of the people who use it.

We are also committed to fostering a diverse and inclusive work environment. Recognizing that our employees drive our success, we invest in continuous training, innovation, and leadership development. Key performance indicators, such as training hours, employee retention, and diversity metrics, are monitored to ensure alignment with SDG 8 and continuous workforce improvements.²⁻¹⁷ Governance remains a fundamental pillar of our sustainability efforts. Transparency, integrity, and accountability guide our interactions with stakeholders, ensuring their feedback informs our strategic direction. The Investor Relations team plays a critical role in keeping stakeholders informed, while the Board of Directors ensures sustainability remains central to decision-making processes. Additionally, the ESG representative of the Board engages in regular sustainability trainings facilitated by external consultants to enhance its understanding of sustainable development.²⁻¹⁷

1.3 Sustainability Governance

The SKAN Group Board of Directors, in collaboration with Management, defines the company's ESG strategy. The Board delegates specific responsibilities to the Group CFO (via the Audit Committee) and the Group CFCO (via the Nomination and Compensation Committee), ensuring structured management of sustainability impacts. Both committees review sustainability-related reports annual basis before submission to the Board for final approval, which in turn presents its oversight activities at the Annual General Meeting.^{2-13,2-14,2-15,2-18}

The Board considers sustainability issues¹ when reviewing and guiding their business strategy, major plans of action, risk management policies, annual budgets, and business plans. They also set the organization's performance objectives, monitor implementation and performance, and oversee major capital expenditures, acquisitions, and divestitures. We are also setting up the governance structure (process, roles, and responsibilities) for top Management's oversight of climate-related issues.

- The updates include information on SKAN's:
- [Sustainability strategy and progress in implementing it.](#)
 - [Exposure to sustainability and climate-related risks and opportunities.](#)
 - [Plans for mitigating sustainability and climate-related risks and capitalizing on climate-related opportunities.](#)
 - [Commitment to ensuring that the company is well-positioned to address the challenges and opportunities resulting from climate change.](#)

To enhance collective understanding of sustainable development, the representative of the ESG representative of the Board of Directors actively engages in annual training facilitated by external consultants.

¹ Covering climate, nature and social topics.

1.4 Responsible Business Practices²⁻²⁷

Our Supplier Code of Conduct mandates social and environmental responsibility, aligning with International Labour Organization (ILO) standards. Senior leadership oversees responsible business practices, with implementation delegated to operational teams.^{2-23 2-24} SKAN promotes a transparent corporate culture, encouraging employees to report concerns through various channels, including supervisors, HR, legal & compliance, or senior management. A whistleblower hotline is being piloted in Germany, and external parties can report concerns via compliance@skan.ch.^{2-25, 2-26}

In the past year, the company made significant strides to enhance its compliance framework and employee training programs, reinforcing adherence to legal and ethical standards. A comprehensive training module on harassment prevention was introduced to foster a safe and respectful workplace, with a focus on inclusivity. Anti-bribery and anti-corruption (ABAC) initiatives were expanded to align with international standards and local legal requirements, while training on antitrust law was updated to promote fair competition practices. To address conflicts of interest, the company established a robust management process supported by a dedicated policy and a reporting form for transparent disclosure of potential or actual conflicts. Additionally, the development of a company-wide AI Governance Policy set principles for transparency, fairness, accountability, and data privacy, ensuring the ethical and responsible use of artificial intelligence and laying the foundation for future AI-related developments. These training initiatives were delivered through a blend of in-person workshops, interactive e-learning modules, and ongoing assessments. The new AI Policy will also be introduced in dedicated sessions to emphasize its alignment with regulatory requirements and industry best practices.

The company revised its Code of Conduct and Supplier Code of Conduct, with official rollout planned for 2025. To support this implementation, targeted communication and training initiatives will ensure employees and suppliers understand and adhere to the updated guidelines. During the reporting period, several internal compliance incidents were identified and addressed through established processes, demonstrating the company's commitment to maintaining high ethical and operational standards. Sanctions ranging from verbal and written warnings to employment terminations were imposed based on the severity of the incidents and applicable policies. Preventive measures were also implemented after analyzing root causes to avoid recurrence. Importantly, none of these internal incidents met the criteria for reportable cases under GRI Standard 2-27, as the company did not experience significant monetary fines, non-monetary sanctions, or legal actions impacting its financial position or reputation. These efforts reflect a proactive approach to internal compliance management, fostering a culture of accountability and transparency.

Looking ahead, the company remains committed to continuous improvement in compliance. It will monitor evolving regulations and promptly update compliance programs as needed, expand training initiatives to address emerging topics, such as ESG-related disclosures and AI ethics, and strengthen internal audit and risk management functions to proactively identify and mitigate compliance risks. Plans are also in place to extend the anonymous Speak-Up (whistleblowing) channel to all SKAN entities, as well as to external business partners and suppliers. Through these efforts, the company aims to uphold its commitment to integrity, accountability, and transparency, fostering trust among stakeholders while mitigating legal and regulatory risks. 2-16

Compliance with laws and regulations ²⁻²⁷	2024	2023
Incidents of Non-Compliance	None	None

1.5 Stakeholders and Memberships
Shaping the conversation: Educating and engaging stakeholders 2-29

SKAN recognizes that sustainability is a collaborative effort, requiring active engagement with regulators, customers, investors, and employees. Engaging with these stakeholders is essential to our sustainability efforts. As part of its ESG course, SKAN is committed to shaping the conversation around sustainability by educating stakeholders on the latest innovations, best practices, and state-of-the-art technologies in its field. To support this, SKAN actively collaborates with regulatory bodies, sharing insights and expertise to help shape policies that foster real impact rather than bureaucratic formalism. This proactive approach not only positions SKAN as a thought leader but also ensures that the industry benefits from practical, forward-thinking solutions. With customers we collaborate, for example, to develop energy-efficient solutions that reduce environmental impact. Internally, SKAN is fostering a culture of engagement and accountability, ensuring that employees understand the company's ESG goals and their role in achieving them. Externally, SKAN communicates transparently with customers and investors, providing data-driven evidence of its progress. By doing so, SKAN strengthens trust, enhances its reputation, and continues to attract partners who share its vision for a more sustainable future.

Key Stakeholders	Engagement Approach	Interests & Concerns (topics)
Employees	Introduction weeks for new employees, half-year and year-end information events, leadership training, annual performance reviews, employee surveys, interactive working environment, social media	Company strategy, education and perspectives, equal opportunities, remuneration, occupational health and safety
Investors/Shareholders	Annual General Meeting, Annual and Half-Year Report, annual presentation of the full-year results, conference calls (e.g. at the publication of half-year results), ad hoc announcements and media releases, meetings with shareholders, investors and analysts, roadshows, Investor Relations website	Business outlook, economic value, financial figures, strategy, R&D pipeline
Customers	Personal contact through SKAN sales and service specialists, customer events, trade fairs, technical support, customer surveys, social media	Quality of products and solutions, conformity with regulations, delivery time, price of product
Regulators	Membership in working groups for guidelines and regulations, regular exchange with authorities	Technical expertise, compliance with regulations and guidelines
NGOs/Public	Regular exchange with NGOs, authorities, and municipalities	Consultation on developments of production sites, tax strategy, etc.
Suppliers	Assessments, frame contracts, audits, communication of SKAN supplier code of conduct	Procurement strategy, order volume, price negotiations

Furthermore, SKAN Group is active in topic-specific initiatives and associations. The main memberships include the following organizations. ²⁻²⁸

- International Society for Pharmaceutical Engineering (ISPE)
 - Member of Containment Group publishing Containment Manual
 - ISPE DACH Special Interest Group on Robotics
 - Chair of ISPE Robotic and Containment
- Parenteral Drug Association (PDA)
 - Member of the PDA ATMP Advisory Board and Chair of the PDA Points to consider document for the manufacturing of ATMPs
 - President Elect PDA DACH
- Working groups for standards and guidelines of the European Union
 - Member of Swiss Mirror Group and Working Group for CEN TC 332 (Standards for Laboratory Equipment EN 14175, EN 12469)
 - Support of European standards group EN 12469 (Microbiological Safety Benches and Lab Isolators)
- ISO
 - Member of Standards Working Group ISO TC 198 (Aseptic processing of healthcare products, ISO 13408-4, ISO 11138)
- Swiss Mirror Group and Working Group for ISO TC 209 (Standards for Cleanrooms and Isolators, ISO 14644-1, -3, -7)
 - Member of Schweizerische Normen-Vereinigung (SNV), Swiss Contamination Control Society (SwissCCS), Swiss Biosafety Network (SBNet)
 - SNV INB/NK 171

1.6 Our materiality assessment & matrix ³⁻¹

We performed an initial materiality analysis in 2021 in which key topics were identified through consultations with internal and external stakeholders, as well as a detailed evaluation of the economic, social, and environmental impacts of these topics. The analysis and the outcome thereof has since been reviewed and validated internally. The process resulted in the confirmation of the initially identified material topics for the reporting year 2024: Economic Performance, Product Quality & Safety (Safety & Trust), Legal & Regulatory Compliance, Employee Empowerment, Development & Engagement, Diversity & Equal Opportunity, Innovation Management, and Greenhouse Gas Management. Hence, there are no significant changes from previous reporting periods in the list of material topics and topic boundaries. ³⁻² Our selection of material topics is found in the materiality matrix depicted on p. 48 and p. 49 among the topics ranked high (right corner) in terms of importance to both our business and our stakeholders.

We are preparing to conduct a double materiality assessment in 2025. This reassessment will comprehensively review and refine our sustainability priorities, ensuring that our focus areas align not only with our business objectives but also with the broader societal and environmental expectations. The double materiality approach will examine both the impacts of sustainability topics on our business and the consequences of our activities on the environment and society. This holistic assessment is in line with the significant regulatory changes anticipated from the European Union, including the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy. These new reporting requirements will necessitate a complete overhaul of our materiality topics to ensure full compliance and to reflect the evolving landscape of sustainability reporting. As part of our ongoing commitment to responsible business practices, we continue to engage closely with our stakeholders to identify and assess the most relevant sustainability topics. The insights gained from our TCFD assessment, and the upcoming double materiality reassessment will guide SKAN in refining its reporting practices, reinforcing our commitment to sustainability, and ensuring that we remain at the forefront of ESG leadership in our industry.

Looking ahead, the results of our upcoming double materiality assessment will inform our strategy and the prioritization of sustainability issues for the next phase of our business growth. As we continue to align our operations with the SDGs and other global frameworks, we will refine our sustainability strategy to ensure it reflects the latest regulatory expectations and stakeholder needs. This ongoing assessment process ensures that SKAN's approach to sustainability remains adaptive, forward-thinking, and responsive to both internal and external influences.

Regarding sustainability matters such as “respect for human rights” and “combating corruption and bribery” as outlined in the Swiss Code of Obligations, no issues have been identified that meet the threshold of being ranked as “high” from an impact perspective. Consequently, these topics are not specifically addressed in the Sustainability Report. However, they remain important elements of the company's commitment to responsible governance. As part of this, the company has implemented measures to prevent potential negative impacts and financial risks related to these issues. These include the establishment of the Code of Conduct for the business and a Supplier Code of Conduct, both of which explicitly prohibit corruption and require suppliers to adhere to the core labor standards set by the International Labour Organization (ILO). Employees are encouraged to report any violations of the Code of Conduct to their supervisors, HR, Legal/Compliance, or management. SKAN ensures that no sanctions are imposed on employees who report in good faith and also safeguards the rights of the accused individual. Additionally, SKAN plans to expand its anonymous Speak Up Line to allow workers across the value chain to report violations confidentially. As the identification and evaluation of material sustainability topics is an ongoing process for SKAN, we are aware that, as part of the double materiality assessment we will undergo in 2025, our perspective on the materiality of these two topics may evolve. We remain committed to staying vigilant and will continue to reassess these issues as part of our broader sustainability strategy.

The boundaries for each of the following material topics are as follows:

Sustainability matters according to Art. 964b Swiss CO	Material Topics	GRI Indicators – Topic-specific disclosures	Location in Value Chain		
			Upstream	Operations	Downstream
Social matters	Product Quality & Safety (Safety & Trust)	416-2: Customer Health And Safety – Incidents of Non-Compliance 2-27: Compliance with Laws And Regulations	●	●	●
Entity-specific matters	Economic Performance	201-1: Direct Economic Value Generated And Distributed	●	●	●
Social matters	Innovation Management	R&D spend		●	
Employee matters	Employee Empowerment, Development & Satisfaction	401-1: New Employee Hires And Employee Turnover 404-1/2/3: Training And Education		●	
Employee matters	Diversity & Equal Opportunity	405-1: Diversity of Governance Bodies & Employees	●	●	●
Environmental matters	Greenhouse Gas Management	305-1: Direct (Scope 1) GHG Emissions 305-2: Energy indirect	●	●	●

In accordance with Art. 964b Swiss CO, the main risks in connection with non-financial matters should be disclosed. The following risks were identified by SKAN:

Sustainability matters according to Art. 964b Swiss CO

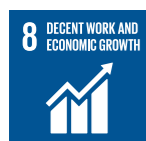
	Main impacts	Main risks and/or opportunities
Social matters	Increased customer satisfaction and trust due to improvements in the quality and safety of our products as well as positive impact associated with SKAN's products for customers and end-users.	Reputational and legal risks related to products causing adverse impacts on customers and end-users or the environment. Opportunities related to lower costs due to optimization of manufacturing processes.
Employee matters	Improvement of employees' living and economic conditions as well as increased satisfaction due to offering a secure employment, social protection, and benefits. Enhancement of employees' skills and career prospects by providing comprehensive training, professional development opportunities, and a supportive work environment. Fostering a culture of inclusivity and respect, leading to a more creative and dynamic workforce.	Risks are linked to potential reputational and legal risks related to potentially causing health risks to employees at work and risks of not being able to attract and retain highly qualified talent.
Environmental matters	Emission of greenhouse gases along the value chain due to consumption of non-renewable energy, purchased goods and services, and transportation.	Risks are related to fluctuating energy and raw material prices. Opportunities related to the growing demand for energy efficient and modular products. Risks and opportunities arise from the physical impacts of climate change (Our exposure to extreme weather risks) and the transition to a low carbon economy (through regulatory changes and evolving customer expectations).



Materiality Assessment Matrix

<p>Very high</p> <p>↑</p> <p>importance to stakeholders</p> <p>↓</p>				<ul style="list-style-type: none"> → Product Quality & Safety (Safety & Trust) → Legal & Regulatory Compliance → Economic Performance
		<ul style="list-style-type: none"> → Digitally Enabled Solutions → Supply Chain Efficiency → Anti-Corruption & Bribery → Labor Practices/Human Rights → Data Privacy & Security 	<ul style="list-style-type: none"> → Greenhouse Gas Emissions (direct & indirect) → Innovation Management → Diversity & Equal Opportunity 	<ul style="list-style-type: none"> → Employee Empowerment, Development & Engagement
		<ul style="list-style-type: none"> → Energy Consumption 	<ul style="list-style-type: none"> → Employee Health & Safety 	
	Low	<p>← SKAN'S economic, environmental, and social impact →</p>		Very high

2 How we create value – safe and trusted products



Material topics covered:

- Economic Performance
- Product Quality & Safety (Safety & Trust)
- Innovation Management

2.1. Commitment to Quality and Innovation

The biopharmaceutical industry is experiencing continuous growth, largely fueled by advancements in healthcare and the increasing demand for high-quality medical solutions. In developed nations, aging populations require more sophisticated treatment options, while emerging markets are striving to attain the same level of healthcare accessibility and reliability seen in leading countries. This global shift underscores the importance of safety and trust in pharmaceutical manufacturing – principles that SKAN places at the core of its mission. By ensuring strict compliance with industry regulations and delivering reliable, high-quality solutions, we provide our customers with confidence in both our products and our commitment to excellence. Meeting the highest standards in quality, safety, and regulatory compliance allows us to not only support our clients' success but also build long-term, trust-based partnerships.

At SKAN, value creation is deeply embedded in our operations. We focus on maintaining product integrity, driving economic growth responsibly, and fostering a culture of innovation. Through these efforts, we contribute to sustainable development goals, particularly in enhancing public health and promoting fair working conditions. The safety and compliance of our solutions directly impact the well-being of end users, reinforcing our commitment to ethical business practices and stakeholder expectations.

To uphold our high standards, we have implemented a robust quality management system aligned with ISO 9001:2015 and established a specialized regulatory team that continuously monitors compliance with evolving industry requirements. Our production processes adhere to the SN EN ISO 12100 Safety of Machinery Standard, and we ensure CE certification for our products within the European Union. Through proactive assessments and stringent controls, we guarantee that our manufacturing practices remain aligned with both regulatory advancements and customer needs.

We further strengthened our compliance framework by conducting rigorous internal audits and on-site inspections. This proactive approach has been instrumental in maintaining our high safety standards, resulting in zero reported incidents in 2024.

416-2: Customer Health and Safety – Incidents of Non-Compliance

	2024	2023
Incidents of Non-Compliance	None	None

Disclosure 416-2: "Incidents of non-compliance concerning the health and safety impacts of products and services"

During the reporting period, SKAN did not face any court judgments or warnings across the entire organization related to violations of regulations concerning the health and safety of products and services, or the information associated with products and services. Additionally, there were no sanctions imposed in relation to products and services due to non-compliance with regulations related to product liability.

GRI: 201-1: Direct economic value generated and distributed

in CHF thousands	2024	2023
Direct economic value generated		
Revenue	361'790	320'877
Direct economic value distributed		
Operating cost	146'663	129'214
Employee wages and benefits	158'030	141'194
Payments to providers of capital	8'675	6'313
Payments to government	6'195	4'100
Economic value retained	42'226	40'056

2.2. Advancing research and development through Pure Solutions

In 2024, our Pure Solutions team continued to drive customer excellence; one strong example being that it achieved a historic milestone by successfully delivering and installing 241 "claire neo" safety cabinets in Hoffmann-La Roche's new pRED (Pharma Research and Early Development) buildings in Basel. This landmark project represents not only the largest single order in our history but also a significant step forward in our collaboration with one of the world's leading pharmaceutical companies. This achievement underscores our commitment to reliability and excellence. The pRED buildings are state-of-the-art research and development facilities designed to foster the creation of innovative medicines and therapies. Their cutting-edge infrastructure sets new benchmarks in pharmaceutical research, offering scientists an optimal working environment. To meet the specific requirements of this project, we worked closely with Roche to further develop the claire series safety cabinets, creating the most advanced system on the market. This successful implementation highlights our technological expertise and our ability to manage large-scale, pioneering projects. Looking ahead to we, we are intensifying our focus on sustainability in marketing and product development. Our Workstation evo fume cupboard, for example, is designed to require less conditioned room air, leading to significant energy savings. Additionally, as laboratory automation continues to gain traction – particularly in liquid handling processes – we are expanding our product range to align with this trend. Moving forward, we will provide solutions that ensure optimal protection when handling hazardous substances, seamlessly integrating with robotic automation to enhance both safety and efficiency.

2.3. Innovation: A holistic approach to progress

At the core of our innovation strategy is the principle of viewing new technical capabilities from the customer's perspective. In 2024, our advancements were driven by digital technology, research into the physics of surfaces and active process media, and progress in automation. However, innovation extends beyond technology alone – it encompasses understanding and addressing user needs as they interact with sophisticated systems. Ensuring the safety of pharmaceutical products is paramount, which is why usability and error-free interfacing remain central to our development efforts.

This past year, we deepened our engagement with the real-world challenges and opportunities of aseptic manufacturing. A key focus has been the development of solutions to facilitate compliance with Annex 1 GMP requirements. Through our Aseptic Technology (AT) business, we have gained valuable insights into direct product contact parts and engineered novel solutions tailored to these stringent requirements.

Beyond the laboratory, we continue to pave the way for broader adoption of groundbreaking biopharmaceutical modalities. Our efforts are geared toward making cell and gene therapies and other advanced therapy medicinal products (ATMPs) more accessible for large-scale production. By bridging the gap between research and practical implementation, we are shaping the future of pharmaceutical manufacturing, reinforcing our commitment to innovation, safety, and sustainability.

Innovation Management: R&D spend

	2024	2023
Total R&D in CHF thousands	30'026	22'522
In % of net sales	8.3%	7.0%

Compliance with reporting requirements for minerals and metals

Given that our annual import and processing volumes of high-risk minerals and metals remain well below the defined thresholds, we are not required to submit a due diligence report under Articles 964j–964l of the Swiss Code of Obligations (OR). Despite this exemption, we enforce a rigorous due diligence process for our suppliers in this area.

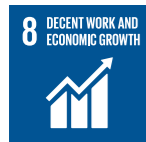
The same legal framework also governs transparency and due diligence concerning child labor. Within the SKAN Group and across our supply chain, we are committed to eliminating child labor. In our risk-based assessment we found no indications of child labor in our supply network. In 2025, we will implement further measures and expand our evaluations to strengthen awareness and reinforce this responsibility among our business partners.

3 Empowered Employees



Material topics covered:

- Employee Empowerment, Development & Satisfaction
- Diversity & Equal Opportunity



3.1. Commitment to people and culture

At SKAN, our employees are the foundation of our success, driving the innovation and excellence that define us as an organization. With this in mind, SKAN's HR and Academy teams collaborate to create

a cohesive, empowering environment where every individual can thrive. We believe in fostering a workplace rooted in our core values: teamwork, respect, quality, honesty, trust, accountability, solution orientation, appreciation, communication, and flexibility. These principles guide every aspect of our culture, ensuring mutual respect and a sense of belonging across our global workforce.

Our commitment to people begins with providing a modern, inspiring work environment that emphasizes psychological safety, open communication, and the freedom to innovate. Leaders at SKAN are expected to embody the principle of "Walk the Talk," serving as role models who encourage constructive dialogue and learning. This leadership approach is complemented by programs that prioritize employee well-being. Initiatives, such as Lyra Wellbeing, ergonomic workplace setups, and annual health days, demonstrate our focus on mental and physical health. Additionally, cultural and social events, from the B2Run to the Industrial Night, strengthen our sense of community and collective spirit. By investing in our people, we not only achieve our shared goals but also nurture an environment that values diversity and inclusion. From our collaboration with mitschaffe.ch GmbH to reintegration programs with the Swiss Social Security Institution, we actively promote equal opportunity and mutual learning.

401-1: New employees hired and employee turnover

Employee Type	New employee hires 2024		Employee turnover 2024	
	Employee hires	Hires in % ¹	Employee exit	Turnover in % ²
Total	249	17.3%	149	10.4%
Gender				
Male	177	14.9%	115	9.7%
Female	72	28.9%	34	13.7%
Age Group				
< 30 years	87	31.4%	35	12.6%
30–50 years	133	14.4%	92	9.9%
> 50 years	29	12.4%	22	9.4%
Region				
Switzerland	172	19.0%	101	11.1%
Germany	35	10.9%	25	7.8%
Belgium	11	23.2%	4	8.4%
US	29	24.5%	18	15.2%
Japan	2	4.7%	1	2.4%

¹ Employee hires in percent of the average number of employees per year.

² Employee turnover in percent of the average number of employees per year.

³ Thereof involuntary turnover: 4.7%

The calculation is based on all employees at SKAN Group excluding temporary and external employees.

404-1: Training and education

	2024	2023
Total amount of training hours	87'799	97'615
Average training hours per employee		
Male	67	71
Female	59	69
Non-Management	73	77
Management	9	11

The calculation is based on all employees at SKAN Group without SKAN Stein and Aseptic Technologies, excluding temporary and external employees as well as Top Management.

