Press release

secunet Security Networks AG: Audited Annual Financial Statements and Annual Report 2024 and forecast for the 2025 financial year

Essen, 28 March 2025. secunet Security Networks AG (ISIN DE0007276503, WKN 727650), Germany's leading cybersecurity company and IT security partner of the Federal Republic of Germany, today published its audited Annual Report and Annual Financial Statements for 2024 as well as its forecast for the 2025 financial year.

The secunet Group continued its successful performance in financial year 2024 with the eleventh consecutive sales record and once again slightly above its forecast targets. Sales revenue of 406.4 million euros both exceeded the 400-million-euro threshold for the first time (previous year: 393.7 million euros) and were higher than the initial2024 sales forecast (around 390 million euros). Once again, the second half of the year was decisive, with almost 65% of annual revenue generated in this period.

secunet Group's business model again proved robust in a very challenging political and economic environment, especially in Germany. The business activities are focused on the structural growth drivers of sovereign digitalisation and cybersecurity, the focus of which was the successful expansion of the SINA and Cloud product portfolio in 2024. In addition, the secunet Group benefits from its leading position in the fast-growing market for post quantum cryptography applications.

369.7 million euros (previous year: 344.8 million euros) of Group revenue were generated in the Public Sector, the business with federal ministries, national and international government institutions and organisations in the defence sector. The Business Sector (healthcare, industry) generated 36.7 million euros. However, due to the difficult

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economic situation and changes in the healthcare sector the previous year's level was not reached.

Regional sales development was positive in the 2024 financial year: in Germany, sales rose by 2% to 366.3 million euros (previous year: 358.5 million euros). International business expanded by 14% to 40.1 million euros (previous year: 35.1 million euros). With around 10%, the share of international sales remained unchanged in total.

Consolidated earnings before interest and taxes (EBIT) amounted to 42.5 million euros in 2024, slightly above the forecast of around 42.0 million euros and only slightly below the previous year's level of 43.0 million euros. This corresponds to an EBIT margin of 10.5%. Increased expenditure on research and development and an effect from inventory adjustments (approx. 4 million euros above the regular level) had an impact on earnings. In the previous year, on the other hand, there was a positive effect of EUR 2.6 million euros related to the acquisition of SysEleven. Despite this additional burden on earnings, the defined targets were met and the original planning was therefore achieved.

In the Public Sector, EBIT increased to 44.8 million euros (previous year: 42.5 million euros). Due to the situation described above, EBIT in the Business Sector amounted to -2.3 million euros (previous year: 0.5 million euros)

Consolidated net income for the period amounted to 27.9 million euros (previous year: 29.0 million euros), corresponding to earnings per share of 4.32 euros (previous year: 4.51 euros).

As at December 31, 2024, cash flow from operating activities improved significantly to 61.0 million euros compared to the previous year (51.9 million euros). This positive development was achieved through a reduction in working capital. Overall, the cash and cash equivalents inflow amounted to 16.4 million euros (previous year: 19.8 million euros).

The 2024 financial year has once again underlined that secunet Group has successfully and resiliently expanded its market position strategically, operationally and financially. Due to this successful development, the company is continuing its dividend policy of distributing around half of the AG's net income for the year and will propose a dividend of 2.73 euros for the 2024 financial year to the Annual General Meeting on 28 May 2025 (previous year: 2.36 euros).

Outlook for 2025

secunet Group pursues a clear strategy that is geared towards sustainable and profitable growth in core markets, and additionally targeted investments are being made in promising growth areas. The primary focus remains on strengthening the market position, both nationally and internationally, seizing future opportunities and creating value for all stakeholders.

Important investments are also to be continued in 2025. In addition to the completion and approval of further products for the upcoming switch to post-quantum cryptography, the focus will be on the SINA Cloud, the ongoing digitalisation of the government environment and the switch to the “as- a- service” business, particularly in the healthcare sector.

„The market environment in 2025 remains challenging, particularly in Germany in the first half of the year in the public sector due to the formation of the government following the federal elections in February. On the other hand, the megatrends remain intact and geopolitical developments support our business model, “explains Axel Deininger, CEO of secunet Security Networks AG.

“We are a leader in Germany with innovative cybersecurity solutions and are in constant dialogue with our customer groups in order to further expand our proven products and develop new security solutions,” Deininger continues. “We therefore expect demand for our products and solutions to remain strong in 2025, which should be particularly evident in the second half of the year. At the beginning of the year, the order backlog was already at 205.3 million euros and therefore higher than in the previous year (190.2 million euros). On this basis, we expect Group sales revenue of around 425 million euros for the 2025 financial year.

Our defined strategic goal is for our growth to go hand in hand with attractive, sustainable profitability. In order to achieve this, our short-term planning for 2025, as in the previous year, will focus on internal measures that optimally adapt our products, our organization and its processes to the constantly changing business activities. On the other hand, we are investing heavily in research and development in order to successfully expand our portfolio. These measures are flanked by ongoing market screening in order to find attractive M&A targets that ideally complement or expand our product and service portfolio.

We are therefore aiming for healthy profitability at around the previous year's level in the 2025 financial year. Accordingly, we expect the EBIT margin to be between 9.5 and 11.5 per cent," Deininger continues.

The 2024 Annual Report is available for download at

https://www.secunet.com/en/about-us/investors/financial-news

secunet will hold an analyst conference on the preliminary results on 28 March 2025 at 10 a.m. CET via the Airtime platform.

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secunet - Protection for digital infrastructures

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secunet is Germany's leading cybersecurity company. In an increasingly networked world, the company uses a combination of products and consulting to ensure resilient digital infrastructures and the highest possible level of protection for data, applications and digital identities. secunet specialises in areas where there are particular security requirements - such as cloud, IIoT, eGovernment and eHealth. With secunet's security solutions, companies can comply with the highest security standards in digitalisation projects and thus drive their digital transformation forward.

Over 1,000 experts strengthen the digital sovereignty of governments, companies and society. Its clients include federal ministries, more than 20 DAX-listed companies and other national and international organisations. The company was founded in 1997. It is listed in the SDAX of Deutsche Börse and generated revenue of around 407 million euros in 2024.

secunet is an IT security partner of the Federal Republic of Germany and a partner of the Alliance for Cyber Security.

Further information can be found at www.secunet.com

Disclaimer

This release contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations. Any statement in this release that expresses our intentions, beliefs, expectations or projections (and the assumptions underlying them) is a forward-looking statement. These statements are based on plans, estimates and forecasts that are currently available to the management of secunet Security Networks AG. Forward-looking statements therefore relate only to the date on which they are made. We assume no obligation to update such statements in the light of new information about future events.