

26 August 2025

Loyal Solutions (“Loyal Solutions” or “the Company”) announces financial results for the second half of The financial year 2024/25 (1/1-30/6 2025) and year-end report 2024/25 (1/7 2024 - 30/6 2025)

COPENHAGEN, TUESDAY, 26 AUGUST 2025, 08:00 CET

CEO Peter Kisbye comments:

“In the period 1 July 2024 – 30 June 2025 (“the Period”) the Company delivered the following results:

- ✓ *The Company delivered a growth in ARR of 32% to DKK 39.990*
- ✓ *Top line revenue grew 4,6% for the second half year and declined by 2,4% for the full year*
- ✓ *Staff expenses were reduced by 5,2%, despite a 32% growth in ARR, a testament to our SaaS business model and our efficient processes*
- ✓ *EBITDA for the year of TDKK -6.742 vs forecasted EBITDA of TDKK – 8.142, budgeted EBITDA of TDKK +291 and vs last year TDKK -5.438*
- ✓ *Operating profit for the year of TDKK -10.086 vs budget of TDKK -2.662 vs last year TDKK -8.684*
- ✓ *Cash receipts for the year of TDKK 43.364 TDKK vs last year TDKK 40.177, an increase of 8%*

We see our ARR growth rate of 32% as solid and as a testament to our business model. While maintaining this solid growth rate, the Company has continued its focus on operating expenses, efficiency and cash flow. The growth in ARR is not fully reflected in the booked revenue for the full fiscal year, as most new signings of new clients came late in the fiscal year.

Cash flow continues to be monitored closely. While we are not yet in positive EBITDA territory, we have made significant strides towards that goal and expect to be in EBITDA positive territory during the coming fiscal year.

During the Period our pipeline grew, and our expanding list of large global reference clients continues to generate interest in Loyal Solutions. We had the pleasure of adding the longest running loyalty program in Denmark, Forbrugsforeningen af 1886, as a client and contracted our first client in a new vertical, telecommunications, when E& (formerly Etisalat) joined as client. In May Virgin Velocity launched “Pay with Points” an innovative solution powered by Loyal Solutions technology. In June Emirates Skywards added redemption of points at over 1.000 locations in the UAE to their very successful Skywards Everyday program powered by Loyal Solution`s technology, providing added benefits for their members.

Our sales lead times remain lengthy, as we sell strategic long-term partnerships to large clients, who all have evolved processes for procurement.

We are continuously working on improving lead times in cooperation with our sales partners

Our sales cooperation with Visa for the Visa VMLS product has also progressed as expected. The Company`s LoyalTfacts® SaaS based payment/card-linking platform and technology continues to be viewed by clients as market leading. Our brand positioning focuses on quality, compliance and security, value and ROI for our clients.

Our current clients` programs continued to perform very well during the Period, further validating our SaaS business model, and proving the inherent long term growth potential in SaaS payment/card-linked loyalty programs. While at different stages of maturity, all current programs achieved satisfactory core growth rates year-on-year, and with several clients now expanding their programs into more countries, we have a firm client base on which to build future growth.

Our most important resource, our employees, continued to do an outstanding job. Despite being busy, we have maintained our focus on work-life balance, inclusivity and on providing flexible working hours and locations. Our IT hub in South Africa has been an integral part in delivering solutions and our IT organization benefits from having operations in both Denmark and South Africa.

We truly believe in putting employees first and that team-is-everything, so a big thank you to everyone at Loyal Solutions for the results delivered.