404-2 Programs for upgrading employee skills and transition assistance programs

A key aspect of our culture lies in recognizing and developing talent. SKAN's comprehensive onboarding programs, training initiatives, and leadership development opportunities are central to this effort. Our HR and Academy teams work in unison to provide tailored development pathways, ensuring employees have access to resources that enhance their skills and advance their careers. For example, the Academy's training modules, aligned with ISO 29990 and eduQua (CH) standards, emphasize trainer development and blended learning, integrating the latest technologies to create efficient, engaging experiences. Furthermore, the Academy's efforts extend globally, with successful training strategies implemented in Germany and the USA, reflecting our commitment to continuous improvement and international collaboration. By embedding these programs within our framework, we empower employees to exceed customer expectations while fostering entrepreneurial thinking and flexibility.

SKAN Academy: Empowering growth through development and innovation

At SKAN, growth and innovation are inextricably linked to our ability to attract, develop, and retain the right talent. Our recruitment approach ensures alignment not only with technical and professional requirements but also with our cultural values. This strategic focus is complemented by initiatives designed to support personal and professional growth. From language courses to technical programs, employees have access to an array of resources that help them excel within our dynamic environment. Our efforts are particularly significant in our GMP-focused operations, where our SKAN Academy plays a pivotal role in certifying employees before they assume their roles. The program's in-depth training on isolator technology, pharmaceutical processes, and customer needs equips employees with the expertise necessary to meet rigorous industry standards.

Our emphasis on education extends to apprenticeships and internships, which are integral to our talent pipeline. With over 35 apprentices and 39 interns engaged across our corporate group, we foster a culture of mentorship and knowledge transfer. Dedicated mentors, trained in practical competence and social skills, guide apprentices through their journey, ensuring they receive high-quality, future-oriented training. Interns bring fresh perspectives, and in 2024 one-third of them transitioned into permanent roles, highlighting the success of this approach. By continuously investing in these programs, we secure a steady influx of talent and innovation.

Leadership development is another cornerstone of SKAN's HR and Academy strategy. From multi-level Management Leadership Training to external coaching programs on resilience and effective leadership, we provide leaders with the tools to navigate complex challenges confidently. Internal courses, designed in collaboration with external partners, foster a unified understanding of leadership while promoting continuous self-reflection. This structured yet adaptive approach ensures that our leaders exemplify SKAN's values and contribute to an environment of trust, collaboration, and high performance.

Through these combined efforts, SKAN's HR and Academy teams exemplify their shared mission: to cultivate a workplace where employees feel empowered, valued, and inspired to contribute their best. Together, we lay the foundation for sustainable success, driven by a commitment to innovation, learning, and collective growth.

405-1: Diversity of governance bodies & employees

	Diversity of governance bodies 2024	Diversity of employees 2024			
		All employees	Non-Management	Management	Top Management
Gender					
Male	83.3%	82.0%	82.0%	81.5%	85.7%
Female	16.7%	18.0%	18.0%	18.5%	14.3%
Age Group					
< 30 years	0.0%	18.5%	20.6%	2.0%	0.0%
30–50 years	16.7%	64.7%	63.8%	74.2%	42.9%
> 50 years	83.3%	16.8%	15.6%	23.8%	57.1%

The calculation is based on all employees of SKAN Group excluding temporary and external employees.

2-30: Collective bargaining agreements

In 2024, 3% of the employees at SKAN Group were covered by collective bargaining agreements.

Annual total compensation ratio ²⁻²¹

Ratio highest-paid individual to median: 9:1

Ratio percentage increase highest-paid individual to median: 1:1

The ratio is calculated excluding temporary employees, apprentices, interns and trainees. For each part-time employee, full-time equivalent pay rates are used. The total compensation includes the fixed compensation, variable bonus, social security contribution, and other benefits. The highest-paid individual of the organization is the Group CEO.

4 Our impact on the environment



Material topics covered: Greenhouse Gas Management

4.1. Our performance: GHG emissions

As part of our sustainability journey, in the upcoming period we are expanding our focus beyond Scope 1 and Scope 2 emissions to disclose our Scope 3 calculations. These calculations have been concluded for our headquarters, with plans to extend the initiative to the rest of the group in the coming months. The insights gained from these efforts will drive targeted emissions reduction campaigns, including sustainable procurement strategies that align with our commitment to climate action and responsible resource management.

Looking ahead, SKAN is also working on creating detailed Product Life Cycle Assessments (PLCAs) for our isolators. These assessments will establish a foundation for eco-friendly product design, ensuring that our solutions become increasingly energy-efficient and environmentally sustainable throughout their lifecycle.

Our environmental policy is guided by a recognition of the crucial role we play in safeguarding the planet and society from the adverse effects of climate change. While our primary environmental impact revolves around energy consumption and emissions, with minimal influence on other factors like waste, effluents, or water usage, we remain resolutely focused on emissions management. Failure to meet our environmental targets and investor expectations poses significant risks – not only to our short-term operational success and reputation but also to the achievement of long-term strategic goals. This could impact the overall value of our business. Therefore, we are committed to concentrating our efforts where they have the greatest impact, such as reducing emissions from energy consumption and corporate travel.

To measure our progress, we have established specific KPIs that guide our emissions reduction efforts. These initiatives, combined with our ongoing Scope 3 calculations and the development of PLCAs, reflect SKAN's unwavering dedication to reducing our environmental footprint and aligning with global sustainability objectives

305-1: Direct (Scope 1) GHG emissions 305-2: Energy indirect (Scope 2) GHG emissions

Scope	Activity Type	GHG emissions in CO ₂ e (tonnes)		
		2024	2023	Change
Scope 1	Stationary combustion	540	636	
	Mobile combustion	359	261	
Scope 1	Total	899	897	+0.25%
Scope 2	Purchased electricity – location based	667	673	-0.94%
	Purchased electricity – market based	1'177	1'209	-2.63%
Total GHG emissions (Scope 1 + 2) - location based		1'566	1'570	-0.26%
Total GHG emissions (Scope 1 + 2) - market based		2'076	2'106	-1.41%
Total GHG emissions (Scope 1 + 2) - location based per million net sales		5.7	6.6	-15.6%
Total GHG emissions (Scope 1 + 2) - market based per million net sales		7.5	9.0	-16.6%

Definitions according to GHG Protocol (as recommended by GRI). Stationary combustion includes fuel consumption at a facility to produce heat, steam, electricity or power. Mobile combustion includes fuel consumption by vehicles that are owned or leased by the company.

In previous reporting periods, we have disclosed an additional metric related to flight mileage and CO₂ emissions in a separate disclosure table. The emissions fall under our Scope 3. We are currently undertaking a review of KPIs relevant to our ESG strategy and climate-related disclosures (including relevant Scope 3 categories) and have therefore chosen to reassess how this is reported. In 2024, flight miles were 8'860'544, CO₂ emissions (in tonnes) were 3'589 and flight miles per million net sales were 24'524. In comparison, in 2023, flight miles were 8'065'749, CO₂ emissions (in tonnes) were 3'299 and flight miles per million net sales were 25'204. In future reporting periods, these figures will be reported within our Scope 3 disclosures.

4.2. Performance-related activities

Our Scope 1 emissions saw a slight increase of 0.25% compared to the previous year. This minor rise reflects marginal variations in fuel consumption within our operations due to a larger vehicle pool overall. However, we have actively taken steps to mitigate emissions, including expanding our electric fleet and enhancing infrastructure efficiency – such as constructing new buildings that adhere to the latest energy and heating standards. Additionally, in several parts of our organization, we source 100% of our electricity from renewable energy sources, such as hydropower, reducing our reliance on fossil fuels.

These measures have contributed to a reduction in Scope 2 emissions, which decreased by roughly 2.6%. The improvements in infrastructure and the transition to a more energy-efficient fleet have directly led to lower electricity and heating consumption, demonstrating our commitment to sustainable business practices.

SKAN is dedicated to leading the charge in strengthening environmental sustainability across both our product portfolio and organizational practices. While safety and optimal performance remain at the heart of our market solutions, we actively work to reduce the environmental impact of aseptic manufacturing by promoting isolator technology. By adopting isolators, our customers significantly reduce their cleanroom footprint compared to traditional methods, conserving energy for air handling and conditioning while also minimizing grey energy from building construction, cleanroom filters, and on-going maintenance. Reducing operational energy consumption and emissions is a cornerstone of our strategy, delivering sustained energy savings over the equipment's life cycle – typically up to 15 years – with the potential for reuse.

In addition to emissions from product use, SKAN's impact stems from purchased goods and services, with production materials like steel and electronic components being significant contributors. Addressing these impacts requires a focus on sustainable procurement, including the use of recycled materials and the optimization of supply chains to minimize emissions. Furthermore, employee commuting and business travel offer opportunities for improvement through flexible work policies, decentralization, and low-carbon travel initiatives. Our business strategy complements these findings by emphasizing proactive measures to reduce emissions and drive sustainability.

Circularity and eco-design play a central role in SKAN's roadmap for a sustainable future. By designing for durability and extending the lifecycle of its equipment, SKAN aims to reduce resource consumption and waste. The integration of recyclable materials, particularly those with high embedded energy like steel, further demonstrates SKAN's commitment to minimizing its environmental impact. At the same time, the company plans to explore renewable energy solutions, such as local installations its facilities, to reduce operational emissions. The findings from the O-LCA and SKAN's strategic focus on sustainability underscore the importance of taking decisive action in areas where the company can achieve the greatest impact (see Case Study). By aligning its operations and product designs with ESG principles, SKAN is not only addressing environmental challenges but also enhancing its value proposition for customers, regulators, and investors. This dual approach ensures that SKAN remains at the forefront of innovation while meeting the growing demand for sustainable solutions.

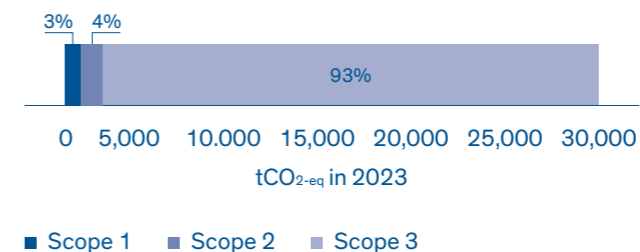
In conclusion, SKAN's path forward lies in leveraging its expertise to deliver meaningful environmental benefits through eco-design, circularity, and sustainable procurement. These focus areas will enable SKAN to reduce its carbon footprint, enhance the efficiency of its products, and contribute to a more sustainable future. By adopting a data-driven approach and continuously refining its strategies, SKAN is well-positioned to create lasting value for its stakeholders while fulfilling its responsibility toward society and the environment.

Internally, SKAN is transforming its design and production processes to address emissions from its own creation activities. Transitioning to renewable energy sources, including on-site generation, is a cornerstone of this strategy. Product designs are being reimagined to extend lifespans and maximize recyclability, particularly in high-impact areas like the stainless steel supply chain. CO₂ reduction is now a mandatory consideration in the development of all new solutions, ensuring that sustainability is integrated at every stage of innovation. These efforts reflect SKAN's belief that addressing the climate crisis requires both immediate action and long-term planning. By setting ambitious yet achievable targets and embedding sustainability into its core operations, SKAN is charting a course not just toward compliance but toward leadership in an increasingly ESG-focused world. Through its venture, SKAN is not only contributing to the global fight against climate change but is also building a resilient, forward-looking organization ready to meet the challenges of tomorrow.

CASE STUDY: O-LCA 2023

We have taken a significant step in our journey toward sustainability by completing our first comprehensive Organizational Life Cycle Assessment (O-LCA) for the year 2023. This assessment provides a detailed analysis of the company's carbon footprint and environmental impact, spanning all operational sites. It also aligns with our business strategy, which positions ESG principles as a fundamental pillar of customer value creation, alongside technology leadership and customer intimacy. This integrated approach underlines SKAN's commitment to addressing societal and environmental challenges while enhancing its market position and stakeholder trust.

The O-LCA revealed that SKAN was responsible for approximately 31'000 tCO₂e in 2023. The overwhelming majority, 93%, of these emissions were categorized under Scope 3, reflecting indirect emissions from value chain activities, such as the production of purchased goods, the use of sold products, business travel, and employee commuting. These findings highlight the critical role of indirect emissions in our overall environmental impact and underscore the need for targeted strategies to address them.



Supporting information to our Scope 1, 2 and 3 emissions disclosure:

- Emissions are expressed as Carbon dioxide equivalent (CO₂e). CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ were all considered.
- Biogenic CO₂ emissions are not applicable.
- As per GHG Protocol companies shall choose and report a base year for which verifiable emissions data are available and specify their reasons for choosing that particular year. Companies should choose as a base year the earliest relevant point in time for which they have reliable data. Because of the Covid pandemic, the currently measured emissions are not deemed to sufficiently represent an ordinary year and hence, SKAN has not yet selected a base year.
- Source of the emission factors and the global warming potential (GWP) rates used:
 - Stationary Combustion: EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, 9 March 2018.
 - Mobile Combustion: EPA, "Emission Factors for Greenhouse Gas Inventories," 9 March 2018.
- <https://www.epa.gov/climateleadership/ghg-emission-factors-hub>; WRI, GHG Protocol – Emission Factors from Cross-Sector Tools, April 2014.
- Purchased Electricity: European Residual Mixes 2018 v1.2 (published July 2019) – Table 2, Direct GWP (gCO₂/kWh).
- Purchased Electricity: Green-e Energy Residual Mix Emissions Rates (2018).
- Purchased Electricity: Carbon footprint: 2020 Grid Electricity Emissions Factors – June 2020.
- Purchased Electricity: EPA, "Emission Factors for Greenhouse Gas Inventories," Table 7 Steam and Heat, 9 March 2018.
- Consolidation approach for emissions, standards, methodologies, assumptions, and/or calculation tools used:
 - Operational control approach.
 - GHG Protocol Corporate Standard
 - Estimate used for certain fuel activity data to extrapolate to relevant period, using heating days.

4.3. Long-term resilience

Climate resilience and risk mitigation: Navigating uncertainty

SKAN is acutely aware of the importance of resilience. Climate change, shifting regulations, and evolving market expectations present both risks and opportunities. In response, SKAN is taking decisive steps to assess the climate-related risks and opportunities to future-proof its business and protect its business value.

Understanding climate-related risk through scenario planning

SKAN has adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework to evaluate and address risks associated with climate change. Using three climate scenarios -1.5°C (Net Zero), 2°C (Delayed Transition), and 4°C (Current Policies) – SKAN is modeling potential outcomes and aligning its strategy accordingly. Scenarios were based on those developed by the Network for Greening the Financial System (NGFS.) This proactive approach ensures SKAN remains agile and prepared in an uncertain future. Climate-related risks and opportunities across three timeframes were explored: short-term (which SKAN defines as <5 years), medium-term (defined as 5-10 years), and long-term (>10 years) for developing a climate risk register.

Assessing business risks:

Preparing for a changing landscape

As SKAN deepens its engagement with ESG principles, a key priority is identifying and addressing evolving risks related to climate change, geopolitical shifts, and regulatory developments. To navigate this dynamic environment, SKAN has conducted a comprehensive risk assessment of its operations and supply chain. This includes evaluating physical risks, i.e. vulnerabilities to weather events, such as extreme heat, flooding or rising sea levels, which could impact facilities, as well as transition risks i.e. geopolitical disruptions that may affect the availability of workforce or critical materials.

Beyond physical risks, SKAN is preparing for transitional risks arising from regulatory changes and evolving customer expectations. By proactively assessing these risks, SKAN ensures its ability to adapt and remain competitive in an increasingly complex and interconnected world. This assessment extends to SKAN's supply chain, where potential areas of exposure are identified, and mitigation strategies are developed to ensure

business continuity. Furthermore, the outcomes of SKAN's business risk assessments, including scenario analyses aligned with the TCFD, will play a critical role in shaping the company's materiality priorities. By integrating these insights, SKAN enhances its strategic planning, ensuring that sustainability risks and opportunities are accurately reflected in its materiality assessment³⁻¹ and long-term business strategy.

Currently, SKAN assesses the financial impacts of identified risks qualitatively and [statement on when SKAN intends to quantitatively assess financial impacts of material climate-related risks]. For more information on how we identify, assess and manage such risks as we continue to embed this into our existing risk processes, see section x of this report.

Building resilience for the future:

A foundation for long-term success

Building resilience is a cornerstone of SKAN's sustainability strategy, ensuring the company is prepared to navigate future challenges while capitalizing on new opportunities. SKAN is actively planning for future reporting requirements, aligning its practices with frameworks, such as the Corporate Social Responsibility Directive (CSRD) and the recommendations of the TCFD. These efforts will ensure compliance with emerging regulations while providing investors with the transparency they demand in ESG-balanced portfolios. To further strengthen its resilience, SKAN is prioritizing sustainable operations and innovation. This includes embedding climate resilience into the design of its facilities, products, and supply chains. By investing in renewable energy and reducing dependency on high-risk materials, SKAN is future-proofing its business against uncertainties. Through these efforts, SKAN not only safeguards its operations but also reinforces its position as an industry leader. By combining proactive risk assessment, stakeholder engagement, and long-term resilience planning, SKAN continues its endeavor as a forward-thinking, sustainable company committed to creating value for all its stakeholders.

A shared journey toward a sustainable future

SKAN's journey into ESG is marked by exploration, collaboration, and action. It is a story of a company embracing change, navigating challenges, and leading with purpose. As SKAN continues to align its operations with global sustainability goals, it reaffirms its commitment to safeguarding patients, empowering customers, and contributing to a healthier, more sustainable world. This journey is far from over, and SKAN invites its stakeholders – customers, employees, partners, and regulators – to join in shaping the next chapters of this shared story. Together, we can build a future where innovation and sustainability go hand in hand.

GRI Content Index

SKAN Group AG has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024.

GRI 1: Foundation 2021

Applicable GRI Sector Standards: None.

GRI Standard	Disclosure	Location	Reason for omission/comment
General Disclosures			
GRI 2: General Disclosures 2021			
2-1	Organizational details	Sustainability Report p. 38	
2-2	Entities included in the organization's sustainability reporting	Sustainability Report p. 38 The entities are listed in the Financial Report p. 198	
2-3	Reporting period, frequency and contact point	Sustainability report p. 36 Contact point: Corporate Governance Report p. 107	
2-4	Restatement of information	No restatements were made.	
2-5	External assurance	The Sustainability Report has not been externally assured.	
2-6	Activities, value chain, and other business relationships	Sustainability Report p. 38 Business Report p. 22–23	
2-7	Employees	Sustainability Report p. 39	
2-8	Workers who are not employees	Sustainability Report p. 39	
2-9	Governance structure and composition	Corporate Governance Report p. 76–88	
2-10	Nomination and selection of the highest governance body	Corporate Governance Report p. 84	
2-11	Chair of the highest governance body	Corporate Governance Report p. 77	

GRI Standard	Disclosure	Location	Reason for omission/comment
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Report p. 40	
2-13	Delegation of responsibility for managing impacts	Sustainability Report p. 41	
2-14	Role of the highest governance body in sustainability reporting	Sustainability Report p. 41	
2-15	Conflicts of interest	Sustainability Report p. 41 Corporate Governance Report p. 76–84	
2-16	Communication of critical concerns	Sustainability Report p. 42	
2-17	Collective knowledge of the highest governance body	Sustainability Report p. 41	
2-18	Evaluation of the performance of the highest governance body	Sustainability Report p. 41	
2-19	Remuneration policies	Compensation Report p. 124–129	
2-20	Process to determine remuneration	Compensation Report p. 125–133	

GRI Standard	Disclosure	Location	Reason for omission/comment
2-21	Annual total compensation ratio	Sustainability Report p. 55	
2-22	Statement on sustainable development strategy	Business Report p. 11–12	
2-23	Policy commitments	Sustainability Report p. 41	
2-24	Embedding policy commitments	Sustainability Report p. 41 Corporate Governance Report p. 91	
2-25	Processes to remediate negative impacts	Sustainability Report p. 41 Corporate Governance Report p. 91	
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Report p. 41	
2-27	Compliance with laws and regulations	Sustainability Report p. 41	
2-28	Membership association	Sustainability Report p. 44	
2-29	Approach to stakeholder engagement	Sustainability Report p. 42–43	
2-30	Collective bargaining agreements	Sustainability Report p. 55	
Material topics			
3-1	Process to determine material topics	Sustainability Report p. 44	
3-2	Management Approach	Sustainability Report p. 44	
GRI 201:2016	Economic performance		
3-3	Management of material topics	Sustainability Report p. 50	
201-1	Direct economic value generated and distributed	Sustainability Report p. 50	
GRI 416: 2016	Customer Health and Safety		
3-3	Management of material topics	Sustainability Report p. 50	

GRI Standard	Disclosure	Location	Reason for omission/comment
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability Report p. 50	
R&D spend			
3-3	Management of material topics	Sustainability Report p. 51	
GRI 401: 2016	Employment		
3-3	Management of material topics	Sustainability Report p. 52	
401-1	New employee hires and employee turnover	Sustainability Report p. 53	
GRI 405: 2016	Diversity and Equal Opportunity		
3-3	Management of material topics	Sustainability Report p. 55	
405-1	Diversity of governance bodies and employees	Sustainability Report p. 55	
GRI 404: 2016	Training and Education		
3-3	Management of material topics	Sustainability Report p. 54	
404-1	Average hours of training per year per employee	Sustainability Report p. 54	
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report p. 54	
GRI 305: 2016	Emissions		
3-3	Management of material topics	Sustainability Report p. 56	
305-1	Direct (Scope 1) GHG emissions	Sustainability Report p. 57	
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report p. 57	
	Flight miles and CO ₂ emissions	Sustainability Report p. 57	

Swiss CO Index

Requirement		Location
Art 964b		
Business Model		Business Report p. 22 and p. 23
Materiality Assessment		Sustainability Report p. 44
Description of concepts/policies	With regards to material sustainability matters identified	Sustainability Report p. 41
Presentation of measures		Sustainability Report p. 42
Description of main risks		Sustainability Report p. 44
Main performance indicators		Sustainability Report p. 44
Ordinance on Climate Disclosures (TCFD recommendations)		
Governance		Sustainability Report p. 41
Strategy		Sustainability Report p. 40 and p. 60
Risk Management		Sustainability Report p. 60
Metrics and Targets		Sustainability Report p. 40



Corporate Governance Report

The principles and rules of corporate governance at SKAN are laid down in numerous documents, in particular in the Articles of Association (https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf) and the Organizational Rules. SKAN Group AG is listed on SIX Swiss Exchange. This report complies with the Directive on Information relating to Corporate Governance (Directive Corporate Governance, DCG) of SIX Exchange Regulation AG dated 29 June 2022, which came into force on 1 January 2023.



1 Group structure and shareholders

1 Group structure

SKAN Group AG, is a company incorporated under Swiss Reporting Standard with its registered office in Allschwil, in the canton of Basel-Landschaft. The company's shares are listed on SIX Swiss Exchange (security number: 1339601, ISIN: CH0013396012, security symbol: SKAN). SKAN Group AG is the parent company and holds no investments in listed companies within its scope of consolidation.

The market capitalization of SKAN Group AG as of 31 December 2024 is CHF 1'713'244'528.80. SKAN Group AG is a stock corporation (Aktiengesellschaft) organized under the laws of Switzerland in accordance with articles 620 et seq. Code of Obligations (CO) with unlimited duration.

