

Publication of inside information pursuant to Article 17 of the EU Market Abuse Regulation (MAR)

beaconsmind AG acquires Wi-Fi Hotspot Service Provider Socialwave GmbH

- **Total purchase price of total EUR 10 million through a combination of low-coupon debt, cash and 350,000 new beaconsmind shares to the sellers**
- **Transaction is highly accretive with Socialwave's run rate revenues at EUR 4.5 million and around EUR 1.8 million EBITDA**
- **Strong synergy effects and client cross-fertilization expected**

Zurich, Switzerland – 31 March 2023 – beaconsmind AG (ISIN: CH0451123589 – Ticker: 81D) has agreed to acquire 100% of the shares of Socialwave GmbH in a further acquisition and coherent extension of its business model as a B2B Point-of-Sales solution provider.

Socialwave is a fully automated location-based marketing service provider offering guest Wi-Fi as well as additional online (Bluetooth) and offline (NFC, QR-codes) technologies collecting guest data for efficient review collections, marketing campaigns, recommendation marketing, and customer analytics. The company has currently run rate sales revenues of EUR 4.5 million and around EUR 1.8 million EBITDA.

The purchase price of EUR 10 million will be financed through a mixture of low-coupon debt from a local Sparkasse, cash at hand from the recent capital increase and 350,000 newly issued beaconsmind shares issued to the founders of Socialwave. The newly issued shares are locked up for 6-12 months. The transaction is expected to close end of April with full access to cash flows and consolidation of all FREDERIX and Socialwave financials going forward.

On a proforma basis beaconsmind group including FREDERIX and Netopsie will significantly increase its run-rate revenues from EUR 6.4 million to around EUR 10.9 million and run rate EBITDA from a range of EUR 0.9 – EUR 1.1 million to EUR 2.7 – EUR 2.9 million through the acquisition.

Explanatory part

With over 12,000 touchpoints Socialwave is the market leader in the German speaking region for location-based automated marketing services for stationary businesses. Socialwave provides its clients with Plug & Play Wi-Fi Hotspot services with various marketing suites to enable review collections, fully automated marketing campaigns, recommendation marketing, and customer analytics. Socialwave has a highly attractive diversified blue-chip customer base including clients such as Pizza Hut, Clever Fit, Hotel Rothof, Caritas, BMW, Medic-Center Nuremberg, Volksbanken Raiffeisenbanken from over 20 industries with a low churn rate below 1% even during COVID-19 crisis.

Through this bolt-on transaction beaconsmind will strengthen its Wi-Fi Hotspot vertical and increase its reach significantly in the market whilst unlocking immense sales and cost synergies between Socialwave, Frederix and beaconsmind. The new management team has implemented immediate cost synergies of at least EUR 0.4MM. On a combined basis the newly established Wi-Fi Hotspot vertical will deliver an EUR 2.7 million run-rate EBITDA with significant growth ahead. Clients will have access to both, technology and solutions for the adjacent Bluetooth-Low-Energy and Wi-Fi Hotspot further offering data management, feedback, and marketing solutions.

Through the transaction both founders and managing Directors of Socialwave will become shareholders of beaconsmind with a long-term lockup on the newly issued shares. Felix Schönfelder, Founder and CFO will continue to serve as Managing Director for Socialwave reporting to Jonathan Sauppe and Michael Ambros.

Felix Schönfelder, Founder and CFO of Socialwave: “We are very excited to join beaconsmind in its new vertical within this exciting group. Socialwave combined with FREDERIX and beaconsmind will unlock enormous growth opportunities within this global platform. I am particularly thankful to be a part of the beaconsmind journey going ahead as the Managing Director of Socialwave and driving the growth within the Wi-Fi Hotspot vertical together with Jonathan, Michael, and Max.”

Jonathan Sauppe, head of beaconsmind Wi-Fi Hotspot vertical: “With this acquisition we further manifest beaconsmind role and market position in the Wi-Fi Hotspot segment. This acquisition will further accelerate our growth trajectory and enable best in class product offering for our clients whilst also increasing profitability for our shareholders.”

Michael Ambros, Deputy Chairman: “I am happy to welcome Socialwave to the beaconsmind group. Being able to jointly grow this vertical together with Max, Jonathan and now also Felix is truly exciting, and we are looking forward to implementing more rollups together.”

A presentation on the acquisition including financials is available on the webpage www.beaconsmind.com/investor-relations/.

About beaconsmind

Founded in 2015 in Switzerland, beaconsmind AG is a pioneer in the field of location-based marketing (LBM) software for retail chains. By fitting stores with Bluetooth beacons that precisely locate and identify customers, and by integrating its Software Suite, beaconsmind opens a brand-new channel for retailers to interact with their customers. Thanks to its solution, retailers can converge digital and physical shopping and address the convenience gaps of each. The shares of the company (ISIN: CH0451123589 – Ticker: 81D) are listed on the Frankfurt Stock Exchange with XETRA trading and on Euronext in Paris. For more information, please visit www.beaconsmind.com

About Socialwave

Sociwalwave is a Munich, Germany based provider of guest Wi-Fi and marketing solutions with a highly attractive diversified blue-chip customer base. With Socialwave's solutions its clients can collect reviews, run fully automated marketing campaigns, recommendation marketing, and gather customer analytics.

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