HIGHLIGHTS FOR THE SECOND HALF OF THE YEAR 1/1-30/6 2025 AND FULL YEAR

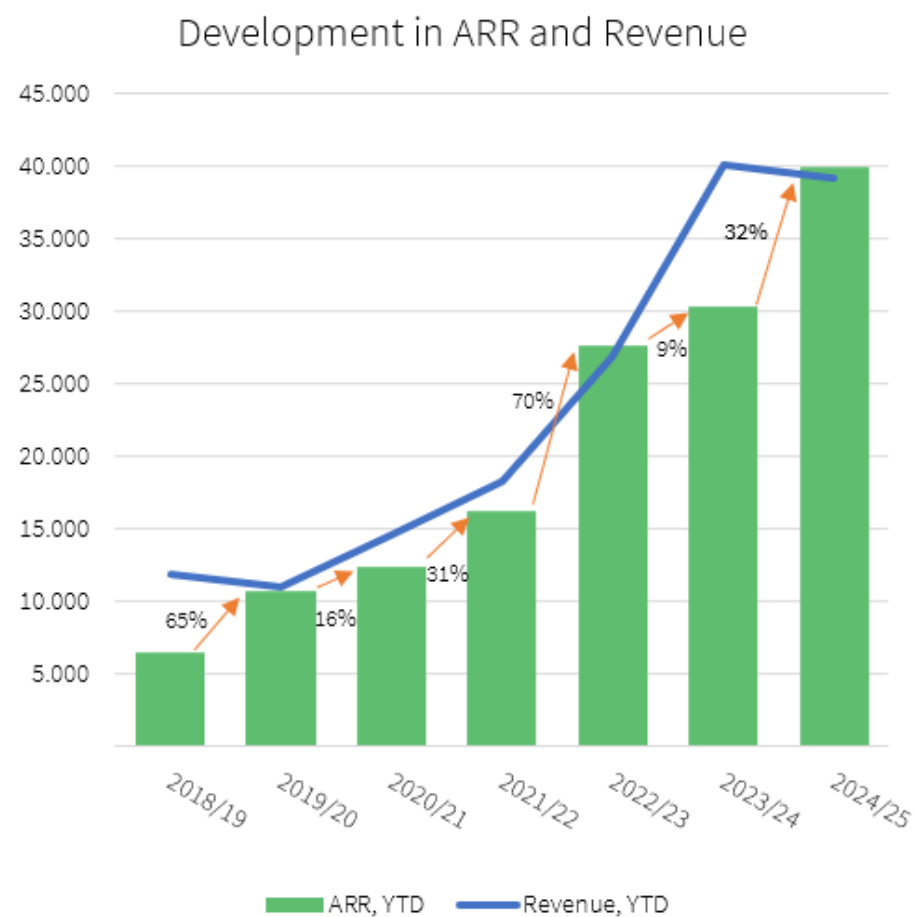
Business and operational highlights

During the second half of the financial year 2024/25 and the full year the Company reached several milestones including:

- ✓ The Company delivered a growth in ARR of 32% to DKK 39.990
- ✓ ARR growth is mainly driven by Impressive double digit growth rates in nearly all our existing clients' programs.
- ✓ Top line revenue grew 4,6% for the second half year and declined by 2,4% for the full year
- ✓ Staff expenses were reduced by 5,2%, despite a 32% growth in ARR
- ✓ EBITDA for the year of TDKK -6.742 vs forecasted EBITDA of TDKK -8.142, budgeted EBITDA of TDKK +291 and vs last year TDKK -5.438
- ✓ Operating profit for the year of TDKK -10.086 vs budget of TDKK -2.662 vs last year TDKK -8.684
- ✓ Cash receipts for the year of TDKK 43.364 TDKK vs last year TDKK 40.177, an increase of 8%
- ✓ LoyalTfacts® enabled
 - *Virgin Velocity to successfully introduce "Pay with Points" in the Australian market*
 - *Emirates Skywards to successfully introduce redemption of Skywards miles at over 1.000 locations in the UAE*
- ✓ Signed
 - *the leading telecommunications group, E& (formerly Etisalat) where LoyalTfacts® will power the market leading Smiles program*
 - *Forbrugsforeningen af 1886, Denmarks longest running loyalty program*
 - *Visa announced an agreement for VMLS (powered by Loyal Solutions) Cenomi in the Kingdom of Saudi Arabia*
- ✓ Expanded our cooperation with Bright Insights Consulting in the UAE
- ✓ Continued building our pipeline on direct sales, partner sales and via our sales partnership with Visa
- ✓ Delivered a range of platform upgrades to clients, including:
 - *Integration to Eftpos (Australian domestic card scheme and processor) completed*
 - *Integration to further domestic schemes completed enhancing the Scheme agnostic capability in LoyalTfacts®*
 - *Market reception for our Midas® and TIMM® modules have exceeded expectations*
- ✓ AI applications being continuously evaluated for relevant use cases for individual clients
- ✓ Passed the annual PCI DSS Level 1 audit, the annual ISO 27001, 27017, 27018 audit and maintained SOC2-Type 2 certification.