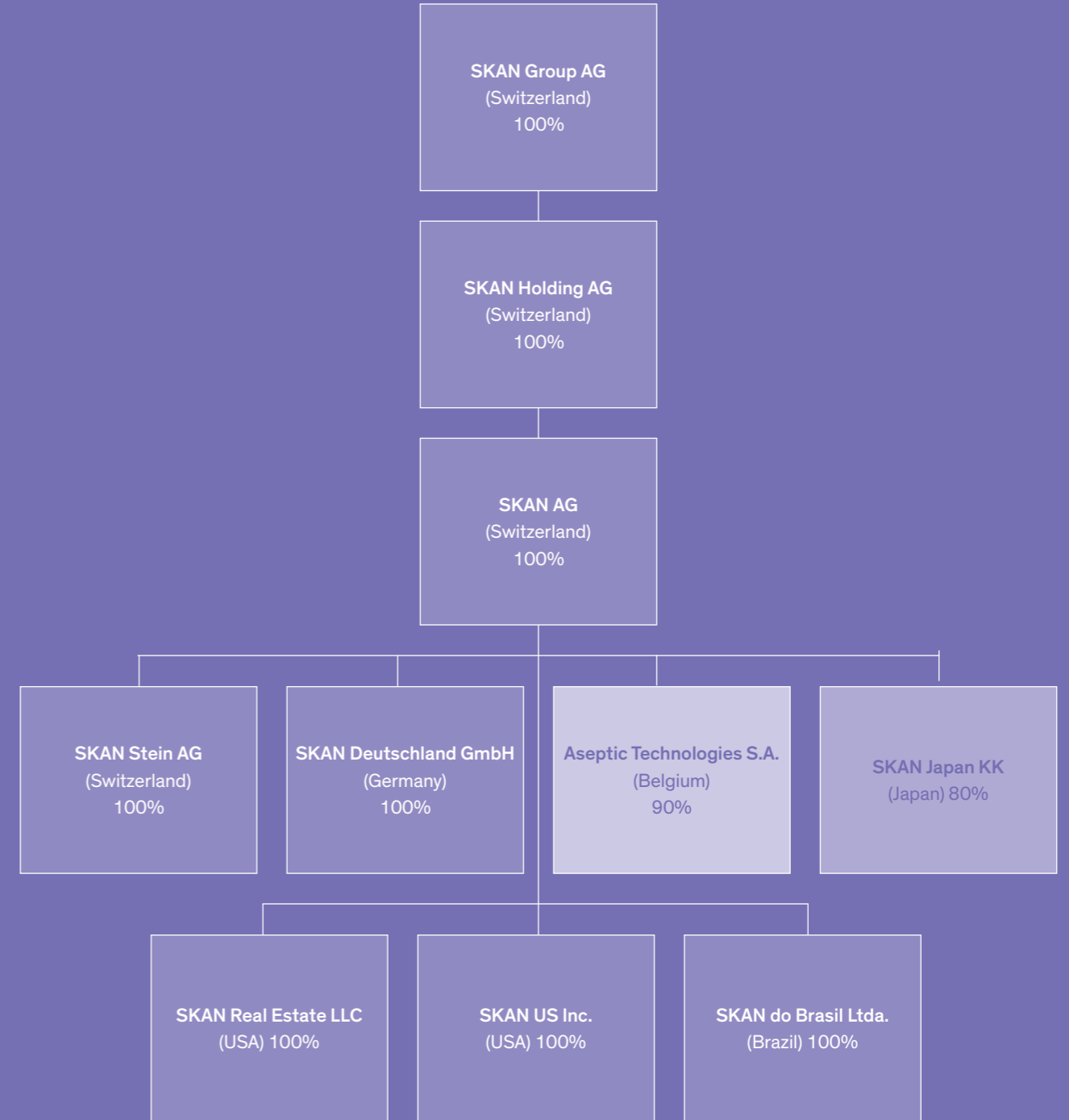
The Company's registered address and head office is at Kreuzstrasse 5, 4123 Allschwil, Switzerland. The Company's Legal Entity Identifier (LEI) is 506700N25H370ZSEFR11.

On 5 February 2024, SKAN do Brasil, the first Brazilian subsidiary in São Paulo, was established. In the future, direct sales, service, and customer support for SKAN isolator systems in Brazil will be provided from there.

As of 31 December 2024, the SKAN Group comprises 10 companies worldwide (fully consolidated). An overview of the group companies, including company name, registered office and share capital as well as the shareholdings held by the SKAN Group, are shown in note 4.2 to the consolidated financial statements of SKAN Group AG.

Information on segment reporting by region and business units can be found in the notes to the consolidated financial statements in the financial report starting on page 160.

Overview of our group structure



2 Capital structure

Significant shareholders

According to the share register of SKAN Group AG and the disclosure notifications to SIX Exchange Regulation, the following shareholders or groups of shareholders hold 3% or more of the voting rights as at 31 December 2024.

All disclosure notifications in relation to shareholdings and SKAN Group AG are published on SIX Exchange Regulation's website and can be viewed here. <https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>

Shareholder/ Group of shareholders	Shares (percentage)	Shares (quantity)
Dr. Willy Michel	12.45%	2'799'409
Gregor Plattner	10.61%	2'385'737
Vera Plattner	10.61%	2'385'737
PEMOL-Baumann-Stiftung ¹	7.82%	1'757'823
UBS Fund Management (Switzerland) AG	4.22%	948'808
Swisscanto Fondsleitung AG	4.05%	910'969
J. Safra Sarasin Investmentfonds AG	3.45%	775'000
Total registered shares	100%	22'483'524

¹ Peter Baumann held also 439'455 Shares (1.95%) in his private portfolio as at 31 December 2024.

Cross-shareholdings

There are no cross-shareholdings.

1 Capital

The share capital of SKAN Group AG amounts to CHF 224'835.24 as at 31 December 2024 and is divided into 22'483'524 registered shares with a nominal value of CHF 0.01 each. The entire share capital is fully paid in.

2 Authorized and conditional capital

For the last three years the Company has had no changes in the authorized and conditional capital.

3 Changes in capital

The share capital of SKAN Group AG has not changed since the IPO on 28 October 2021.

4 Shares and participation certificates

Each share gives the right to one vote. There are no shares with preferential rights or voting shares. All registered shares are eligible for dividends, with the exception of the treasury shares held by SKAN Group AG.

SKAN Group AG has not issued any participation certificates.

5 Profit-sharing certificates

SKAN Group AG has not issued any profit-sharing certificates.

6 Limitation of transferability and nominee registrations

6.1 Limitations of transferability

SKAN Group AG maintains a share register in which the owners, beneficiaries, and nominees of the registered shares are entered with name, address, and nationality (in the case of legal entities, the registered office).

In relation to SKAN Group AG, only those registered in the share register are recognized as shareholder, beneficiary, or nominee. SKAN Group AG recognizes only one representative per registered share.

Subject to the registration limitation below, purchasers of shares are, upon request, entered in the share register as shareholders with voting rights upon proof of purchase or of the establishment of a usufruct, provided that they expressly declare that they hold the shares in their own name and for their own account.

The Board of Directors may refuse to recognize a shareholder or beneficial owner with voting rights if the shareholder, together with his or her shares already registered as having voting rights, would exceed the threshold of 20% of all registered shares entered in the commercial register. With the remaining shares, the acquirer is entered in the share register as a shareholder or beneficiary without voting rights.

Legal persons and legal communities linked by capital, voting power, management, or otherwise, and all natural or legal persons or communities of persons acting in a coordinated manner by agreement, syndication, or otherwise with a view to circumventing the percentage limit, shall be deemed to be one person.

The registration limitation applies subject to Art. 652b para. 3 and Art. 653c para. 3 CO also in the case of the acquisition of registered shares upon the exercise of subscription rights, options, and conversion rights. The limitation does not apply to the acquisition of shares by inheritance, division of inheritance, or matrimonial property law.

The Board of Directors may cancel entries in the share register with retroactive effect to the date of entry if they have been made as a result of false information. It may hear the shareholder or nominee concerned in advance. The affected shareholder or nominee shall be informed immediately of the cancellation.

6.2 Reasons for granting exceptions during the year under review

No exceptions were granted during the year under review.

6.3 Admissibility of nominee registrations

Persons who do not expressly declare in their application for registration that they hold the shares for their own account (nominees) are entered in the share register as shareholders with voting rights up to a maximum of 3% of the outstanding share capital. Beyond this registration limit, nominees are entered in the share register as shareholders with voting rights if the nominee concerned discloses the names, addresses, nationalities, and shares of those beneficial owners on whose behalf he holds 0.5% or more of the outstanding share capital and if the notification requirements under the Federal Act on Financial Market Infrastructures and the Market Conduct in Securities and Derivatives Trading (FMIA) (as amended) are met. The Board of Directors is authorized to enter into agree-

ments with nominees regarding their reporting obligations and to grant exceptions to this rule in individual cases.

In the year under review, the Board of Directors has not registered any nominees with voting rights exceeding 3%.

6.4 Procedure and conditions for the removal of privileges and limitations of transferability laid down in the Articles of Association

Amending or removing restrictions of transferability of registered shares requires a resolution of the general meeting passed by at least 2/3 of the votes represented and the majority of the nominal value of the shares represented at that general meeting.

7 Convertible bonds and options

SKAN Group AG has not issued any convertible bonds or options.



3 Board of Directors

1 Members of the Board of Directors

According to Art. 15 of the Articles of Association https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf, the Board of Directors is composed of at least three members, who do not need to be shareholders.

With the exception of Thomas Huber, none of the Board members carries out operative management tasks for SKAN Group AG or one of the group companies. Thomas Huber is the Group's CEO.

1.1 Changes in the Board of Directors

During the reporting year the following changes in the board of directors took place:

- Dr. Beat Lüthi was elected as the new Chairman of the Board of Directors
- Gregor Plattner was elected as the new Chairman of Nomination and Compensation Committee

As at 31 December 2024, the Board of Directors is composed as follows*:

Name	Nationality	Function	In office since	Executive Management function in the last 3 years	Independence according to Swiss Code of BP for CG
Dr. Beat Lüthi	Swiss	Chairman of the BoD	04.10.2021	No	Yes
Cornelia Gehrig	Swiss	Vice Chairwoman of the BoD	04.10.2021	No	Yes
Oliver Baumann	Swiss	BoD member	04.10.2021	No	Yes
Thomas Huber	Swiss	BoD member	04.10.2021	Yes (CEO of SKAN Group)	No
Gregor Plattner	Swiss	BoD member	04.10.2021	No	Yes
Patrick Schär	Swiss	BoD member	04.10.2021	No	Yes

* All non-executive members of the Board of Directors except Thomas Huber are independent in the sense of the Swiss Code of Best Practice for Corporate Governance and have not served on either the Executive Management of SKAN Group AG or the management board of any subsidiary during the past three years. They do not have significant business relationships with SKAN.



Beat Lüthi, 1962
Dr. sc. techn. ETH
Swiss citizenship

Position
Chairman of the BoD, NCC member

Education, professional career
Studied electrical engineering at ETH Zurich and Business Administration (PhD). Completed International Executive Program at INSEAD Business School. CEO of CTC Analytics AG since 2008.

Mandates in listed companies
→ Inficon Holding AG, Bad Ragaz (BoD Chairman)



Cornelia Gehrig, 1966
lic.rer.pol, Certified Public Accountant
Swiss citizenship

Position
Vice Chairwoman of the BoD, AC Chairwoman

Education, professional career
Lic.rer.pol. (University of Bern, business administration and economics). Certified Public Accountant (EXPERTsuisse). Corporate leadership program at IMD Lausanne/Singapore. ESG Designation Program for Board Members (Competent Board, CAN). Track record as Group CFO in internationally active companies (Bystronic Group, Precious Woods Group, lonbond Group) with overall responsibility for Global Finance & IT. Independent director since 2021.

Mandates in listed companies
→ Aryzta AG, Schlieren (BoD member)
Significant mandates in non-listed companies
→ Ernst Schweizer AG, Basel (BoD member)
→ Koras AG, Rüegsauschachen (BoD member)



Oliver Baumann, 1971
Federal diploma Hôtelier / Restaurateur HF
Swiss citizenship

Position
BoD member, NCC member

Education, professional career
Studied business management at SHL and holds a federal diploma. Experience in corporate management in hospitality management and healthcare business. Currently Head of Hospitality and Facility management.

Other mandates/activities
→ PEMOL-Baumann Stiftung, Hergiswil NW (Member of trustees)



Thomas Huber, 1966
MSc ETH
Swiss citizenship

Position
BoD member, Group CEO, Member of executive management at SKAN since 2005

Education, professional career
MSc ETH Zürich
Advanced management program
SKU/HSG 2007 & INSEAD 2017

Since 2017 CEO SKAN Group
2009 Chief Management Officer, Deputy CEO & member of Management
2005 Director of Sales & member of management
1998 Sales Manager
1996 joined SKAN AG as Sales Engineer



Gregor Plattner, 1970
lic. iur.
Swiss citizenship

Position
BoD member, NCC Chairman, AC member

Education, professional career
Studied law at the University of Basel, graduated in 1998. Various international cultural management roles between 1999 and 2005. Has held various management roles in IT, Sourcing, Risk Management, and HR at UBS between 2005 and 2023. Since 2023 founder and owner of plattnerhess.

- Significant mandates in non-listed companies**
- bonacasa Holding AG, Oensingen (BoD member)
 - bonacasa AG, Oensingen (BoD member)
 - Nuavo Holdings AG, Zug (BoD member)
 - Pagameno Invest AG, Bern (BoD member)



Patrick Schär, 1977
lic.rer.pol.
Swiss citizenship

Position
BoD member, AC member

Education, professional career
Studied business administration and economics at the University of Bern (lic.rer.pol.) and trained as a banker. CEO of BV Holding AG (BV Group) from 2010 to 2021 and CEO of TecMed AG and of TecMed GmbH Deutschland since 2021.

- Significant mandates in non-listed companies**
- Gurtenfestival AG, Bern (BoD member)
 - LEM Surgical AG, Bern (BoD member)
- Other mandates/activities**
- Ypsomed Innovationsfonds, Burgdorf (Board of Foundation member)



From left to right:
Front row: Thomas Huber, Gregor Plattner, Cornelia Gehrig, Dr. Beat Lüthi
Back row: Patrick Schär, Oliver Baumann

3 Rules in the Articles of Association on the number of permitted activities

According to Art. 15 of the Articles of Association https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf, the number of mandates within the supreme management and governance bodies of legal entities outside the Company that must be entered in the Swiss commercial register or a comparable foreign register is limited for Board members to four mandates in listed companies and to seven mandates in large non-listed companies that meet the requirements of Art. 727 para. 2 no. 2 OR (ordinary audit), and to fifteen mandates in other legal entities, such as small companies, foundations, and associations. If mandates are exercised within several legal entities of the same group or on behalf of a group, these are counted as one mandate. Short-term exceedances are permitted.

4 Election and term of office

According to Art. 15 and 16 of the Articles of Association https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf, the general meeting elects the members and the chairperson of the Board of Directors, each for a one-year term of office. The term of office ends after the conclusion of the next annual general meeting. Prior resignation and removal remain reserved. The members of the Board of Directors may be re-elected at any time.

With the exception of the election of the chairperson and the election of the members of the Nomination and Compensation Committee by the general meeting, the Board

of Directors constitutes itself. As required, it elects one or several vice-chairpersons, delegates and the secretary, who does not need to be a member of the Board of Directors. If the office of the chairperson of the Board of Directors becomes vacant, the Board of Directors designates a new chairperson from amongst its members for the remaining term.

The general meeting elects an independent proxy each year. The term of office ends after the next ordinary general meeting. Re-election is possible. If the Company does not have an independent proxy elected by the general meeting, the Board of Directors appoints one for the next general meeting.

5 Internal organization

5.1 Allocation of tasks within the Board of Directors

The Board of Directors is composed of the chairman, Dr. Beat Lüthi, who has been elected in the annual general meeting and five other members. The day-to-day management was assigned to the Group's CEO Thomas Huber.

The Board of Directors may assign the preparation and execution of its resolutions or the supervision of certain topics to committees or individual members. It must ensure appropriate reporting to its members.

The members of the Board of Directors cover a broad spectrum of competencies. Each member has an in-depth knowledge of his or her relevant areas of expertise. Together, they ensure that the Board of Directors can adequately execute its strategic oversight and control over the SKAN Group.

Board of Directors combines diverse skills and backgrounds

	Health-care	Finance/Accounting	Legal & Regulatory	M&A	Strategy	Marketing	Leadership	International markets	ESG
Dr. Beat Lüthi	●	●		●	●		●	●	
Cornelia Gehrig	●	●		●	●			●	●
Oliver Baumann	●					●	●		
Thomas Huber	●				●	●	●	●	
Gregor Plattner			●	●	●		●		
Patrick Schär	●	●		●	●				



5.2 Composition, duties, and delimitation of competencies of all BoD committees

The Board of Directors has set up the following committees:

- [the Nomination and Compensation Committee \(NCC\)](#)
- [the Audit Committee \(AC\)](#)

The following table shows the existing committees during the year under review as well as their members.

Name	Nomination and Compensation Committee	Audit Committee
Cornelia Gehrig		● (chairwoman)
Patrick Schär		●
Gregor Plattner	● (chairman)	●
Oliver Baumann	●	
Dr. Beat Lüthi	●	

5.3 Working method of the Board of Directors and its committees

Board of Directors

According to section 3.4 of the Organizational Regulations https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Organisationsreglement_Investor_Relations%20_EN_2024.pdf, the Board of Directors meets as often as the Group's business requires or when this is requested by a Board member, but at least six times a year.

The deliberations and passing of resolutions within the Board of Directors generally take place at physical meetings. Instead of meetings, telephone and video conferences, or meetings using other means of electronic data transmission may also be organized.

Board meetings are convened by the chairperson or the latter's deputy. Each Board member is entitled to request a Board meeting by stating the agenda items.

The meeting is convened at least ten days in advance, unless otherwise required by urgent matters, in writing or using means of electronic data transmission (e.g. email, DocuSign, etc.) and by stating the time, place, and agenda items. The documents that are necessary to ensure the proper preparation of the Board meeting must be submitted to the Board members at the same time as the written notice convening the meeting. It is possible to forego complying with this deadline with the consent of all Board members, which must take place in writing or using means of electronic data transmission (e.g. email, DocuSign, etc.). If all Board members are present and if no objection is raised, the meeting may be held without complying with the above-mentioned requirements.

The chairperson or the latter's deputy shall set the agenda items for the meeting. Each Board member has the right to have a specific item set on the agenda provided they submit to the chairperson a written request (also using means of electronic data transmission (e.g. email, DocuSign, etc.)) at least five days before the meeting. All Board members must be informed immediately about such changes by the chairperson or his deputy.

The chairperson or, in case the latter is incapacitated, the latter's deputy presides over the meeting. In case the chairperson and the latter's deputy are incapacitated, the Board members present designate a member as chairperson of the meeting.

The CEO usually takes part in the Board meetings; any other member of Management or other individuals who are not Board members may be invited to Board meetings.

The persons taking part in the meeting who are not Board members take part in an advisory capacity but have no voting right; furthermore, they must leave the meeting as soon as the chairperson or a majority of Board members so require. The NCC and AC were established after the IPO in October 2021.

Overview Board meetings 2024

	Meetings
Number of meetings	8
Average duration	6.5 hours

Participants	Number of participations
Dr. Beat Lüthi	8
Cornelia Gehrig	8
Oliver Baumann	8
Thomas Huber	8
Gregor Plattner	8
Patrick Schär	8

At least 6 Board meetings with an average duration of 6.5 hours are planned for the coming year.

Nomination and Compensation Committee

According to Art. 22 of the Articles of Association https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf and section 3.2 of the Organizational Regulations https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Organisationsreglement_Investor_Relations%20_EN_2024.pdf, the Nomination and Compensation Committee is composed of at least three members of the Board of Directors who are elected by the general meeting on a yearly basis. The term of office ends after the conclusion of the next annual general meeting. The Board of Directors designates the chairperson of the Nomination and Compensation Committee. In the event of an early resignation of one or several Board members, the Board of Directors may designate substitute members from among its members until the conclusion of the next annual general meeting. The Nomination and Compensation Committee meets as often as business activities require, but at least twice a year.

The Nomination and Compensation Committee defines the Group's compensation policy as well as the Group's performance objectives and criteria. It monitors its implementation periodically and submits further suggestions and recommendations to the Board of Directors. The Nomination and Compensation Committee prepares the relevant Board resolutions related to the nomination and compensation of the Board members, the CEO and the other members of Management and submits corresponding proposals to the Board of Directors. The Nomination and Compensation Committee reports periodically to the Board of Directors on its activities.

The Board of Directors may transfer to the Nomination and Compensation Committee other powers and duties regarding nomination and compensation as well as related matters. The overall responsibility for the duties and powers transferred to the Nomination and Compensation Committee remains with the Board of Directors.

Overview Nomination and Compensation Committee meetings 2024

	Meetings
Number of meetings	6
Average duration	2.5 hours

Participants	Number of participations
Gregor Plattner	6
Oliver Baumann	6
Dr. Beat Lüthi	6
Cornelia Gehrig (Guest)	6
Thomas Huber (Guest)	6
Patrick Schär (Guest)	6

At least 4 NCC meetings with an average duration of 2.5 hours are planned for the coming year.

Audit Committee

According to section 3.3 of the Organizational Regulations https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Organisationsreglement_Investor_Relations%20_EN_2024.pdf, the Board of Directors sets up an Audit Committee composed of at least three Board members. The term of office ends after the conclusion of the next annual general meeting. The Board of Directors designates a chairperson who cannot be the chairperson of the Board of Directors. The Audit Committee meets as often as business activities require, but at least four times a year.

The Board of Directors seeks to designate independent and non-executive members within the meaning of the provisions of the Swiss Code of Best Practice for Corporate Governance as members of the Audit Committee. The majority of members, including the chairperson, must be experienced in financial and accounting matters.

The Audit Committee supports the Board of Directors in fulfilling its duties prescribed by law, in particular in the areas of financial controlling (ultimate supervision of the internal audit function and of the statutory auditor, monitoring of financial reporting) and ultimate supervision of the persons entrusted with management (internal control system). The Audit Committee's powers and duties are detailed in the Audit Committee Regulations, which can be found in Annex 3 to the Organizational Regulations https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Organisationsreglement_Investor_Relations%20_EN_2024.pdf.

The overall responsibility for the duties and powers transferred to the Audit Committee remains with the Board of Directors. The Audit Committee reports periodically to the Board of Directors on its activities.

Overview Audit Committee meetings 2024

	Meetings
Number of meetings	4
Average duration	6.0 hours

Participants	Number of participations
Cornelia Gehrig	4
Gregor Plattner	4
Patrick Schär	4

At least 4 AC meetings with an average duration of 6 hours are planned for the coming year.

6 Definition of areas of responsibility

According to Art. 19 of the Articles of Association https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf, the Board of Directors has the following non-transferable and inalienable duties:

- 1 the ultimate management of the Company and the issuance of the necessary directives;
- 2 the determination of the organization;
- 3 the determination of the accounting system, financial controlling, and financial planning;
- 4 the designation and removal of those entrusted with management and representation as well as the determination of their signatory powers;
- 5 the ultimate supervision of those entrusted with management, particularly with regard to compliance with the laws, statutes, regulations, and directives;
- 6 the preparation of the management report consisting of the annual report and the consolidated financial statements and the compensation report as well as the preparation of the general meeting and the execution of its resolutions;
- 7 the passing of resolutions on the subsequent payment of capital on non-fully paid-in shares;
- 8 the passing of resolutions on the determination of capital increases and subsequent changes to the Articles of Association;
- 9 the submission of a request for a debt restructuring moratorium and the notification of the court in case of over-indebtedness;
- 10 other non-transferable and inalienable duties and powers of the Board of Directors in accordance with the Merger Act and other applicable laws;
- 11 the passing of resolutions on other matters that are reserved to the Board of Directors by law or the Articles of Association.

In addition to the non-transferable duties, the Board of Directors also decides upon the following in accordance with the "Chart of Authorities SKAN Group":

- group strategy, medium-term planning, and group budget
- salaries and bonus system
- non-budgeted loans
- acquisition and use of shares, share certificates, and options
- investments ≥ 1 million
- strategic partnerships, joint ventures, and indirect capital investments
- acquisition and investments in other business areas
- divestiture of divisions or fixed assets (without investments) ≥ 0.3 million
- acquisition, disposal, or lease of buildings ≥ 0.3 million
- conclusion of settlements or disputes ≥ 0.3 million

According to section 5.1 of the Organizational Regulations https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Organisationsreglement_Investor_Relations%20_EN_2024.pdf, the Board of Directors has delegated the operational management to the management serving in a group company (SKAN AG); the latter's rights and duties are summarized in the following paragraphs.

The CEO and members of Management are designated and dismissed by the Board of Directors.

Management runs the Group's business under the direction of the CEO. Management decides upon all matters that are not reserved to the Board of Directors, the CEO, or another body in accordance with the law and the Articles of Association https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf, or the Organizational Regulations https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Organisationsreglement_Investor_Relations%20_EN_2024.pdf.

Management must comply with the orders and instructions issued by the Board of Directors. Management reports periodically to the Board of Directors and informs the latter about the current state of affairs and important business transactions.

Significant processes and events that may have a lasting effect on the Group's operations must be communicated immediately to the Board members by way of circular.



7 Information and controlling instruments vis-à-vis Management

The Board of Directors receives exactly the same information as Management. The report covers orders and revenues recorded within each business unit against the previous year and the budget. It also contains an actual and forecast

cashflow statement until the end of the year, detailed information on overhead costs against the previous year and the budget as well as financial and personnel-related indicators. The financial report gives the Board of Directors an overview of the current business activities.

Information and controlling instruments	monthly	quarterly	once a year	every 5 years
Financial report (balance sheet, income statement, cashflow, and indicators)	●			
Budget			●	
Forecast		●		
Strategy/Vision (5-year plan)				●
Strategy/Vision (review)			●	
ESG strategy (review)			●	
Risk assessment			●	
Internal control system			●	

The budget is prepared once a year during the autumn for the following year. The strategy provides guidance in this respect. To this end, all cost center managers, Management, and the Controlling function come together in order to prepare the budget during a two-day external workshop. Each quarter, the budget is slightly revised based on a forecast and adjusted to the current situation. The budget and the forecast are approved by the Board of Directors.

The strategy, or vision, is defined every five years for the next five years. Once a year, this vision/strategy is reviewed in line with market developments and confirmed by the Board of Directors. The current vision is effective until 2030. In this respect, the Board of Directors sets the strategic direction, which is defined by Management in conjunction with the Controlling function. Finally, the strategy is critically analyzed and adopted by the Board of Directors. SKAN promotes entrepreneurial behavior and a consistent focus on innovation and sustainable customer benefits while carefully managing risks, fully complying with the standards of conduct laid down in the binding Code of Conduct, and taking appropriate account of the interests of all stakeholders. As in every year, the Board of Directors carried out a Group-wide integral risk assessment in 2024, based on the management reporting and the separate Group risk report, which includes the risk assessment process and the greatest risks and is prepared together with an external company. The risk process is implemented throughout the Group and comprises the identification, evaluation, and qualitative assessment of operational, financial, and strategic risks. It is linked to risk monitoring, action plans, and standardized reporting. In the reporting year, the focus was on the following risks:

- Development and portfolio management: SKAN's product portfolio developments miss the market impact. This leads to delays and loss of market leadership.
- Standardization: The planned growth is not achieved on the level assumed. This leads to quality deficiencies, delays additional personnel costs, and loss of market leadership.
- Decentralization: Further development of the subsidiaries, the planned growth and resilience of the business model is not achieved. This leads to quality deficiencies, delays, additional personal costs, and loss of market share.

- Quality: Due to the high workload, rapid growth, and lack of experience of new employees, errors occur, or quality standards are not met. This leads to additional personnel costs, delays, a decline in turnover, loss of margins, and legal proceedings.

In addition, other topics are systematically considered at Group and national company level, in particular environmental, social, and governance (ESG) issues.

The internal control system (ICS) is audited by the statutory auditor in accordance with the Swiss Code of Obligations (Art. 728 a para. 1 no. 3 and 728 b para. 1 OR) and the results are communicated to the Board of Directors in a report. Each year, the statutory auditor concentrates on various focus areas.

Internal Auditing is performed by the auditing firm KPMG. It performs the internal operational auditing function within the Group. It reports to the Audit Committee. The coordination of the implementation of auditing tasks is delegated to the CFO. Internal Audit performs audits in the Group in accordance with the audit concept proposed by the Audit Committee and defined by the Board of Directors. The audits cover the following areas on a rolling basis:

- Effectiveness of selected operational processes at Group level, in the regions, and at selected Group companies
- Effectiveness of governance and risk management policies & processes
- Effectiveness of internal control processes
- Reliability and completeness of financial and operational information

Internal Audit prepares reports with recommendations for the attention of local management and the Audit Committee. Local management comments on the recommendations and takes immediate corrective action if the recommendations are accepted. If local management rejects a recommendation and Internal Audit and the CFO uphold it, it is implemented by order of the Audit Committee. In the reporting year 2024 three internal audits were conducted.



4 Management

1 Members of Management

The Board of Directors has delegated the management to the CEO, Thomas Huber, who has been CEO of the SKAN Group since 2017. Management is composed of the CEO as well as eight other members who are responsible for the various departments.

During the reporting year the following changes in the Executive Management took place:

→ Sascha Pawel resigned as Chief Innovation Officer (CIO) as per 30.09.2024 and took over the role as "Advisor Innovation & Strategy".

Further information on the members of the Group Executive Management is provided on pages 94 to 97. Information on the members who left the company in the reporting year can be found in the previous year's Corporate Governance Report at https://ir-api.eqs.com/media/document/8297e23e-c9e7-4f54-92b2-afc6e3c06143/assets/SKAN_Annual_Report_2023.pdf?disposition=inline.

2 **Members of Management**

The mandates of Management are disclosed according to their importance.



Thomas Huber, 1966
Group CEO
Chief Executive Officer
Swiss citizenship

Position
BoD member since 2012, Member of executive management at SKAN since 2005

Education, professional career
MSc ETH Zürich
Advanced management program
SKU/HSG 2007 & INSEAD 2017

Since 2017 CEO SKAN Group
2009 Chief Management Officer, Deputy CEO & member of Management
2005 Director of Sales & member of management
1998 Sales Manager
1996 joined SKAN AG as Sales Engineer



Maria Cuevas Otero, 1976
Group CSO
Chief Service Officer
Spanish citizenship

Position
Member of executive management at SKAN since 2023

Education, professional career
Executive MBA HSG
MBA, UNED Spain
Degree Engineer in Computer Sciences, University of Sevilla Spain

2023 joined SKAN Group as CSO
2020 Chief Digital Transformation Officer, SVA AG
2015-2019 Hexagon Geosystems
2018 Vice President Technology
2015 Director R&D
2007-2015 Bombardier Transportation
2013 Head of TCMS Projects and Services
2012 Manager Wayside and Communications
2007 Team Lead Converter Control Applications
2001 Development Engineer, DaimlerChrysler AG (today Mercedes-Benz Group), Germany

→ **Significant mandates in non-listed companies**
BLT AG, Oberwil BL (BoD member)



Marina Häni, 1992
Group CPCO
Chief People and Culture Officer
Swiss citizenship

Position
Member of executive management at SKAN since 2022

Education, professional career
MAS Human Resource Management
Federal Diploma of Higher Education in Human Resource Management, HRSE
Advanced Federal Diploma of Higher Education in Hospitality Management

Since 2022 CPCO SKAN Group
2021 HR Business Partner
2020 HR Specialist
2019 joined SKAN AG as HR Assistant
2014 Assistant to the Manager & Head of HR, Hotel Bad Bubendorf



Philippe Jérôme, 1976
Group CMO
Chief Marketing & Sales Officer
French citizenship

Position
Member of executive management at SKAN since 2017

Education, professional career
INSEAD Paris, Advanced Management Program
SKU University of St. Gallen, Advanced management Diploma
ENSAM High School of Engineering Arts Et Métiers

Since 2017 CMO SKAN Group
2015 Head of Sales Europe
2007 joined SKAN AG as Sales Manager
2001-2007 Busch Vacuum Solutions
2004 Key Account Manager
2001 Sales Engineer

2 Members of Management

The mandates of Management are disclosed according to their importance.



Ralf Krämer, 1966

Group CTO
Chief Technology Officer
German citizenship

Position

Member of executive management at SKAN since 2022

Education, professional career

State-certified engineer in metal construction, Städt. gewerbliches Berufsbildungszentrum, Würzburg

Since 2022 CTO SKAN Group

2020 joined SKAN AG as Director Customised Solutions
2018 Head of Operations Engineering, TETRA PAK
2017 Head of Design Engineering, SKAN AG
2012-2016 TETRA PAK
2014 Director Future Packaging Material Technologies
2012 Head Advanced Film & Barrier Solutions



Burim Maraj, 1982

Group CFO
Chief Financial Officer
Swiss citizenship

Position

Member of executive management at SKAN since 2012

Education, professional career

Executive MBA HSG
BSc in Business Administration, University of Applied Sciences and Arts of Northwest Switzerland

Since 2018 CFO SKAN Group

2012 Chief Officer IT & Controlling, SKAN AG, became member of Management
2011 Controller SKAN AG
2008 joined SKAN AG as finance & accounting and administration clerk



Martin Steegmüller, 1973

Group CPO and CIO
Chief Pure Solutions Officer & Chief Digital Solutions Officer
Swiss/German citizenship

Position

Member of executive management at SKAN since 2017

Education, professional career

Executive MBA HSG,
Executive MBA Toronto, Canada
BSc in Business Administration and International Marketing, Berufsakademie Villingen-Schwenningen, Germany

Since 2024 CIO in addition to CPO; DS (Digital Solutions) now part of Innovation

Since 2020 in addition CDO SKAN Group
2017 joined SKAN Group as CPO
2014 Managing Director Kuschall AG, Invacare AG, active wheelchairs
2008 Area Manager Europe II, Cochlear AG, hearing implants
2001–2008 GE Healthcare, General Electric (GE) Medical System IT GmbH:
2005 Marketing Director Diagnostic Cardiology EMEA
2004 Marketing Manager EMEA "Resting ECG" & strategic alliances/OEM
2002 Product Manager EMEA Cardiology; CVIS (Cardio Vascular Information Systems)
2001 E-Business/E-Commerce Manager EMEA
1997 Area Manager Export Aluminium Composites (Display), Alusuisse Singen GmbH

Significant mandates in non-listed companies

→ Steegmüller GmbH, Magstadt DE (BoD member)



Thomas Zinn, 1970

Group CCO
Chief Contracting Officer
German citizenship

Position

Member of executive management at SKAN since 2020

Education, professional career

Degree in Engineering, University of Applied Sciences Albstadt-Sigmaringen,
25+ years of experience in the development & manufacturing of pharmaceutical drug product

2020 joined SKAN Group as CCO

2003-2020 Novartis AG/Sandoz AG Technical Operations
2019 Head Process Unit Galenic in Aseptic Manufacturing
2018 Head Strategic Planning and PMO
2016 Head Drug Product Supply of Sterile Network
2013 Plant Head (greenfield) in Aseptic Manufacturing
2011 Head Quality System in Chemical Operations
2003 Managerial roles in Sterile Production
1998-2003 F. Hoffmann-La Roche AG
1998 Methods Engineer, Development Solid Dosage Forms

3 Mandates

According to Art. 15 of the Articles of Association https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf, the maximum number of mandates is limited to one mandate in listed companies, five mandates in large non-listed companies, and fifteen mandates in other legal entities. If mandates are exercised in several legal entities of a single group or on behalf of a group, these are counted as one mandate. Short-term exceedances are permitted.

4 Management contracts

SKAN Group has not concluded any management contracts with third parties.





From left to right:
Burim Maraj, Marina Häni, Thomas Huber, Martin Steegmüller, Ralf Krämer,
Philippe Jérôme, Thomas Zinn, Maria Cuevas Otero

5 Compensation, investments and loans

1 Content and method for determining compensation and participation programs

Details regarding the principles and elements of compensation and participation programs for current and former members of the Board of Directors and Management of the SKAN Group as well as the responsibility and method for their determination are provided in sections 2 and 3 of the separate compensation report.

2 Rules in the Articles of Association

2.1 Rules in the Articles of Association concerning the principles governing performance-based compensation and the allocation of equity securities, conversion rights, and option rights as well as the supplementary amount for the compensation of members of Management who are appointed after the vote of the general meeting on compensation

Details regarding performance-based compensation, e.g. the granting of participation instruments, conversion and option rights, as well as the supplementary amount for the compensation of members of Management are provided in sections 2 and 3 of the separate compensation report.

2.2 Rules in the Articles of Association concerning loans, credits, and pension benefits to members of the Board of Directors and Management

Loans, credits, and pension benefits to members of the Board of Directors and Management are shown in sections 3.2 and 3.4 of the separate compensation report.

2.3 Rules in the Articles of Association concerning the vote of the general meeting on compensation

Details regarding the rules on the vote of the general meeting on compensation are provided in Art. 21 of the Articles of Association https://ir.skan.com/download/companies/skan-ag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf and in section 2 of the separate compensation report.

6 Shareholders' participation rights

1 Voting rights restrictions and representation

Each shareholder who is registered in the share register on the day of the general meeting is entitled to participate and vote at the general shareholder meeting. Nominees have the same rights as the other shareholders provided that the conditions set out in section 2.6.3 of this report are met.

The Board of Directors may refuse to recognize a shareholder or beneficial owner with voting rights if the shareholder, together with his or her shares already registered as having voting rights, would exceed the threshold of 20% of all registered shares entered in the commercial register. With the remaining shares, the acquirer is entered in the share register as a shareholder or beneficiary without voting rights.

Joint acting shareholders linked by capital, voting power, management, or otherwise, and all natural or legal persons or communities of persons acting in a coordinated manner by agreement, syndication, or otherwise with a view to circumventing the percentage limit, shall be deemed to be one person.

The registration limitation applies subject to Art. 652b para. 3 and Art. 653c para. 3 CO also in the case of the acquisition of registered shares upon the exercise of subscription rights, options, and conversion rights. The limitation does not apply to the acquisition of shares by inheritance, division of inheritance, or matrimonial property law.

No exceptions were granted during the year under review.

Amending or removing voting right restrictions requires a resolution of the general meeting passed by at least 2/3 of the votes represented.

Shareholders may be represented at the general meeting by a third party who does not need to be a shareholder or by the independent proxy. A written power of attorney is required for representation. The Board of Directors determines the requirements for powers of attorney and instructions in detail, whereby it may also provide for electronic powers of attorney without a qualified electronic signature. The Board of Directors announces, at the latest in the invitation to the general meeting, the details and cut-off date for the granting of written and electronic powers of attorney and instructions to the independent proxy. Elections and votes may be conducted electronically by resolution of the General Meeting or by order of the chairperson. The chairperson may at any time have an open ballot or election repeated by written and/or electronic ballot if, in his/her opinion, there is any doubt as to the result of the vote.

7 Change of control and defensive measures

2 Quorums required by the articles of association

The general meeting passes its resolutions and carries out its elections by an absolute majority of the votes cast (excluding abstentions and invalid votes), unless otherwise required by law.

In the event of an election undecided in the first ballot and more than one candidate standing for election, a second ballot will be held in which the relative majority decides.

A majority of at least 2/3 of the votes represented and of the absolute majority of the nominal value of shares represented is necessary to pass a resolution on the following agenda items:

- the modification of the Company's purpose;
- the introduction or cancellation of shares with preferential voting rights;
- the limitation of the transferability of registered shares and any change and the cancellation of such a limitation;
- the limitation of the exercising of the voting right, any change, and the cancellation of such a limitation;
- an authorized or conditional capital increase;
- the capital increase from shareholders' equity, against a contribution in kind or for the purpose of acquiring assets and the granting of special privileges;
- the limitation or cancellation of the subscription right;
- the change of the Company's registered office;
- the dissolution of the Company;
- the delisting of equity securities; and
- the introduction of an arbitration clause in the Articles of Association.

The passing of resolutions on mergers, demergers, and conversions is governed by the provisions of the Merger Act.

3 Convening the general meeting

The general meeting is convened by the Board of Directors at the latest 20 days before the day of the meeting through an announcement in the Swiss Official Gazette of Commerce. Meetings may also be convened through a letter or a means of electronic data transmission (including email) to all shareholders registered in the share register. The notice convening the meeting shall indicate, besides the date, time, and place of the meeting, the agenda items as well as the proposals issued by the Board of Directors and shareholders who have requested the holding of a general meeting or the placing of an item on the agenda. No resolutions may be passed on items that have not been announced correspondingly; with the exception of requests to convene an extraordinary general meeting or to conduct a special audit.

4 Inclusion of items on the agenda

Shareholders who represent together at least 0.5% of the share capital or the votes may request the placing of an item on the agenda. This must take place in writing at least 45 days before the meeting by stating the agenda items and the proposals.

5 Entries in the share register

The Board of Directors announces, at the latest in the invitation to the general meeting, the cut-off date of the entry in the share register relevant for the right to attend and vote.

1 Duty to make an offer

The obligation to make a public bid pursuant to Art. 135 FMIA (as amended) only exists if the threshold of 49% of the voting rights is exceeded (opting-up).

2 Clauses on change of control

There are no clauses on change of control in favor of the members of the Board of Directors, Management, or other executives of the SKAN Group.

The Board of Directors may refuse to recognize a shareholder or beneficial owner with voting rights if the shareholder, together with his or her shares already registered as having voting rights, would exceed the threshold of 20% of all registered shares entered in the commercial register. With the remaining shares, the acquirer is entered in the share register as a shareholder or beneficiary without voting rights.

8 Statutory auditor

1 Duration of mandate and term of office of the auditor-in-charge

BDO AG has been the statutory auditor of SKAN Group AG, and thus of SKAN Group, since 2014. Joseph Hammel is a licensed audit expert and has been auditor-in-charge since 2022. As defined in Art. 730a of the Swiss Code of Obligations (CO), the auditor-in-charge shall remain in office for a maximum of seven years and the statutory auditor shall be re-appointed each year for another year. Re-appointment is permitted.

2 Audit fees

The total audit fees charged by the statutory auditors in the year under review amounted to CHF 241'966 (PY: CHF 222'000). This includes the audit of the consolidated financial statements as well as the audit of all of the Group's material subsidiaries.

3 Additional fees

In the year under review there were additional fees of CHF 40'170 for advisory and tax services (PY: CHF 29'000).

4 Information instruments of the statutory auditor

The statutory auditor reports in writing to the Board of Directors upon completion of the interim audit as well as upon completion of the final audit. If need be, the Board of Directors may approach the statutory auditor at any time and request information.

The Audit Committee supports the Board of Directors in its ultimate supervision of the statutory auditors. The powers and duties of the Audit Committee are set out in the Audit Committee Regulations, which can be found in Annex 3 to the Organizational Regulations https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Organisations-reglement_Investor_Relations%20EN_2024.pdf.

In the year under review, the statutory auditor attended four meetings of the Audit Committee.

Information policy

The SKAN Group communicates with and informs the shareholders, investors, and the public in a transparent, prompt, and open manner. In this respect, various information channels are available.

Notices of SKAN Group AG to the shareholders are made in the organ of publication, the Swiss Official Gazette of Commerce. In addition, notices may be given by letter or electronic data transmission (including email) to the addresses recorded in the share register, provided that their names and addresses are known.

The following information events are scheduled:

- Presentation of the year-end results (25 March 2025): the Annual Report is published, an ad hoc announcement is published, a press and analyst conference is held
- General shareholder meeting of the SKAN Group (7 May 2025)
- Presentation of the mid-year results (19 August 2025): the Half-Year Report is published, an ad hoc announcement is published, a press and analyst call is held

The financial calendar is available online under the following link: <https://ir.skan.com/websites/skan/English/8000/investor-calendar.html>

Apart from the above-mentioned information events, the SKAN Group provides information during the year on significant events through press releases and shareholder letters. According to SIX Swiss Exchange AG, all SIX-listed companies are subject to the ad-hoc publication rules of the SIX Exchange Regulation.

Other sources of information:

- Website <http://www.skan.com/>. Information publicly available at all times on the key facts and figures of the SKAN Group.
- Events <https://ir.skan.com/websites/skan/English/8000/investor-calendar.html>. All relevant events are published here (general shareholder meeting, press conferences, etc.)
- Email Update Service <https://ir.skan.com/websites/skan/English/9000/skan-investor-relations.html>. Interested parties may register free-of-charge for the Email Update Service.
- Press releases <https://ir.skan.com/websites/skan/English/5000/press-releases.html>. All published press releases are also made available simultaneously on SKAN's website.

Contact details: SKAN Group AG

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4123 Allschwil
Tel +41 43 268 32 32
Mail ir@skan.com

Blackout Periods

SKAN Group AG has defined general blackout periods for trading in SKAN Group AG's shares; any other securities issued by the Company, including standardized certificated or un-certificated securities, derivatives, and book entry securities, which are suitable for mass trading and which are admitted for trading on SIX or another trading venue in Switzerland (for example SIX-listed bonds); and any derivatives and other financial instruments derived from any of these securities, including any option or conversion rights or any other financial instruments whose price is materially dependent on the shares of the Company. The general blackout periods apply to employees of the SKAN Group as well as their auxiliary persons and the Board of Directors and last from 1 June for the half-year financial statements and from 1 December for the full-year financials until the trading day after the publication of the relevant financial statements.

Material changes since the balance sheet date

No significant events occurred after the balance sheet date of 31.12.2024.





SKAN is present in Switzerland, Germany, Belgium, Japan, Brazil, and the USA. These countries offer far more than our locations Basel, Stein, Görlitz, Gembloux, Okinawa, São Paulo and Raleigh.

Every country has its own unique charm. From the picturesque city of Lucerne, Germany's idyllic landscapes, the impressive Grand Place in Brussels, Okinawa's paradise beaches, the vibrant birds of Brazil's rainforests to the breathtaking national parks of the USA: They are all waiting to be discovered.

We offer you a glimpse into the diversity and unique facets of these countries – be inspired!





Sylt, Germany



Brussels, Belgium



Okinawa, Japan



Basel, Switzerland



Rainforest, Brazil



Burges, Belgium



Joshua Tree National Park, USA



Mount Fuji, Japan



Neuschwanstein Castle, Germany



Times Square, NY, USA

Compensation Report

The compensation report of SKAN Group AG provides an overview of the compensation policy, the compensation governance as well as the compensation principles and elements of SKAN Group AG. Furthermore, the report discloses the compensation of the members of the company's board of directors (Board of Directors) and the executive management (Executive Management) for the 2024 financial year and shows the shareholdings of these persons in SKAN Group AG as per 31 December 2024. The report is compliant with the provisions of the Swiss Code of Obligations (CO) Art. 734-734f, the SIX Swiss Exchange (SIX) Directive on Information Relating to Corporate Governance (DCG), as well as the principles of the Swiss Code of Best Practice for Corporate Governance of economiesuisse (SCBP).



SKAN Group AG's compensation policy aims to align the interests of the members of the Board of Directors and Executive Management with those of the company and its shareholders. Accordingly, the compensation is designed to attract, promote, and retain highly qualified executives and specialists in order to ensure competitiveness and long-term success of the company. To reach such goals, the Board of Directors has opted for a compensation system that is characterized by fairness, transparency, and simplicity. Consistent with these basic principles, SKAN Group AG rewards outstanding performance appropriately and in line with market practice, while at the same time focusing on sustainable and long-term value creation.

1 Rules regarding compensation in the articles of association

The articles of association of SKAN Group AG (Articles of Association) https://ir.skan.com/download/companies/skanag/CorporateGovernance/SKAN_Statuten_2023_EN.pdf contain, among others, the following provisions regarding compensation required by the OaEC:

- The approval of the maximum total amounts of compensation to the Board of Directors and the Executive Management by the company's general meeting (General Meeting) (Art. 21 para. 1),
- the details of the further procedure in the event of a rejection of the maximum total amounts of compensation by the General Meeting (Art. 21 para. 7),
- the principles applicable to performance-related compensation and to the allocation of equity securities, convertible rights, and options (Article 21 para. 2, 3 and 10),
- the additional amount for payments to members of the Executive Management appointed after the approval of the maximum total amount of compensation of the Executive Management (Article 21 para. 4 and 5),
- the maximum duration or notice period of the agreements underlying the compensation for the members of the of the Board of Directors and the Executive Management (Art. 21 para. 9),
- the composition and tasks of the Nomination and Compensation Committee (NCC) (Article 22).

2 Involvement of shareholders

The Board of Directors submits three compensation-related proposals to the general meeting for approval, namely:

- on a consultative vote for the compensation report of the preceding financial year;
- on the maximum aggregate amount of compensation of the Board of Directors for the period until the next general meeting;
- on the maximum aggregate amount of compensation of the Executive Management for the following financial year.

3 Nomination and Compensation Committee (NCC)

The NCC deals with the compensation strategy and the performance goals and criteria of the company. In particular, it supports the Board of Directors in determining and evaluating the compensation system and the compensation principles and in preparing the proposals to the General Meeting for approval of the compensation in accordance with Article 21 of the Articles of Association. The committee prepares the relevant resolutions and submits proposals to the Board of Directors. The ultimate responsibility for the powers and tasks assigned to the NCC thus remains with the Board of Directors. The individual powers and tasks of the NCC in the area of compensation are set out in Section 1 of annex 2 of the company's organizational regulations (Organizational Regulations).

Further details on the NCC can be found in Section 3.5.3, p. 86 of the Corporate Governance Report.

4 Compensation determination process

The Board of Directors determines annually the compensation of its members upon proposal of the NCC and within the limits of the maximum total amount approved by the General Meeting.

The compensation of the members of the Executive Management is determined each year – within the limits of the maximum total amount approved by the General Meeting – by the Board of Directors based on a proposal of the NCC, whose proposal in turn is based on a motion of the CEO concerning the other members of the Executive Management, the NCC submits a proposal directly to the Board of Directors regarding the compensation of the CEO.

Specifically, the NCC recommends to the Board of Directors the performance metrics applicable to the CEO, assesses the CEO's performance during the relevant period based on these metrics and proposes to the Board of Directors the compensation for the CEO based on this assessment. The performance metrics, applicable to the other members of the Executive Management are determined by the CEO. The NCC, taking into account the recommendations of the CEO, reviews and recommends to the Board of Directors the individual compensation of the other members of the Executive Management based on the assessment made by the CEO.

The impact, attractiveness, and competitiveness of the compensation programs for the members of the Executive Management are reviewed at least biennially. An overview of the decision-making powers regarding the compensation of the members of the Board of Directors and the Executive Committee is set out in the table on the right:

Topic	CEO	NCC	Board of Directors	General meeting
Compensation strategy		prepares/proposes	decides	
Compensation guidelines and programs		prepares/proposes	decides	
Performance goals and criteria of the group		prepares/proposes	decides	
Maximum aggregate compensation amounts of Board of Directors and Executive Management		prepares	prepares/proposes	decides
Individual compensation of members of Board of Directors		prepares/proposes	decides	
Performance metrics and goals applicable to CEO		prepares/proposes	decides	
Performance assessment of CEO		decides		
Individual compensation of CEO		prepares/proposes	decides	
Definition of performance metrics and goals applicable to members of Executive Management except CEO	decides			
Performance assessment of members of Executive Management except CEO	decides			
Individual compensation of members of Executive Management except CEO	proposes	prepares/proposes	decides	
Compensation report	proposes	prepares/proposes	decides	

The Chairman of the NCC reports to the Board of Directors at board meetings on its activities and matters within its area of responsibility. Moreover, the minutes of the meetings of the NCC are sent to all members of the Board of Directors.

As a rule, the members of the NCC and the Board of Directors attend and vote at the meetings at which their own compensation is discussed and decided.

2 Compensation principles and elements

1 Board of Directors

The members of the Board of Directors receive a fixed lump-sum compensation. The Board of Directors determines the amount upon proposal of the NCC at its own discretion. For its proposal the NCC takes into account the responsibilities and functions of the members. The chairmanship of the Board of Directors as well as the membership and the chairmanship in committees are additionally compensated.

The following table shows an overview of the compensation for the individual functions within the Board of Directors, valid as from the AGM 2024 to AGM 2025:

Gross compensation per year of office	
AGM 2024 to AGM 2025	
Function	CHF
Chairman and member of NCC	190'000
Vice chairwoman and chairwoman of AC	100'000
Member, chairman of NCC and member of AC	90'000
Member and member of AC	70'000
Member and member of NCC	70'000

The board and committee fees also cover all expenses of the members of the Board of Directors. There is no additional reimbursement of expenses. The compensation of the members of the Board of Directors is paid 100% in cash. Payment is made annually in arrears.

1.1 Changes in the Board of Directors in 2024

- Dr. Beat Lüthi was elected as the new Chairman of the Board of Directors
- Gregor Plattner was elected as new Chairman of the NCC

2 Executive Management

The compensation of the members of the Executive Management of the company consists of the basic compensation (salary) and a variable salary, both in cash.

The variable salary is limited to five times the monthly salary which is paid out thirteen times a year. The amount of the individual basic compensation (salary) is determined by the Board of Directors at its discretion (based on proposals of the NCC, whose proposal in turn is based on a corresponding motion of the CEO concerning the other members of the Executive Management). For their proposals to the Board of Directors, the NCC and the CEO, respectively, take into account market practice, the responsibility and performance of each member. The basic compensation (salary) is paid out in thirteen instalments, whereof twelve instalments at the end of each month and one additional instalment in November.

For the determination of the variable salary the financial performance of the company and the average personal performance of all employees eligible for a variable salary during the performance period (i.e. the previous financial year) are assessed against the relevant performance goals. The performance goals relevant for the following financial year and their weighting are proposed each year in the 4th quarter by the NCC to the Board of Directors for approval (with regard to the CEO) and determined by the CEO respectively (with regard to the other members of the Executive Management). The financial goal based on the EBIT is weighted at 70% and the personal goal at 30%. For the personal goal, the average goal achievement for all variable salary eligible employees determines the relevant goal achievement level for each individual Executive Management member (incl. CEO). The bonus limit is with 140%/ five times the monthly salary. In 2024 the total goal achievement was 98%.

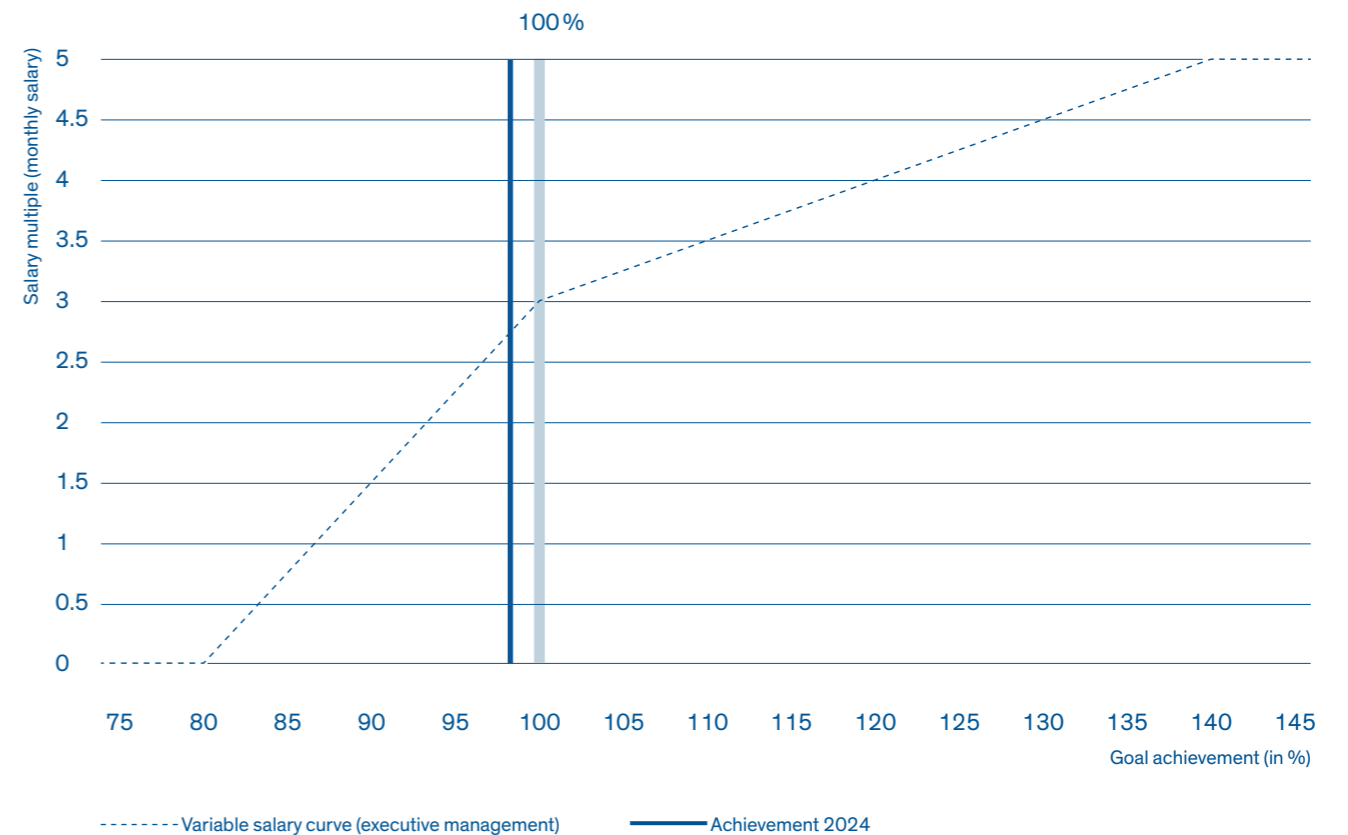
The variable salary is paid out upon approval of the annual financial statements by the annual General Meeting. The following chart gives an overview of the mechanics of the variable salary.

For the compensation of members of the Executive Management (incl. the CEO) the company pays the compulsory social insurance contributions. The members (incl. the CEO) are covered by the company's pension plan for the Executive Management.

2.1 Changes in the Executive Management in 2024

- Sascha Pawel resigned as Chief Innovation Officer (CIO) as per 30.09.2024 and took over the role as "Advisor Innovation & Strategy".

Mechanics of variable salary





skan



3 Compensation 2024

1 Compensation to the Board of Directors

The following table shows the compensation awarded to the members of the Board of Directors for the financial year 2024 and the previous financial year as applicable.

2024 In CHF	Fixed compensation	Social security contribution ³	Other Benefit ⁴	Total compensation
Dr. Beat Lüthi, Chairman and member of NCC ¹	110'130	60'403	-	170'533
Oliver Baumann, member and member of NCC	50'622	19'418	-	70'040
Cornelia Gehrig, member and chairwoman of AC ²	138'577	-	-	138'577
Thomas Huber, member ⁵	See table under Section 3	See table under Section 3	See table under Section 3	See table under Section 3
Gregor Plattner, member, member of AC, and chairman of NCC	60'541	26'178	6'180	92'899
Patrick Schär, member and member of AC	50'821	18'919	-	69'741
Total	410'692	124'918	6'180	541'790

¹ Dr. Beat Lüthi was elected as the new Chairman of the Board of Directors as of AGM 2024.

² Board compensation is invoiced through Cornelia Gehrig GmbH and includes the compensation for her function as ad-interim Chairwoman 2023/2024.

³ The social security contribution includes the employee and employer portion and the respective pension fund options.

⁴ Other Benefit comprises a child allowance.

⁵ The compensation of Thomas Huber is shown in the compensation to the Executive Management Section 3.

2023 In CHF	Fixed compensation	Social security contribution ³	Total compensation
Dr. Gert Thoenen, Chairman and member of NCC ¹	31'253	1'782	33'035
Oliver Baumann, member and member of NCC	50'422	6'895	57'318
Cornelia Gehrig, member and chairwoman of AC ²	129'288	0	129'288
Thomas Huber, member ⁴	See table under Section 3	See table under Section 3	See table under Section 3
Dr. Beat Lüthi, member and chairman of NCC	71'367	9'760	81'126
Gregor Plattner, member and member of AC	50'422	6'895	57'318
Patrick Schär, member and member of AC	50'422	6'895	57'318
Total	383'174	32'227	415'401

¹ The compensation of Gert Thoenen covers the period from 1 January 2023 to 26 May 2023.

² Board compensation is invoiced through the Cornelia Gehrig GmbH. No social security deduction is made.

³ The social security contribution includes the employee and employer portion.

⁴ The compensation of Thomas Huber is shown in the compensation to the Executive Management Section 3.

The Annual General Meeting of 7 May 2024 approved the maximum aggregate amount of compensation of CHF 650'000 for the Board of Directors for the time period between the Annual General Meeting 2024 and the Annual General Meeting 2025. The compensation awarded until the Annual General Meeting 2025 to the members of the Board of Directors of CHF 643'744 is within this limit.

2 Additional information on compensation to the Board of Directors

The Company does not grant loans or credits to current or former members of the Board of Directors or persons closely related to them. Accordingly, no such loans or credits were outstanding on 31 December 2024.

In the 2024 financial year, no other compensation was made to the Board of Directors or persons closely related to them.

Moreover, in the reporting year, no compensation was awarded to former members of the Board of Directors or persons closely related to them.

2.1 Functions in other companies

Further information on activities of the members of the Board of Directors at other companies can be found in Section 3.2, p. 78 of the Corporate Governance Report.

3 Compensation to the Executive Management

The following table shows the compensation awarded to the highest paid member and the remaining members of the Executive Management for 2024 and the previous year as applicable:

2024 In CHF	Fixed basic compensation (salary)	Variable bonus	Other benefits ²	Social security contribution ³	Total compensation
Thomas Huber, CEO ¹	550'617	153'329	36'224	303'030	1'043'200
Other members of the Executive Management ⁴	1'910'746	543'066	191'727	1'013'630	3'659'168
Total	2'461'364	696'394	227'952	1'316'659	4'702'369

2023 In CHF	Fixed basic compensation (salary)	Variable bonus	Other benefits ²	Social security contribution ³	Total compensation
Thomas Huber, CEO ¹	562'504	140'203	17'527	293'375	1'013'609
Other members of the Executive Management	2'137'224	483'254	220'002	1'140'136	3'980'616
Total	2'699'728	623'457	237'529	1'433'511	4'994'225

¹ Includes compensation for the activities as member of the Board of Directors.

² Other benefits comprise a car allowance and, if eligible, a seniority gift.

³ The social security contribution includes the employee and employer portion.

⁴ Includes compensation for Sascha Pawel who resigned from his position as CIO as per end of Q3 2024.

Compensation has decreased by CHF 291'856 compared to the previous year due to a decrease in the average number of Executive Management members in 2024.

The variable bonus of the CEO (Thomas Huber) and the other members of the Executive Management in the 2024 financial year amounted to 25.9% of the fixed compensation.

The General Meeting of 7 May 2024 approved the maximum aggregate amount of compensation of CHF 7'000'000 (including a reserve of CHF 1'700'000) for the Executive Management for the 2024 financial year. The compensation awarded until 31 December 2024 to the members of the Executive Management is within this limit.

4 Additional information on compensation to the Executive Management

The company does not grant loans or credits to current or former members of the Executive Management or persons closely related to them. Accordingly, no such loans or credits were outstanding on 31 December 2024.

In the 2024 financial year, no other compensation was made to the Executive Management or persons closely related to them.

Moreover in the reporting year no compensation was awarded to former members of the Executive Management or persons closely related to them.

The members of the Executive Management have employment agreements with a six months' notice period. They are not entitled to severance payments.

4.1 Functions in other companies

Further information on activities of the members of the Executive Management at other companies can be found in Section 4.2, p. 94 of the Corporate Governance Report.

Audited

Audited

4 Share ownership

1 Board of Directors

The following table shows the number of shares in SKAN Group AG held by the individual members of the Board of Directors and persons closely related to them as per 31 December 2024 with the previous year figures.

Audited	Function	Number as per		In % of share capital	
		31.12.2024	In % of share capital	31.12.2023	In % of share capital
Dr. Beat Lüthi	Chairman	0	0%	0	0%
Oliver Baumann	Member	0	0%	0	0%
Cornelia Gehrig	Member	85	0%	85	0%
Thomas Huber	Member	See table under Section 4.2	See table under Section 4.2	See table under Section 4.2	See table under Section 4.2
Gregor Plattner	Member	2'385'737	10.6%	2'385'737	10.6%
Patrick Schär	Member	1'000	0%	1'000	0%
Dr. Gert Thoenen ¹	Member	n/a	n/a	235'367	1.0%

¹ Is not a member of the Board of Directors as of 31 December 2024. Therefore no disclosure.

2 Executive Management

The following table shows the number of shares in SKAN Group AG held by the individual members of the Executive Management and persons closely related to them as per 31 December 2024 with the previous year figures.

Audited	Function	Number as per		In % of share capital	
		31.12.2024	In % of share capital	31.12.2023	In % of share capital
Thomas Huber	CEO	383'905	1.7%	383'905	1.7%
Maria Cuevas Otero	CSO	0	0%	0	0%
Marina Häni	CPCO	0	0%	0	0%
Philippe Jérôme	CMO	35'325	0.1%	47'325	0.2%
Ralf Krämer	CTO	0	0%	0	0%
Burim Maraj	CFO	20'489	0.1%	20'489	0.1%
Sascha Pawel ¹	CIO	n/a	n/a	100'686	0.40%
Martin Steegmüller	CPO & CIO	5'218	0%	5'218	0%
Thomas Zinn	CCO	0	0%	0	0%

¹ Is not a member of Executive Management as of 31 December 2024. Therefore no disclosure.



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STATUTORY AUDITOR'S REPORT

To the general meeting of SKAN Group AG, Allschwil

Report on the Audit of the Compensation Report according to Art. 734a-734f CO

Opinion

We have audited the compensation report of SKAN Group AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" on pages 132 to 137 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying compensation report complies 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 Responsibility for the Audit of the Compensation Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other Information

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

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

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Compensation Report

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

Auditor's Responsibilities for the Audit of the Compensation Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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



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considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

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

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

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

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

Bern, 24 March 2025

BDO Ltd

Joseph Hammel
Auditor in charge
Licensed Audit Expert

pp. Emanuel Müller
Licensed Audit Expert





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Consolidated Income Statement

in CHF thousands	Note	2024		2023	
Net sales from goods and services	1.1/1.2	361'295	100%	320'020	100%
Change in inventory of finished, unfinished goods, and work in progress		-8'159		7'716	
Material and external services	1.3	-87'261		-87'172	
Gross Profit		265'875	74%	240'564	75%
Personnel expenses	1.3	-164'454		-149'217	
Other operating expenses	1.3	-44'460		-41'203	
EBITDA		56'961	16%	50'144	16%
Depreciation	2.4	-10'142		-10'218	
Amortization	2.6	-2'338		-2'176	
Operating Result (EBIT)		44'482	12%	37'750	12%
Financial expenses	3.7	-6'402		-9'788	
Financial income	3.7	8'715		5'026	
Result from associates	4.1	-3		-198	
Ordinary Result/Profit Before Income Taxes (EBT)		46'792	13%	32'789	10%
Income taxes	1.4	-6'000		-4'891	
Profit For The Period		40'791	11%	27'898	9%
Profit attributable to minority interests		1'989		1'586	
Profit attributable to shareholders of SKAN Group AG		38'803		26'312	
Basic and diluted earnings per share in CHF	1.5	1.73		1.17	



Consolidated Balance Sheet

in CHF thousands	Note	31.12.2024		31.12.2023	
Cash and cash equivalents	3.1	53'711		85'122	
Fixed term deposit	3.1	8'000		0	
Trade receivables	2.1	26'299		26'474	
Other current receivables	2.1	14'091		11'917	
Inventories	2.2	36'184		44'006	
Work in progress	2.3	77'141		73'983	
Prepayments and accrued income	2.1	8'062		17'828	
Total Current Assets		223'489	58%	259'329	69%
Property, plant, and equipment	2.4	153'450		106'905	
Financial assets	2.5	2'711		3'180	
Intangible assets	2.6	3'465		3'016	
Deferred tax assets	1.4	1'371		1'019	
Total Non-Current Assets		160'997	42%	114'120	31%
Total Assets		384'486	100%	373'449	100%

in CHF thousands	Note	31.12.2024		31.12.2023	
Trade payables	2.1	28'894		28'043	
Advance payments from customers	2.3	84'728		106'303	
Current financial liabilities	3.3	1'094		870	
Other current liabilities	3.4	5'855		6'933	
Current provisions	2.7	35'950		32'725	
Accrued liabilities and deferred income	3.6	6'141		6'089	
Current Liabilities		162'662	42%	180'963	48%
Non-current financial liabilities	3.3	9'511		5'619	
Other non-current liabilities	3.5	5'707		5'911	
Deferred tax liabilities	1.4	4'043		3'909	
Non-current provisions	2.7	0		686	
Non-Current Liabilities		19'261	5%	16'124	4%
Total Liabilities		181'923	47%	197'087	53%
Share capital	3.2	225		225	
Capital reserves	3.2	113'348		117'282	
Retained earnings		82'587		51'725	
Equity Attributable to Shareholders of SKAN Group AG		196'159	51%	169'232	45%
Minority interests		6'404		7'129	
Total Equity		202'563	53%	176'362	47%
Total Liabilities and Equity		384'486	100%	373'449	100%

Consolidated Cash Flow Statement

in CHF thousands	Note	31.12.2024	31.12.2023
Profit for the period		40'791	27'898
Depreciation and amortization	2.4/2.6	12'479	12'394
Change of provisions (including deferred taxes)		2'144	10'626
Other non-cash items		971	-2'517
Loss from associates	4.1	3	198
Loss on disposal of fixed assets		5	479
Change of trade receivables		607	-1'454
Change of inventories and work in progress		5'524	-14'184
Change of other receivables, prepayments, and accrued income		7'607	-6'667
Change of trade payables		737	-3'109
Change of advance payments from customers, other current liabilities, accrued liabilities, and deferred income		-23'864	-14'528
Change of other non-current liabilities		-305	-437
Cash Flow from Operating Activities		46'700	8'700
Outflows for purchase of fixed term deposit	3.1	-8'097	0
Inflows from disposal of fixed term deposit	3.1	0	25'000
Outflows for property, plant, and equipment	2.4	-51'026	-33'630
Inflows from disposal of property, plant, and equipment		428	409
Outflows for purchase of financial assets		-240	-1'413
Inflows from disposal of financial assets		706	7
Outflows for purchase of intangible assets	2.6	-2'763	-1'668
Outflows for purchase of Aseptic Technologies S.A.	4.1	-8'066	-6'051
Cash Flow from Investing Activities		-69'057	-17'346

in CHF thousands	Note	31.12.2024	31.12.2023
Distribution of profits to shareholders of SKAN Group AG		-7'869	-5'621
Distribution of profits to minority interests		-394	-330
Issuance/Repayment of current financial liabilities		-853	-1'545
Issuance/Repayment of non-current financial liabilities	3.3	-233	-8'306
Cash Flow from Financing Activities		-9'349	-15'801
Net impact of foreign exchange rate differences on cash and cash equivalents		296	-1'413
Change in Cash and Cash Equivalents		-31'411	-25'860
Cash and cash equivalents as at 1 January	3.1	85'122	110'982
Cash and cash equivalents as at 31 December	3.1	53'711	85'122
Change in Cash and Cash Equivalents		-31'411	-25'860

Cash and cash equivalents comprise current bank accounts, petty cash, and short-term financial investments with an initial maturity of up to three months.

Consolidated Statement of Changes in Equity

in CHF thousands	Share capital	Capital reserves	Treasury shares	Goodwill offset	Currency translation differences	Other retained earnings	Retained earnings	Equity attributable to shareholders of SKAN Group AG	Minority interests	Total Equity
Balance as at 1 January 2023	225	120'093	0	-30'014	0	66'994	36'980	157'299	8'297	165'595
Reclassification ¹	0	0	0	0	-1'254	1'254	0	0	0	0
Net profit for the period	0	0	0	0	0	26'312	26'312	26'312	1'586	27'898
Dividends paid to minority interests	0	0	0	0	0	0	0	0	-330	-330
Dividends paid to shareholders of SKAN Group AG	0	-2'810	0	0	0	-2'810	-2'810	-5'620	0	-5'620
Acquisition of minority interests	0	0	0	0	0	-4'055	-4'055	-4'055	-1'996	-6'051
Currency translation differences ²	0	0	0	0	-4'701	0	-4'701	-4'701	-429	-5'130
Balance as at 31 December 2023	225	117'282	0	-30'014	-5'955	87'694	51'725	169'232	7'129	176'362

¹ Adjustment of the disclosure of the other retained earnings due to the first-time application of Swiss GAAP FER 30 (revised), see note "Revised Swiss GAAP FER 30".

² A part of the currency translation effects arises from an intragroup loan which was considered to have equity character since 2023. Hence the repayment of the loan is not expected in the near future. Due to this change in assumption the foreign currency impact on this loan is recognized through equity.

Consolidated Statement of Changes in Equity

in CHF thousands	Share capital	Capital reserves	Treasury shares	Goodwill offset	Currency translation differences	Other retained earnings	Retained earnings	Equity attributable to shareholders of SKAN Group AG	Minority interests	Total Equity
Balance as at 1 January 2024	225	117'282	0	-30'014	-5'955	87'694	51'725	169'232	7'129	176'362
Net profit for the period	0	0	0	0	0	38'803	38'803	38'803	1'989	40'791
Dividends paid to minority interests	0	0	0	0	0	0	0	0	-394	-394
Dividends paid to shareholders of SKAN Group AG	0	-3'935	0	0	0	-3'935	-3'935	-7'868	0	-7'868
Addition goodwill	0	0	0	-5'558	0	5'558	0	0	0	0
Acquisition of minority interests	0	0	0	0	0	-5'558	-5'558	-5'558	-2'508	-8'066
Currency translation differences ¹	0	0	0	0	1'551	0	1'551	1'551	187	1'738
Balance as at 31 December 2024	225	113'348	0	-35'573	-4'404	122'562	82'587	196'159	6'404	202'563

¹ A part of the currency translation effects arises from an intragroup loan which was considered to have equity character since 2023. Hence the repayment of the loan is not expected in the near future. Due to this change in assumption the foreign currency impact on this loan is recognized through equity.



Notes to the Consolidated Financial Statements

Information about the report

This section provides a general understanding of the preparation and consolidation principles as well as an overview of the use of accounting applied by the management of SKAN Group AG (hereafter Management).

General information

SKAN Group AG (hereafter the Company) is a public limited company incorporated under Swiss law and is headquartered in Allschwil. The Company is listed on the SIX Swiss Exchange with the security symbol "SKAN".

The SKAN Group (hereafter SKAN) is composed of SKAN Group AG and the subsidiaries presented in Note 4.2. SKAN is a leading systems provider in the field of cleanroom equipment and produces isolators for the pharmaceutical and chemical industry. SKAN isolator systems aim to protect the product, the employees and the environment during sterile and toxic applications in production, quality control, as well as powder and substance processing.

The consolidated financial statements for the year ending 31 December 2024 have been prepared in accordance with Swiss GAAP FER and Swiss law and provide a true and fair view of the Group's assets, financial situation, and earnings. The consolidated financial statements are presented in Swiss francs (CHF), unless stated otherwise.

The financial statements have been prepared under the historical cost convention, except where disclosed otherwise in the accounting policies and were prepared under the going concern assumption. The figures and especially the totals may contain rounding differences.

Revised Swiss GAAP FER 30

In 2022, the Swiss GAAP FER Commission approved the revision of the standard "Consolidated Financial Statements" (Swiss GAAP FER 30) with effect from 1 January 2024.

The consolidated financial statements were prepared according to these new accounting and valuation principles. The changes were applied retrospectively, with the exception of the granted relief for company acquisitions and sales (sections 14 to 23 "goodwill", sections 25 and 82 "profit-effective derecognition of accumulated foreign currency translation differences" and section 31 "deferred taxes") which were completed before 1 January 2024.

Due to the requirement of section 37 to present the cumulative currency translation differences as a separate column in the statement of equity, the presentation of the statement of equity has been adjusted retrospectively.

Basis of consolidation

The consolidated financial statements are based on the individual financial statements as at 31 December, prepared in accordance with uniform principles, of all group entities of which SKAN Group AG directly or indirectly holds more than 50% of the voting rights or over which control is exercised in another way. The entities included in the scope of consolidation are presented in Note 4.2.

Capital consolidation is based on the purchase method, whereby the acquisition cost is eliminated at the time of acquisition against the fair value of net assets acquired with the remainder recorded as goodwill that is subsequently offset within the equity of the group.

Based on the full consolidation method, the assets and liabilities as well as income and expenses of the consolidated entities are fully recognized. The share attributable to minority shareholders in equity and in the income statement is presented separately in the consolidated balance sheet, the consolidated income statement, and consolidated statement of changes in equity. All intercompany transactions, balances, and unrealized gains and losses resulting from intercompany transactions are eliminated.

An increase in the share of an already fully consolidated entity is regarded as a virtual repurchase from the minorities. Consequently, the difference between the purchase price and the attributable share in equity is recorded through the group's capital reserves.

Investments in which SKAN has a minority interest of at least 20% but less than 50%, or over which it otherwise has significant influence, are generally accounted for using the equity method. Such investments in associates are presented under financial assets on the balance sheet. The share in the profit of these investments is presented separately on the income statement and cash flow from operating activities.

Foreign currency translation

SKAN's consolidated financial statements are presented in Swiss francs (CHF). Each group entity determines its own functional currency. The positions included in the financial statements of the respective entity are valued using its functional currency.

Foreign currency transactions

Foreign currency transactions are initially converted at the exchange rate defined by SKAN on a monthly basis. At the balance sheet date, monetary assets and liabilities in foreign currencies are converted at current rates and resulting foreign exchange gains/losses are presented in the income statement. Non-monetary positions, that are valued at historical acquisition or production cost in a foreign currency, are converted at the exchange rate prevailing at the time of transaction. All foreign currency differences are part of the financial result.

Conversion of consolidated individual financial statements

The financial statements in foreign currencies of the foreign group entities are converted into Swiss francs for consolidation purposes in accordance with the current rate method, as follows:

- Assets and liabilities at the exchange rate at the balance sheet date
- Equity at historical rates
- The income statement and cash flow statement at the average rate for the year

The amount resulting from the conversion of the financial statements and from the translation of corporate loans with equity character denominated in foreign currencies are recognized in equity and offset against retained earnings without affecting the income statement. Upon the divestment of a foreign group entity, the related cumulative exchange differences are recycled to the income statement.

The exchange rates used for the conversion of group entities are as follows:

Currency	Unit	31.12.2024	Average 2024	31.12.2023	Average 2023
BRL	1	0.1465	0.1642	n/a	n/a
EUR	1	0.9412	0.9526	0.9260	0.9717
JPY	100	0.5770	0.5820	0.5920	0.6410
USD	1	0.9060	0.8806	0.8380	0.8987

Significant Management estimates

The preparation of the consolidated financial statements in accordance with Swiss GAAP FER requires Management to make estimates and assumptions that materially affect the financial positions of SKAN. Estimates and corresponding assumptions are based on past experience and various other relevant factors. The actual results can differ from these estimates. The estimates and its underlying assumptions are reviewed periodically and changes are recognized prospectively. The Management of SKAN has identified the following assumptions and estimates to be of special relevance to the presentation of the consolidated financial statements:

- Recognition of revenues from long-term contracts – Note 1.2
- Income taxes – Note 1.4
- Inventories – Note 2.2
- Provisions – Note 2.7



1 Performance for the Year

SKAN's operational performance is presented in this section.

The segment reporting shows the segment results used at top management level to steer the business. This section also provides details on selected expense items as well as the earnings per share information.

1 Segments

In accordance with the management structure and the reporting to the Management and the Board of Directors of SKAN Group AG (hereafter Board of Directors), the reportable segments are the following:

Equipment & Solutions

Within Equipment & Solutions, we provide mission-critical solutions for pharmaceuticals production, including isolators, integrated automated systems, aseptic filling systems and solutions as well as laboratory and cleanroom equipment. Our products are characterized by their high reliability, innovative features

and functions, and quality. We offer system and customized solutions as well as end-to-end support to our customers for efficient approval processes with the relevant regulatory authorities (e.g. FDA, EMA, Swissmedic).

Services & Consumables

With our Services & Consumables business we provide global customer support and offer our customers ready-to-

use consumables as well as digital solutions.

2024 in CHF thousands	Equipment & Solutions	Services & Consumables	Total segments/ Group
Order backlog	282'964	35'377	318'341
Order intake	255'014	104'459	359'473
Net sales from goods and services	270'904	90'391	361'295
EBITDA	30'314	26'647	56'961
EBITDA margin	11.2%	29.5%	15.8%
Depreciation			-10'142
Amortization			-2'338
Operating Result (EBIT)			44'482
Financial result			2'310
Ordinary Result			46'792

2023 in CHF thousands	Equipment & Solutions	Services & Consumables	Total segments/ Group
Order backlog	289'885	22'257	312'143
Order intake	213'277	81'848	295'125
Net sales from goods and services	237'106	82'914	320'020
EBITDA	26'843	23'301	50'144
EBITDA margin	11.3%	28.1%	15.7%
Depreciation			-10'218
Amortization			-2'176
Operating Result (EBIT)			37'750
Financial result			-4'961
Ordinary Result			32'789

2 Net Sales from Goods and Services

Net Sales from Goods and Services per geographical market

in CHF thousands	2024	2023
Asia	29'508	16'954
Europe	186'570	181'384
Americas	140'776	120'019
Other regions	4'440	1'663
Total Net Sales by Region	361'295	320'020

Net sales include kCHF 228'012 (2023: kCHF 210'692) from long-term contracts.

Accounting principles

Net sales from goods and services

Net sales include all sales of goods and related services, after deduction of any sales reductions including rebates, discounts, value-added taxes, and commissions.

Production and trading

Sales are recognized when the products have been delivered and the benefits and risks as well as the authority to dispose of the products have been transferred to the customer. This occurs generally upon the delivery of the goods and products. In contrast, revenues from long-term contracts are recognized in accordance with the percentage-of-completion (POC) method, if the criteria required by FER 22 are met. In this respect, the degree of completion is determined based on the work progress. Profits are recognized proportionally and any losses are immediately recognized fully in the income statement.

Services

Sales related to services are recognized when the services have been performed. Revenues from services include mainly income from the service and maintenance of installations for customers. For services rendered over an extended period the percentage-of-completion (POC) method is applied. The degree of completion is determined based on the actual costs (working hours, material, expenses, logistics) as at the balance sheet date compared to the planned costs. If the result of a contract cannot be estimated in a reliable manner, revenues are recognized only in the amount of the recoverable expenses incurred.

Significant Management Estimate

In order to determine the degree of completion used as a basis for revenue recognition, estimates have to be made by Management. The evolution of costs is used as a basis to measure the progress of work. In this respect, the directly attributable actual costs (consisting of material, expenses, logistics and hours) are compared with the planned costs. The planned costs are based on a detailed project calculation which is approved internally before the project begins. It is only after the approval of this calculation that the order confirmation is sent to the client. The costs calculated at the beginning of the project are reviewed/scrutinized on a monthly basis and any change in estimates is included in the project calculation through an adjustment of the planned costs. These cost adjustments must be approved by SKAN's Management.

3 Operating expenses

Material and external services

Material and external services include all the costs for raw materials and supplies, trade goods, and costs for external production. The change in inventories is presented as part of "change in inventory of finished, unfinished goods, and work in

progress" in the consolidated income statement. In 2024 the gross margin slightly decreased to 74% (2023: 75%). The decrease is mainly driven by lower in-house production compared to the previous year.

Personnel expenses

in CHF thousands	2024	2023
Wages and salaries	-137'091	-123'073
Social security expenses	-20'953	-18'121
Other personnel expenses	-4'533	-5'028
Temporary staff	-1'878	-2'996
Total Personnel Expenses	-164'454	-149'217

In 2024, SKAN created a total of 83 (2023: 216) new jobs (net), and thus had 1'471 (2023: 1'388) employees (head-count) worldwide at the end of 2024.

Other operating expenses

in CHF thousands	2024	2023
Travel expenses	-11'993	-10'644
Rental and energy expenses	-9'725	-7'837
Repair and maintenance	-5'559	-6'485
Vehicle and transportation expenses	-1'551	-1'133
Insurance, levies, fees, and permits	-1'408	-1'461
Administrative expenses	-11'650	-10'731
Marketing and communication expenses	-2'506	-1'790
Other expenses	-66	-1'123
Total Other Operating Expenses	-44'460	-41'203

Other operating expenses increased as a result of the growing business operations but rose at a lower rate than net sales, with an increase of by 7.9% from CHF 41.2 million to CHF 44.5 million. This development was primarily driven by higher global

travel activities and increased rental and energy costs. The latter resulted mainly from the leasing of the additional office space near the Headquarters (MainCampus) for the pre-approved initiative and the Company's continued growth.

4 Income Tax

in CHF thousands	2024	2023
Current year income tax	6'194	4'100
Deferred income tax ¹	-194	792
Total Income Tax Expenses	6'000	4'891

¹ The difference between net changes of deferred tax assets and liabilities and the deferred tax expenses arises from the application of different foreign currency rates of our subsidiaries.

Effective income taxes

in CHF thousands	2024	2023
Profit before income taxes	46'792	32'789
Income tax rate	19.8%	21.3%
Expected income taxes	9'273	6'986
Use of non-capitalized tax loss carryforwards	-3'255	-1'302
Effect of non-capitalization of tax loss carryforwards	0	0
Adjustments to tax burdens/reliefs	0	0
Other effects	-18	-792
Effective income taxes	6'000	4'891
Effective income tax rate	12.8%	14.9%

The expected tax rate of 19.8% (2023: 21.3%) corresponds to the average tax rate of SKAN Group.

Deferred income taxes

in CHF thousands	31.12.2024	31.12.2023
Trade receivables	546	794
Inventory and work in progress	493	520
Property, plant, and equipment	2'139	1'893
Provisions	702	538
Others	164	164
Total deferred income tax liabilities	4'043	3'909

in CHF thousands	31.12.2024	31.12.2023
Trade receivables	2	1
Inventory and work in progress	593	576
Property, plant, and equipment	147	10
Provisions	434	433
Others	194	0
Total deferred income tax assets	1'371	1'019

As of 31 December 2024, uncapitalized tax loss carryforwards of kCHF 54'624 (2023: kCHF 67'530) resulted in a non-recognized deferred tax benefit of kCHF 13'750 (2023: kCHF 16'977). The tax loss carryforwards do not have an expiration date.

Accounting principles

Income taxes
The tax receivables and tax liabilities for the current period and previous periods are measured with the amount in which a refund from the tax authorities or a payment to the tax authorities is expected. The amount is calculated based on the tax rates that were enacted or substantially enacted at the balance sheet date.

Deferred income taxes
Deferred income taxes are calculated by applying the balance sheet method for all temporary differences between the carrying amount according to Swiss GAAP FER and the tax basis of assets and liabilities. Tax loss carryforwards are not capitalized. The calculation of deferred taxes is based on the country-specific tax rates. Tax assets and liabilities are offset if they concern the same taxable entity and tax authority and if there is an offset entitlement for deferred taxes. No deferred taxes are recognized for temporary differences on investments in subsidiaries where the timing of the reversal of the temporary difference is controlled by SKAN and where it is probable that the temporary difference will not be reversed in the foreseeable future.

Significant Management Estimate

In order to determine the assets and liabilities from current and deferred income taxes, estimates have to be made based on existing tax laws and ordinances. Many internal and external factors may have positive or negative effects on the assets and liabilities from income taxes. These factors include changes in tax laws and ordinances and their interpretation, as well as changes in tax rates and in the total amount of taxable income per location. Such changes may impact the assets and liabilities from current and deferred income taxes recognized in future reporting periods.

5 Earnings per share

Earnings per share	2024	2023
Profit attributable to shareholders of SKAN Group AG	38'802'560	26'312'244
Weighted average number of shares outstanding	22'483'524	22'483'524
Basic and diluted earnings per share (in CHF)	1.73	1.17

Reconciliation of non-diluted to diluted earnings per share

In 2023 and 2024, there was no dilution of the earnings per share.

Accounting principles

Earnings per share
Earnings per share is calculated by dividing the portion of profit attributable to the shareholders of SKAN Group AG by the weighted average number of shares outstanding in the reporting period. Diluted earnings per share takes into account any potential additional shares that may result, for instance, from exercised options or conversion rights.



2 Working Capital

This section provides additional information on net current assets that contribute to SKAN's operational liquidity. It also provides an overview of the non-current assets that SKAN needs for the production of goods and services for its customers.

1 Operating assets and liabilities

Trade receivables

in CHF thousands	31.12.2024	31.12.2023
Domestic receivables	10'289	5'489
Foreign receivables	16'254	22'568
Impairment domestic receivables	-46	-305
Impairment foreign receivables	-198	-1'278
Total Trade receivables	26'299	26'474

Other current receivables

Other current receivables include mainly receivables towards tax authorities (prepaid direct and indirect taxes). Tax prepayments and tax provisions are offset. Other current receivables also include goods/invoices received.

in CHF thousands	31.12.2024	31.12.2023
VAT receivable	8'360	7'630
Tax reimbursement Germany	584	584
Receivables towards employees	56	57
Other current receivables	5'092	3'646
Total Other current receivables	14'091	11'917

Prepayments and accrued income

Prepayments and accrued income mainly comprise advance payments to third party suppliers of SKAN AG. The prepaid expenses mainly consist of invoices relating to licenses, maintenance services, and IT costs.

in CHF thousands	31.12.2024	31.12.2023
Downpayments paid to vendors	5'787	16'096
Prepaid expenses	2'275	1'732
Total Prepayments and accrued income	8'062	17'828

Trade payables

in CHF thousands	31.12.2024	31.12.2023
Domestic payables	14'404	9'321
Foreign payables	7'943	8'431
Accrued payables from goods and services	6'547	10'291
Total Trade payables	28'894	28'043

Accounting principles

Trade receivables	Trade receivables include short-term receivables from ordinary operations with a maturity of up to twelve months. They are stated at nominal value less any impairment. Value adjustments for doubtful accounts are established based on maturity and identifiable solvency risks. Besides individual value adjustments with respect to specific known risks, other value adjustments are recognized if their maturity was exceeded by more than 60/365 days.
Other current receivables	Other current receivables are stated at nominal value. Receivables at risk of default are individually impaired. No lump-sum allowance is calculated on the remaining receivables.
Prepayments and accrued income	Prepayments and accrued income are stated at nominal value. As soon as the final invoice is received the prepayments are offset.
Trade payables	Trade payables are stated at nominal value. Payables with maturities up to twelve months after the balance sheet date are presented as current liabilities, those with longer maturities are presented as non-current liabilities.

2 Inventories

The global supply chain problems followed by long delivery times significantly improved in the past two years. This led to a general decrease in the inventory balances. In 2024, inventories for unfinished and finished goods as well as raw materials decreased, while trade goods slightly increased.

in CHF thousands	31.12.2024	31.12.2023
Trade goods	15'227	19'944
Unfinished goods	6'165	9'192
Finished goods	9'227	9'092
Other raw materials	8'859	8'494
Allowance for obsolete and slow-moving items	-3'293	-2'716
Total Inventories	36'184	44'006

Accounting principles

Inventories	Goods held for trading are generally stated at average cost and internally manufactured products at standard cost, comprising all direct and indirect expenses required for bringing the inventories to their present location and condition (full cost). Discounts are treated as a reduction in the cost of purchase. If the net realizable value is lower than the above, a corresponding allowance adjustment is made. Inventories with an insufficient turnover rate are partially or fully impaired.
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Significant Management Estimate

Inventories are valued on an ongoing basis. In this regard, estimates are made based on the expected consumption, the price evolution (lower of acquisition or production cost and fair value less cost to sell) as well as the loss-free valuation. The allowance rates used to determine the allowance on inventories are reviewed on an annual basis and adjusted if needed.

3 Work in progress/advance payments from customers

in CHF thousands	31.12.2024	31.12.2023
Work in Progress (projects with WIP overhang)	315'166	239'351
Advance payments from customers	-238'025	-165'368
Total Work in Progress (as disclosed in the balance sheet)	77'141	73'983
Work in Progress (projects with advance payment overhang)	210'512	182'682
Advance payments from customers	-295'240	-288'985
Total Advance payments from customers (as disclosed in the balance sheet)	-84'728	-106'303
Net Work in Progress/-Advance payments from customers	-7'587	-32'320

Accounting principles

Work in progress/
Advance payments from customers

Customer-specific construction contracts are recognized according to their percentage of completion ("percentage of completion method"). Under this method, pro rata revenues and expenses are presented according to the percentage of completion at the balance sheet date. The stage of completion is calculated individually for each project and is calculated based on the proportionate project expenses incurred until the balance sheet date, measured against total expected project expenses ("cost to cost method"). If the result of a customer-specific construction contract is not yet sufficiently certain, the revenue is recognized only to the extent of the recoverable project expenses. In the balance sheet, contract elements whose revenues are recognized using the "percentage of completion method" are presented under "Work in progress". An allowance is considered covering the full amount of anticipated losses. If the impairment is higher than the value of the asset, a provision is created in the amount of the difference.

Work in progress includes projects for which the cumulative performance exceeds the advance payments already received. If the advance payments received are higher than the cumulative performance, they are reported under advance payments from customers (liability). This assessment is made on an individual project basis.

Advance payments received are recognized with no impact on the income statement. They are offset against the corresponding contracts or compensation entitlements for which the advance payments were made, if no right of clawback exists.

4 Property, plant and equipment

Acquisition cost

in CHF thousands	Land and buildings	Assets under construction/ Capitalized expenses	Prepayments made for assets under construction	Machines and equipment	Other tangible fixed assets	Total property, plant, and equipment
Balance as at 1 January 2023	49'091	11'691	0	25'016	36'303	122'102
Additions	7'416	15'869	2'541	5'032	2'772	33'630
Disposals	-479	-17	0	-2'012	-409	-2'918
Reclassification	4'372	-4'773	0	9	391	0
Currency translation adjustments	-2'701	-752	0	-772	-558	-4'784
Balance as at 31 December 2023	57'700	22'018	2'541	27'273	38'499	148'031
Balance as at 1 January 2024	57'700	22'018	2'541	27'273	38'499	148'031
Additions	6'166	30'264	12'508	4'326	2'905	56'170
Disposals	0	-13	0	-230	-823	-1'066
Reclassification	0	-1'110	-259	409	961	0
Currency translation adjustments	675	25	105	231	177	1'214
Balance as at 31 December 2024	64'542	51'183	14'896	32'009	41'719	204'349

Accumulated depreciation

in CHF thousands	Land and buildings	Assets under construction/ Capitalized expenses	Prepayments made for as-sets under construction	Machines and equipment	Other tangible fixed assets	Total property, plant, and equipment
Balance as at 1 January 2023	-4'437	-642	0	-15'430	-13'548	-34'057
Additions	-1'655	-11	0	-3'742	-4'810	-10'218
Impairments	0	0	0	0	0	0
Disposals	0	0	0	1'620	409	2'029
Reclassification	0	0	0	-1	1	0
Currency translation adjustments	321	0	0	498	301	1'120
Balance as at 31 December 2023	-5'770	-653	0	-17'055	-17'648	-41'125

Balance as at 1 January 2024	-5'770	-653	0	-17'055	-17'648	-41'125
Additions	-1'730	0	0	-4'127	-4'284	-10'142
Impairments	0	0	0	0	0	0
Disposals	0	0	0	101	542	643
Reclassification	0	0	0	0	0	0
Currency translation adjustments	-76	0	0	-120	-79	-275
Balance as at 31 December 2024	-7'575	-653	0	-21'201	-21'469	-50'898

Net carrying amounts

Balance as at 31 December 2023	51'930	21'365	2'541	10'218	20'851	106'905
Balance as at 31 December 2024	56'966	50'530	14'896	10'809	20'249	153'450

5 Financial assets

in CHF thousands	31.12.2024	31.12.2023
Securities	21	21
Deposits	80	93
Investment in associates	398	395
Financial investment*	2'166	2'024
Other financial assets	46	648
Total Financial assets	2'711	3'180

* The financial investment also includes the employer contribution reserves. Please see note 5.1.

6 Intangible fixed assets

Acquisition cost	Software	Development cost*	Patents	Other intangible assets	Total intangible fixed assets
in CHF thousands					
Balance as at 1 January 2023	7'529	8'248	753	322	16'852
Additions	835	787	46	0	1'668
Disposals	-31	0	0	0	-31
Reclassification	0	0	0	0	0
Currency translation adjustments	204	-529	-47	-19	-391
Balance as at 31 December 2023	8'537	8'507	751	303	18'099
in CHF thousands					
Balance as at 1 January 2024	8'537	8'507	751	303	18'099
Additions	1'731	1'014	18	0	2'763
Disposals	0	0	0	0	0
Reclassification	0	0	0	0	0
Currency translation adjustments	691	128	12	5	836
Balance as at 31 December 2024	10'960	9'649	781	308	21'698

* The capitalized hours for R&D amounted to kCHF 475.1 in 2024 and kCHF 289.3 in 2023.

Accumulated amortization

	Software	Development cost	Patents	Other intangible assets	Total intangible fixed assets
in CHF thousands					
Balance as at 1 January 2023	-5'574	-6'884	-714	-322	-13'494
Amortization	-1'354	-811	-11	0	-2'176
Impairments	0	0	0	0	0
Disposals	31	0	0	0	31
Reclassification	0	0	0	0	0
Currency translation adjustments	45	449	43	19	555
Balance as at 31 December 2023	-6'853	-7'246	-681	-303	-15'083

Balance as at 1 January 2024	-6'853	-7'246	-681	-303	-15'083
Amortization	-1'413	-905	-19	0	-2'338
Impairments	0	0	0	0	0
Disposals	0	0	0	0	0
Reclassification	0	0	0	0	0
Currency translation adjustments	-688	-108	-11	-5	-812
Balance as at 31 December 2024	-8'954	-8'259	-711	-308	-18'232

Net carrying amounts

Balance as at 31 December 2023	1'685	1'261	70	0	3'016
Balance as at 31 December 2024	2'006	1'390	70	0	3'465

Accounting principles

Property, plant, and equipment

Property, plant, and equipment is recognized at acquisition or production cost, less cumulated planned depreciation and/or cumulated impairment losses. Assets are depreciated on a straight-line basis over their estimated useful lives or lease terms:

Categories	Estimated useful life
Land	n/a
Buildings	40 years
Tangible fixed assets under construction	n/a
Machines and equipment	3–10 years
Other tangible fixed assets	5–10 years

Due to its unlimited useful life, land is not depreciated. Maintenance and repair expenses are not capitalized.

Assets are reviewed at each balance sheet date or earlier if a significant event has occurred to determine whether there is any indication of impairment. An impairment loss is recognized in the income statement whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of net selling price and the asset's value in use.

Intangible assets

Intangible assets are recognized at acquisition or production cost, less cumulated planned amortization and/or cumulated impairment losses. Intangible assets are amortized on a straight-line basis over their estimated useful lives which are generally five years.

Intangible assets are reviewed at each balance sheet date or earlier if a significant event has occurred to determine whether there is any indication of impairment. An impairment loss is recognized in the income statement whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of net selling price and the asset's value in use.

7 Provisions and contingent liabilities

Provisions

in CHF thousands	Employee benefits	Goods and services	Warranty	Taxes	Other	Total provisions
Balance as at 1 January 2023	16'835	2'969	2'170	1'623	589	24'186
Increase of provisions	25'423	1'873	4'562	5'390	331	37'579
Release of provisions	-135	-643	-247	-490	-10	-1'526
Utilization of provisions	-19'727	-2'320	-1'392	-2'606	-182	-26'227
Currency translation adjustments	-356	-76	-31	-96	-42	-601
Balance as at 31 December 2023	22'040	1'802	5'061	3'822	686	33'411
Thereof non-current provisions	0	0	0	0	686	686
Balance as at 1 January 2024	22'040	1'802	5'061	3'822	686	33'411
Increase of provisions	25'105	1'680	3'499	5'437	302	36'024
Release of provisions	-158	35	-108	-282	-12	-526
Utilization of provisions	-24'012	-1'922	-3'495	-3'285	-445	-33'159
Currency translation adjustments	136	20	5	28	13	202
Balance as at 31 December 2024	23'111	1'615	4'961	5'720	544	35'950
Thereof non-current provisions	0	0	0	0	0	0

Accounting principles

General	A provision represents a probable obligation that is based on a past event and its amount and/or its due date is uncertain but can be estimated. The obligation can be based on legal or factual reasons. The amount of the provision is determined based on the estimated cash outflow that is necessary to settle the obligation. Current provisions have a maturity up to 12 months. Non-current provisions have a maturity over 12 months. Non-current provisions are not discounted.
Employee benefits	Provisions for employee benefits include mainly provisions for vacation, overtime, and bonuses.
Goods and services	Provisions for goods and services are provisions for expected losses in relation with projects. The valuation is performed individually for each project. As soon as project-related losses can be foreseen, a corresponding provision is recognized. Any necessary provisions for canceled projects are also recognized in the provisions for goods and services.
Warranties	A provision is recognized for warranty liabilities from products sold in previous years. The valuation is based on empirical values for repairs and claims. It is to be expected that the majority of these costs will be incurred in the forthcoming business years and that the total liability recognized will be incurred within two years following the balance sheet date. Warranty provisions are calculated based on the current level of sales and the information currently available regarding claims in relation with the products sold within the warranty period.
Off-balance sheet transactions	Contingent liabilities and other non-recognizable commitments are valued and disclosed at the balance sheet date. If contingent liabilities and other non-recognizable commitments lead to an outflow of funds without a simultaneous usable inflow of funds and the outflow of funds is probable and estimable, a provision is made. The valuation is performed according to the amount of the future unilateral contributions and cost. Any guaranteed considerations from other parties (e.g. insurance coverage) must be taken into account.

Significant Management Estimate

The provision amount is determined largely by estimating the future costs and the probability of occurrence. The provisions for goods and services are valued and calculated individually for each project. Each month, it is decided for each project whether the planned costs must be adjusted and whether a provision for expected losses is necessary. Any provisions for risks in relation with canceled projects are valued individually and recognized when necessary. The calculation for warranty cases is based on the product evolution, contractual agreements and past historical data. Besides the lump-sum calculations, individual provisions are taken into account for damages occurred or reported based on Management's estimate.



3 Financing and Risk Management

The total capital is defined as equity and net debt. SKAN manages its capital structure in order to ensure business continuity and optimize the shareholders' long-term returns. This section describes SKAN's financial structure and liquidity situation. SKAN is exposed to a number of financial risks, and this section further outlines the key financial risks and how they are managed.

1 Cash and cash equivalents/fixed term deposit

Accounting principles

Cash and cash equivalents

Cash and cash equivalents comprise current bank accounts, petty cash, and short-term financial investments with an initial maturity of up to three months. They form together the basis for the cash and cash equivalents presented in the consolidated cash flow statement.

Fixed term deposit

Fixed term deposits are held for a period of up to seven months after 31.12.2024. The deposits are stated at their nominal values.

2 Equity

Share capital

The share capital of SKAN Group AG is composed of 22'483'524 registered shares (2023: 22'483'524) with a nominal value of CHF 0.01 each.

The total share capital as at 31 December 2024 amounts to CHF 224'835 (2023: CHF 224'835).

Reserves

kCHF 8'939 (2023: kCHF 8'414) of the retained earnings are not available for distribution due to legal restrictions.

Dividends

The Board of Directors proposes to the General Shareholder Meeting on 7 May 2025 the distribution of a dividend of CHF 0.40 per share, amounting to kCHF 8'993 for 2024.

Acquisition of Aseptic Technologies S.A.

Following the agreement with the co-owner of Aseptic Technologies, Société Régionale d'Investissement de Wallonie, SKAN acquired a further tranche of 5% in shareholding as of 27 May 2024, increasing its stake to 90% as of balance sheet date.

Goodwill – shadow accounting

Goodwill is offset at the time of the acquisition of a subsidiary with the equity (retained earnings). Considering a useful life of five years and straight-line amortization, the theoretical capitalization of goodwill would have the following impact on SKAN's equity and income statement:

Balance Sheet/in CHF thousands	31.12.2024	31.12.2023
Equity incl. minority interests	202'563	176'362
Equity ratio in %	53%	47%
Goodwill at acquisition		
Balance as at 1 January	30'013	30'013
reclass fully amortized goodwill*	0	0
Additions	5'558	0
Disposals	0	0
Balance as at 31 December	35'571	30'013
Accumulated amortization		
Balance as at 1 January	29'272	27'266
reclass fully amortized goodwill*	0	0
Amortization for the period	1'389	2'006
Disposals	0	0
Balance as at 31 December	30'661	29'272
Theoretical net book value of goodwill	4'910	741
Theoretical equity incl. minority interests and net book value of goodwill	207'472	177'102
Theoretical equity ratio in %	54%	47%
Income Statement/in CHF thousands	2024	2023
Profit for the period as reported	40'791	27'898
Theoretical goodwill amortization	-1'389	-2'006
Profit for the period incl. theoretical goodwill amortization	39'403	25'891

* Adjustment of the presentation due to first-time application of Swiss GAAP FER 30 (revised), see section "General Information".

Accounting principles

Goodwill

Entities acquired during the year are revalued and consolidated at the acquisition date in accordance with group-wide principles. The difference between the acquisition cost (incl. significant transaction costs) and the proportionate revalued net assets is designated as goodwill. In the context of acquisitions, potentially existing intangible assets, such as trademarks, technology, rights of use, or client lists that were not capitalized in the past, are not recognized separately but remain included in goodwill. The goodwill resulting from acquisitions is directly offset with SKAN's equity (retained earnings). If the purchase price includes elements that are dependent on future results, these are valued and capitalized at best estimate at the acquisition date. If deviations arise during the subsequent definitive purchase price settlement, the goodwill offset with equity is adjusted accordingly. In case of disposal, the acquired goodwill that was previously offset with equity must be taken into account at the initial cost in order to determine the profit or loss recognized in the income statement.

3 Non-current financial liabilities

in CHF thousands	31.12.2024	31.12.2023
Loans and borrowings from banks	4'627	5'475
Lease liabilities (Aseptic Technologies)	4'885	144
Total non-current financial liabilities	9'511	5'619

Maturity profile and conditions of financial liabilities

Maturity Profile 2024/in CHF thousands	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Total 31.12.2024	Interest rate
Loans with banks in EUR	908	2'687	2'222	5'817	
Loans from European Banks	848	2'535	2'091	5'475	1.25%
Lease liabilities (Financing Lease)	245	1'015	3'869	5'130	
Total	1'094	3'551	5'961	10'605	

Maturity Profile 2023/in CHF thousands	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Total 31.12.2023	Interest rate
Loans with banks in EUR	902	2'852	3'054	6'808	
Loans from European Banks	830	2'641	2'834	6'304	1.25-4.25%
Lease liabilities (Financing Lease)	41	144	0	185	
Total	870	2'785	2'834	6'489	

Accounting principles

Interest-bearing financial liabilities Financial liabilities are composed of loans with banks and lease liabilities. They are recognized at their amortized cost. Borrowing costs are recognized in the income statement using the effective interest method.

4 Other current liabilities

in CHF thousands	31.12.2024	31.12.2023
VAT	1'444	1'093
Social contribution and pension	1'169	2'859
Customer overpayments	3'219	2'968
Other current liabilities	23	13
Total Other current liabilities	5'855	6'933

5 Other non-current liabilities

in CHF thousands	31.12.2024	31.12.2023
Grants and allowances (Sächsische Aufbaubank)	5'653	5'855
Investment-related grant (subsidies Görlitz)	53	56
Total Other non-current liabilities	5'707	5'911

Accounting principles

Other non-current liabilities Other non-current liabilities are composed of grants and allowances from Sächsische Aufbaubank and the government of the district of Görlitz (Germany). These were granted in the context of a location promotion program. They are released in the income statement over the useful life of the corresponding asset (production facility).

6 Accrued liabilities and deferred income

in CHF thousands	31.12.2024	31.12.2023
Rent building in Allschwil	3'358	3'693
Unpaid expenses	2'495	2'318
Accrued liabilities from long-term contracts	288	78
Total Accrued liabilities and deferred income	6'141	6'089

7 Financial result

in CHF thousands	2024	2023
Interest expenses	-412	-362
Foreign exchange losses	-5'522	-8'785
Bank charges	-360	-531
Other financial expenses	-107	-110
Total Financial expenses	-6'402	-9'788

Foreign exchange gains	8'221	4'169
Other financial income	494	857
Total Financial income	8'715	5'026

Foreign exchange losses and gains are in general a result of the currency valuation of positions on the balance sheet. In 2024, foreign exchange gains increased due to appreciation of the EUR and USD currency towards the CHF as SKAN's presentation currency, resulting in a positive valuation of assets held in those foreign currencies.

8 Leases

Financing leases

SKAN has two leases (2023: one lease) which qualify as a financing lease. The total net carrying amount of the right-of-use assets amounts to kCHF 6'612 (2023: kCHF 1'647) and is presented under property, plant, and equipment. The total corresponding liabilities amount to kCHF 5'084 (2023: kCHF 185). In line with Swiss GAAP FER 4, the purchase of an asset through finance lease is not recognized in the cash flow statement.

Operating leases

in CHF thousands	31.12.2024	31.12.2023
Due within 1 year	7'609	7'284
Due within 1 to 5 years	27'973	27'838
Due after more than 5 years	37'577	42'858
Total undiscounted lease payments	73'159	77'980

Accounting principles

Leases

The present value of financing leases is recognized in "non-current assets" and in current/non-current financial liabilities on the balance sheet when most of the contractual risks and rewards have been transferred to SKAN. Lease installments are divided into an interest and a repayment component based on the annuity method. Assets held under such financing leases are depreciated over the shorter of their estimated useful life or lease term.

Operating lease installments are recognized in the income statement on a straight-line basis over the lease term and disclosed in the notes to the consolidated financial statements.



9 Financial risk management

Due to its international reach, SKAN is exposed to financial risks, such as currency, credit, liquidity, and interest rate risks. SKAN applies a risk management policy that was approved by the Board of Directors. The overall risk management focuses on the unpredictability of developments on financial

markets and aims to reduce negative effects on SKAN's financial situation. The risk policy defines the handling of risks as well as a structured process which prescribes the systematic monitoring of business risks. The Board of Directors is informed periodically about significant changes in the risk assessment and about the risk management activities performed.

Risk

Currency risk

Extent of risk

SKAN operates at international level and is exposed to the risk of foreign exchange fluctuation of various currencies. The risks relate mainly to EUR, USD, and JPY. Other currencies have a minor impact.

Currency risks result from sales and expenses in foreign currencies, from the financing of subsidiaries as well as from non-current assets, liabilities, and investments in foreign currencies.

Risk management

Where possible, cash flows of individual group entities are hedged naturally (natural hedging, revenues, and expenses are to a certain extent denominated in the same currency, which provides a natural hedge). A further course of action SKAN takes to reduce the currency risk is to keep the cash balances in foreign currencies at a minimum level.

Further reduction of currency risk is achieved through the use of derivative financial instruments.

Credit risk

The maximum credit risk on financial instruments corresponds to its carrying amounts.

Apart from advance payment guarantees (for effected customer advance payments) there are no significant warranties and similar commitments that could lead to a risk above the carrying amounts of recognized assets. These advance payment guarantees are issued at the customer's request for effected advance payments. However, the maturities of these guarantees are limited to the duration of the respective milestone. SKAN invests its cash and cash equivalents mainly in well-known Swiss banks (or their subsidiaries) with at least an A rating (Standard & Poor's). Additionally, banks in the USA, Japan, Belgium, and Germany are used for local payment transactions.

According to the investment policy, these transactions occur only with creditworthy institutions.

In order to limit counterparty risks, cash and cash equivalents are distributed in a targeted manner between several banks.

Short-term financial investments have a maturity of less than 12 months.

The danger of concentration of risks for trade receivables is limited due to the large number and the wide geographical spread of customers. The extent of the credit risk is mainly determined based on each client's individual characteristics. The periodic risk assessment comprises a verification of the creditworthiness based on the customer's financial situation as well as on past experience. Furthermore, large projects are generally launched only after receipt of payment. Consequently, large customer projects are usually pre-financed.

Risk	Extent of risk	Risk management
Liquidity risk	Liquidity risk is the risk that SKAN will not be able to meet its financial obligations as they fall due.	<p>SKAN uses short-term forecasts for monitoring cash flow requirements and optimizing its cash return on investments. Typically, SKAN ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations, and to cover usual fluctuations in funding requirements. This excludes the potential impact of extreme circumstances that cannot be reasonably predicted.</p> <p>In addition, SKAN maintains lines of credit to cover larger fluctuations and unforeseen impacts. Total unused lines of credit as at 31 December 2024 amounted to CHF 66 million (2023: CHF 33 million).</p>

Interest rate risk	The interest rate risk may involve either changes in future interest payments owing to fluctuations in market interest rates or the risk of a change in market value, i.e. the risk that the market value of a financial instrument will change owing to fluctuations in market interest rates. SKAN does not value fixed-rate liabilities at market values. Consequently,	changes in interest rates do not have a significant impact on the income statement. SKAN is exposed to a minor interest rate risks on cash and cash equivalents. The existing financial liabilities have a fixed interest rate.
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Derivative financial instruments for hedging purposes

	Positive fair value		Negative fair value		Purpose
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	
Foreign exchange					
EUR forward	40	576	-1'487	-10	
USD forward	0	825	-701	0	
JPY forward	0	262	0	0	
Total derivative financial instruments	40	1'663	-2'189	-10	Hedging
Thereof derivatives held for hedging of future cash flows	-40	-1'663	2'189	10	
Total recognized in balance sheet	0	0	0	0	

Accounting principles

Derivative financial instruments	SKAN uses hedging instruments, such as forward exchange contracts, in order to hedge the currency risk resulting from expected sales of goods (cash flow hedges). Derivates used to hedge future cash flows are disclosed in the notes to the consolidated financial statements without being recognized in the financial statements.
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10 Other non-recognized commitments

As at 31 December 2024, SKAN Deutschland GmbH has pledged assets amounting to kEUR 13'800 (2023: kEUR 13'800).

There are no other contingent liabilities from other obligations for the period reported and the previous year.

This section provides information on changes in SKAN's group structure due to acquisitions and disposals. Additionally, all material directly and indirectly held investments are presented in the list of investments.

1 Changes in the consolidation scope

Acquisition of Aseptic Technologies S.A.

Following the agreement with the co-owner of Aseptic Technologies, Société Régionale d'Investissement de Wallonie, SKAN acquired a tranche of 5% in shareholding as of 27 May 2024, increasing its stake to 90% as of balance sheet date.

Investment in associate Plast4Life

In the previous year, the indirect investment held in Plast4Life became a reportable investment in associate using the equity method. SKAN's share in profit of Plast4Life is reported separately in the consolidated income statement and cashflow. The value of the investment is reported under financial assets, see note 2.5.

Formation of new subsidiary SKAN do Brasil

On February 2024, SKAN established its subsidiary in Brazil. From 2024 on, SKAN do Brasil is included in the consolidated financial statements.

2 Group companies

Name of the company, domicile	Country	Currency	Share capital	Votes and capital share 31.12.2024	Votes and capital share 31.12.2023	
SKAN Holding AG, Allschwil	Switzerland	CHF	189'750	100%	100%	directly held
SKAN AG, Allschwil	Switzerland	CHF	50'000	100%	100%	indirectly held
SKAN US, Inc., Raleigh, NC	USA	USD	0	100%	100%	indirectly held
SKAN JP, Okinawa	Japan	JPY	30'000'000	80%	80%	indirectly held
SKAN Real Estate LLC, Raleigh, NC	USA	USD	0	100%	100%	indirectly held
SKAN Deutschland GmbH, Görlitz	Germany	EUR	25'000	100%	100%	indirectly held
SKAN Stein AG, Stein	Switzerland	CHF	100'000	100%	100%	indirectly held
SKAN do Brasil Ltda., São Paulo ¹	Brazil	BRL	0	100%	n/a	indirectly held
Aseptic Technologies S.A., Gembloux ²	Belgium	EUR	17'356'640	90%	85%	indirectly held
Plast4Life, Ans ³	Belgium	EUR	1'607'541	22.0%	20.8%	indirectly held

¹ The company was founded in São Paulo, Brazil, as of 5 February 2024

² A 5% increase in the shareholding was made as of 27 May 2024

³ Investment in associate



5 Other Information

This section provides information and explanations that do not appear in other sections, such as, for example, employee benefit liabilities.

It also provides an overview of transactions with related parties and subsequent events after the balance sheet date.

1 Employer contribution reserve ("Arbeitgeberbeitragsreserve")

	Nominal Waiver of Use		Balance	Additions	Balance	Result from Employer	
	Value		Sheet		Sheet	Contribution Reserve	
in CHF thousands	31.12.2024	31.12.2024	31.12.2024	2024	31.12.2023	2024	2023
Pension plan	1'171	0	1'171	0	1'171	0	0
Total	1'171	0	1'171	0	1'171	0	0

The employer contribution reserves are presented under Financial Assets (Note 2.5).

2 Employee benefit liabilities

	Deficit/ Surplus	Economic share of the Group	Change for the period recognized in the income statement	Contributions accrued for the period (benefit)/ liability	Pension expenses in Personnel expenses
in CHF thousands	31.12.2024	31.12.2024	31.12.2024	2024	2024
Pension plans without surplus/deficit	0	0	0	12	6'184
Pension plans with surplus	0	0	0	0	0
Pension plans with deficit	0	0	0	0	0
Pension institutions without own assets	0	0	0	0	0
Total	0	0	0	12	6'184

in CHF thousands	31.12.2023	31.12.2023	31.12.2023	2023	2023
Pension plans without surplus/deficit	0	0	0	920	5'587
Pension plans with surplus	0	0	0	0	0
Pension plans with deficit	0	0	0	0	0
Pension institutions without own assets	0	0	0	0	0
Total	0	0	0	920	5'587

Since January 1st 2024, the employees of SKAN AG and SKAN Stein AG are insured with the "AXA foundation Berufliche Vorsorge, Winterthur". The pension scheme is treated as a defined-contribution scheme under Swiss GAAP FER 16. The pension scheme contributions made by SKAN AG and SKAN Stein AG are recognized as personnel expenses. The insurance scheme is based on a semi-autonomous policy, with death and invalidity risks being reinsured externally. Until the end of 2023 SKAN AG and SKAN Stein AG were affiliated to a collective pension plan with a full insurance with another provider.

As part of the legally required occupational pension scheme in Switzerland, the independent pension institutions prepare financial statements in accordance with the relevant requirements of Swiss GAAP FER 26. These financial statements serve as the basis for the evaluation of the financial situation of the pension foundations. As of the balance sheet date, the SKAN Group examines whether, in addition to the regulatory contributions made, there is an economic benefit or an economic obligation that should be considered as a pension asset or liability.

The coverage level of the pension fund was 109.8% as of 31.12.2024. The coverage level is provisional and not yet based on audited financial statements. The SKAN Group has no future economic benefit from the excess coverage.

Accounting principles

Pension benefits

SKAN has several pension plans that are all managed by legally independent institutions and comply with the legal requirements in the respective countries. The effective economic impact of pension plans on the consolidated financial statements of SKAN are assessed at each balance sheet date. An economic benefit is capitalized if permitted and it is intended to use the surplus to reduce future employer contributions. An economic obligation is recognized as a liability if the conditions for a provision are met. Existing employer contribution reserves are recognized as assets. Any economic impact resulting from the surplus or the deficit and the change in employer contribution reserves are recognized in "personnel expenses" in the income statement.

The employees of the SKAN entities in Switzerland are insured in legally independent pension funds. The pension institution is financed through periodic employer and employee contributions. The foreign pension plans are of limited significance.

3 Restriction on the transfer of shares

The Board of Directors can reject the transfer of shares if the acquirer is a competitor of the company or a person who works in or for a competing company of the SKAN Group or is directly or indirectly invested in a competing company. In addition, the Board of Directors can refuse the entry in the share register if the purchaser does not expressly declare that he/she has acquired the shares in his/her own name and for his/her own account.

4 Related parties

Related parties (refers to persons and entities) of SKAN are the members of the Board of Directors, the members of SKAN's Group Management, and shareholders of SKAN that exercise, directly or indirectly, on their own or with others, a significant influence over the entity (voting right > 20%).

In the year under review there were no transactions with related parties.

5 Equal pay analysis ("Lohnvergleichsanalyse")

In 2021, SKAN carried out an equal pay analysis for all its eligible Swiss entities as required by the regulations set out in the Swiss Gender Equality Act. The results of the pay analysis between male and female employees were compliant with the legal requirements. SKAN's wage system is set out to ensure equal pay for similar tasks and responsibilities.

6 Subsequent events after the balance sheet date

Between the balance sheet date of the consolidated financial statements for the year ended 31 December 2024 and the date of the approval of these financial statements by the Board of Directors, no events occurred that would require a change of the consolidated financial statements or a disclosure in this section.

7 Approval of the consolidated financial statements

The consolidated 2024 financial statements were approved by the Board of Directors on 24 March 2025.



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STATUTORY AUDITOR'S REPORT

To the general meeting of SKAN Group AG, Allschwil

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of SKAN Group AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated statement of income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements (pages 144 to 203) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for Opinion

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

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

Key Audit Matters

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



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Key Audit Matter	How the Key Audit Matter was addressed in the audit
<p>Accounting for customer projects</p> <p>In 2024, the SKAN Group recognized net assets from customer projects (Work in progress) of CHF 77 million (20.1% of total assets) and net liabilities from customer projects (Advance payments from customers) of CHF 84.7 million (22.0% of total liabilities) in the balance sheet.</p> <p>The recognition of profits on such contracts in accordance with Swiss GAAP FER 22 "Long-term contracts" is based on the stage of completion of each project. This is measured by reference to the proportion of contract costs actually incurred at balance sheet date relative to the estimated total costs of the contract at completion. Potential losses must be recognized immediately.</p> <p>In our view, the measurement of customer projects is a key audit matter because of the significance of the project business for the Group and accordingly, also in the balance sheet and due to the high level of judgement in estimating the forecasted costs as well as net sales for these long-term contracts.</p> <p>An inappropriate application of the percentage-of-completion method could result in a material variance in the amount of profit or loss recognized at the balance sheet date and thus also in the current period.</p> <p>Refer to note 2.3 of the consolidated financial statements 2024.</p>	<p>We obtained an understanding of the relevant processes and control activities (including monitoring of projects and month-end procedures).</p> <p>We also inquired those responsible for project controlling in order to gain a more in depth understanding of the project portfolio and the related risks and to challenge management's assumptions and estimates in the valuation of projects.</p> <p>We performed test of controls and, on a sample basis, other substantive procedures of customer projects and their treatment in the consolidated financial statement as follows:</p> <ul style="list-style-type: none"> - We examined monthly project reporting and the work performed by the project managers, finance team and management. - We reconciled estimated total net sales to purchase orders. - We compared projects completed in 2024 with previous estimates to analyse the accuracy of estimates. - We obtained detailed lists of accrued costs and reconciled them to the overall statement. - We tested prepayments and payments received from customers and the allocation to the corresponding projects. - We tested the project valuation calculations and reconciled the relevant information to the general ledger. - We reconciled the threatened losses calculated in the project valuations to the provision recognized in the general ledger.

Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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Responsibilities of the Board of Directors for the Consolidated Financial Statements

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

Report on Other Legal and Regulatory Requirements

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

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

Bern, 24 March 2025

BDO Ltd

Joseph Hammel
Auditor in charge
Licensed Audit Expert

pp. Emanuel Müller
Licensed Audit Expert

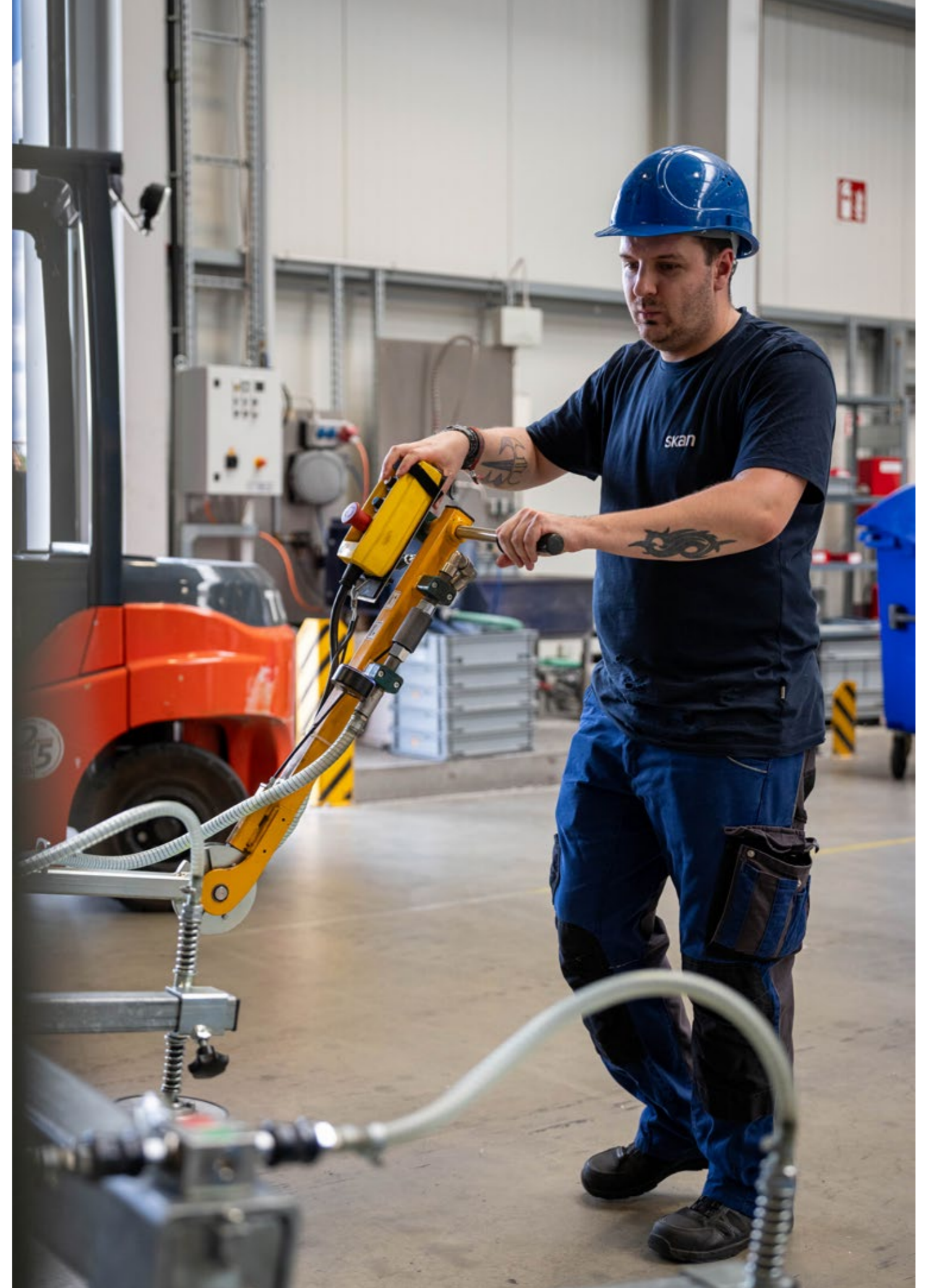


Financial Statements SKAN Group AG 2024

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Income Statement

Income/in CHF thousands	Note	2024	2023
Dividend income	1.5 & 2.1	10'000	10'000
Interest income			
Third party	1.6	214	796
Group companies	1.7	985	261
Total Income		11'199	11'057
Expenses/in CHF thousands			
Administration expenses	2.5	226	267
Total Expenses		226	267
Profit before Income Taxes		10'973	10'790
Income taxes		607	509
Profit for the Year		10'366	10'281



Balance Sheet

Assets

Current Assets/in CHF thousands	Note	31.12.2024	31.12.2023
Cash and cash equivalents	1.1	8'704	55'270
Other current receivables	1.2		
Third party		71	13
Group companies	1.3	86'300	37'000
Prepayments and accrued income		12	17
Total Current Assets		95'087	92'300
Non-Current Assets/in CHF thousands			
Investments in subsidiaries	1.4 & 2.1	593'680	593'680
Total Non-Current Assets		593'680	593'680
Total Assets		688'766	685'980

Liabilities and equity

Current Liabilities/in CHF thousands	Note	31.12.2024	31.12.2023
Other current liabilities to third parties		0	6
Accrued liabilities and deferred income	2.2	1'052	755
Total Current Liabilities		1'052	761
Equity/in CHF thousands			
Share capital		225	225
Capital reserves			
Reserves from capital contributions	2.3	635'381	639'316
Statutory reserves		25'376	25'376
Retained earnings (incl. carry forward)			
Profit carried forward		16'366	10'019
Profit for the year		10'366	10'281
Total Equity		687'715	685'218
Total Liabilities and Equity		688'766	685'980

Notes to the Financial Statements

1 Information about the report

SKAN Group AG (the "Company") is the ultimate holding company of the SKAN Group and is headquartered in Allschwil, Switzerland.

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles (GAAP), as set out in the Swiss Code of Obligations ("SCO") Art. 957 to 963b. All amounts are presented in Swiss francs ("CHF"), unless indicated otherwise. Group companies include all legal entities which are directly or indirectly owned and controlled by the Company.

The financial statements have been prepared under the historical cost convention, except where disclosed otherwise in the accounting policies and were prepared under the going concern assumption. The figures and especially the totals may contain rounding differences.

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the remeasurement of current assets and current liabilities denominated in foreign currencies are recognized in financial income and financial expenses.

The Company has prepared its consolidated financial statements according to Swiss GAAP FER. Consequently, these financial statements and notes do not include additional disclosures, a cash flow statement and a management report.

1.1 Cash and cash equivalents

Cash and cash equivalents comprise current bank accounts and short-term financial investments with an initial maturity of up to three months. During the reporting year, a short-term financial investment with a Swiss bank was terminated.

1.2 Other current receivables

All receivables are stated at nominal value less provision for bad debt, which is calculated on the basis of an individual assessment of the receivables. Each receivable is valued individually.

1.3 Other current receivables – group companies

Other current receivables toward group companies consist of the balances on current accounts held by the subsidiaries as of the balance sheet date.

1.4 Investments

Investments in subsidiaries are recognized at cost less impairment charges and are valued according to the principle of individual valuation. The Company reviews the carrying amount of its investments on a yearly basis and if indicators suggest that the carrying amount may not be recoverable, a valuation adjustment is recognized in the income statement. Impairment charges are calculated on an individual basis.

1.5 Dividend income

Dividend income from investments is recognized at the time of legal claim.

1.6 Interest income – third party

Interest income from third party mainly derives from interests received on a short-term financial investment before this investment was terminated during the reporting year.

1.7 Interest income – group companies

Interest income from group companies derives from the interest due on current accounts held by the subsidiaries.

2 Disclosures on balance sheet and income statements items

2.1 Group companies

Name of the company, domicile	Country	Currency	Share capital	Votes and capital share 31.12.2024	Votes and capital share 31.12.2023	
SKAN Holding AG, Allschwil	Switzerland	CHF	189'750	100%	100%	directly held
SKAN AG, Allschwil	Switzerland	CHF	50'000	100%	100%	indirectly held
SKAN US, Inc., Raleigh, NC	USA	USD	0	100%	100%	indirectly held
SKAN JP, Okinawa	Japan	JPY	30'000'000	80%	80%	indirectly held
SKAN Real Estate LLC, Raleigh, NC	USA	USD	0	100%	100%	indirectly held
SKAN Deutschland GmbH, Görlitz	Germany	EUR	25'000	100%	100%	indirectly held
SKAN Stein AG, Stein	Switzerland	CHF	100'000	100%	100%	indirectly held
SKAN do Brasil Ltda., São Paulo ¹	Brazil	BRL	0	100%	n/a	indirectly held
Aseptic Technologies S.A., Gembloux ²	Belgium	EUR	17'356'640	90%	85%	indirectly held
Plast4Life, Ans ³	Belgium	EUR	1'607'541	22.0%	20.8%	indirectly held

¹ The company was founded in São Paulo, Brazil, as of 5 February 2024

² A 5% increase in the shareholding was made as of 27 May 2024

³ Investment in associate

2.2 Accrued liabilities and deferred income

in CHF thousands	31.12.2024	31.12.2023
Income and capital taxes	930	650
Audit fee	117	70
Other	5	35
Total accrued liabilities and deferred income	1'052	755

2.3 Reserves from capital contributions ("Kapitaleinlagereserve")

in CHF thousands	Total reserves from capital contributions
Opening balance per 01.01.2023	642'127
Dividend payments from capital contributions	-2'810
Closing balance per 31.12.2023	639'316
Opening balance per 01.01.2024	639'316
Dividend payments from capital contributions	-3'935
Closing balance per 31.12.2024	635'381

2.4 Shareholder base

Significant shareholders

According to the share register, the following shareholders own more than 3% of the shares in SKAN Group AG as of the balance sheet date:

Name	Number of shares per 31.12.2024	In % of share capital	Number of shares per 31.12.2023	In % of share capital
Dr. Willy Michel	2'799'409	12.45%	3'302'527	14.69%
Vera Plattner	2'385'737	10.61%	2'385'737	10.61%
Gregor Plattner	2'385'737	10.61%	2'385'737	10.61%
PEMOL-Baumann-Stiftung	1'757'823	7.82%	1'757'823	7.82%
UBS Fund Management (Switzerland) AG	948'808	4.22%	n/a	n/a
Swisscanto Fondsleitung AG	910'969	4.05%	n/a	n/a
J. Safra Sarasin Investmentfonds AG	775'000	3.45%	785'000	3.49%

Shares owned by board members

The board members own the following number of shares as of the balance sheet date:

Name	Function	Number as per 31.12.2024	In % of share capital	Number as per 31.12.2023	In % of share capital
Dr. Beat Lüthi	Chairman	0	0%	0	0%
Oliver Baumann	Member	0	0%	0	0%
Cornelia Gehrig	Member	85	0%	85	0%
Thomas Huber	Member	383'905	1.7%	383'905	1.7%
Gregor Plattner	Member	2'385'737	10.6%	2'385'737	10.6%
Patrick Schär	Member	1'000	0%	1'000	0%
Dr. Gert Thoenen ¹	Member	n/a	n/a	235'367	1.0%

¹ Is not a member of the Board of Directors as of 31 December 2024. Therefore no disclosure.

Shares owned by management

The Executive Management owns the following number of shares as of the balance sheet date:

Name	Function	Number as per 31.12.2024	In % of share capital	Number as per 31.12.2023	In % of share capital
Thomas Huber	CEO	383'905	1.7%	383'905	1.7%
Maria Cuevas Otero	CSO	0	0%	0	0%
Marina Häni	CPCO	0	0%	0	0%
Philippe Jérôme	CMO	35'325	0.1%	47'325	0.2%
Ralf Krämer	CTO	0	0%	0	0%
Burim Maraj	CFO	20'489	0.1%	20'489	0.1%
Sascha Pawel ¹	CIO	n/a	n/a	100'686	0.4%
Martin Steegmüller	CPO & CIO	5'218	0%	5'218	0%
Thomas Zinn	CCO	0	0%	0	0%

¹ Is not a member of Executive Management as of 31 December 2024. Therefore no disclosure.

2.5 Administrative expenses

in CHF thousands	2024	2023
Legal and consultancy fees	168	186
Marketing and representation	6	5
Bank charges	4	21
Other expenses	48	55
Total administrative expenses	226	267

3 Other Information

3.1 Contingent liabilities

SKAN Group AG, together with SKAN AG and SKAN Holding AG, have a joint contingent liability resulting from a bank loan between SKAN Deutschland GmbH and the DZ-Bank and Volksbank in Germany in the amount of 5'469 kCHF.

3.2 Employees

The Company did not have any employees in 2024 (2023: No employees).

3.3 Audit fee

The audit fee consists of the following:

in CHF thousands	2024	2023
Audit fee	117	70

3.4 Subsequent events after the balance sheet date

Between the balance sheet date of the financial statements for the year ended 31 December 2024 and the date of the approval of these financial statements by the Board of Directors of SKAN Group AG, no events occurred that would require a change of the financial statements or a disclosure in this section.

Appropriation of Retained Earnings

in CHF thousands	2024	2023
Profit carried forward per 1 January	20'301	12'830
Dividend distributed	-3'935	-2'810
Profit for the year	10'366	10'281
Distributable retained earnings to shareholders	26'732	20'301

Proposal for the Appropriation of Retained Earnings by the Board of Directors

in CHF thousands	2024	2023
Distributable retained earnings to shareholders	26'732	20'301
Allocation to free reserves	0	0
Dividend ¹	-8'993	-7'869
Thereof from capital contribution reserves ("KER")	4'497	3'935
Balance to be carried forward	22'235	16'366
Total dividend distribution	8'993	7'869
Thereof from capital contribution reserves ("KER")	-4'497	-3'935
Thereof from retained earnings	4'497	3'935

¹ The dividend is based on the total shares outstanding as of 31.12.2024.

Since the statutory capital reserves have reached 20% of the share capital, no further allocation is deemed necessary.



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STATUTORY AUDITOR'S REPORT

To the general meeting of SKAN Group AG, Allschwil

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SKAN Group AG (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 210 - 219) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

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

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

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

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

Responsibilities of the Board of Directors 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.



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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on Other Legal and Regulatory Requirements

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

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the board of directors (pages 220 - 221) complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Bern, 24 March 2025

BDO Ltd

Joseph Hammel
Auditor in charge
Licensed Audit Expert

pp. Emanuel Müller
Licensed Audit Expert

Abbreviations and Definitions

Alternative Financial Performance Measures (APM)

- **EBITDA:** Operating result (EBIT) plus depreciation, amortization.
- **EBITDA margin:** EBITDA as a percentage of net sales from goods and services.
- **EBT:** Profit before income taxes.
- **Equity ratio:** Equity at the end of the period divided by total assets at the end of the period.
- **Headcount:** Number of people employed by SKAN Group at the time indicated (i.e. excluding contractors).
- **Personnel intensity:** Total personnel expenses divided by total net sales from goods and services.
- **Material intensity:** Sum of material and external services plus change in inventory divided by total net sales from goods and services.
- **Net cash:** Cash and cash equivalents less current and non-current financial liabilities.
- **Book-to-Bill ratio:** Total order intake divided by total net sales from goods and services.
- **Net working capital (NWC):** Total current assets (excluding cash and cash equivalents) minus trade payables, advance payments from customers, other current liabilities, current provisions, and accrued liabilities and deferred income.
- **Operating result (EBIT):** Earnings before total financial result and income taxes.
- **Return on capital employed (ROCE):** Operating result (EBIT) divided by the sum of the average total assets minus the average current liabilities, expressed as a percentage.

Abbreviations and Definitions

- **n/a:** Not applicable

Financial Calendar

Annual report 2024, press conference and presentation for financial analysts 25.03.2025

Annual general meeting 2025 07.05.2025

Publication Half-Year Results 2025 19.08.2025

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