ARR (annual recurring revenue) and customer update

ARR reached TDKK 39.990 on 30 June 2025, a 32% increase compared to last year's ARR of TDKK 30.290.



Financial highlights for second half-year of 2024/25 (1/1-30/6 2025)

Key figures for the second half-year of 2024/25 are listed below, and at the end of this document detailed financial figures are listed for the second half-year (1/1-30/6 2025) including comparative figures. The decline in net profit compared to the previous year is mainly due to less ad-hoc work and the later than expected signing and implementations in the market of new clients.

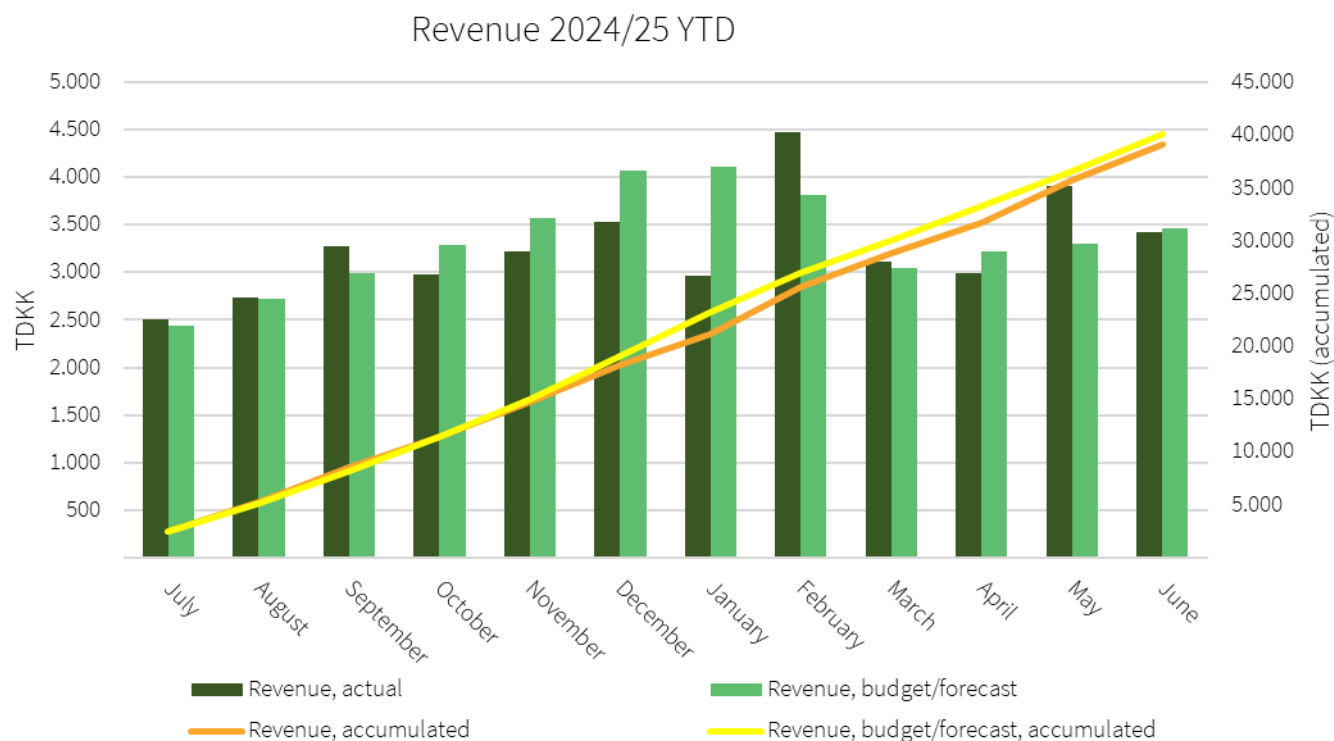
	Second Half Year		YTD	
	01-01-2025	01-01-2024	01-07-2024	01-07-2023
	30-06-2025	30-06-2024	30-06-2025	30-06-2024
TDKK				
Revenue	20.890	19.974	39.124	40.092
EBITDA, TDKK	-2.841	-3.434	-6.742	-5.438
Profit/loss, TDKK	-4.421	-5.035	-10.086	-8.684
Net income per share, DKK*	-0,47	-0,53	-1,06	-0,91
Equity, TDKK			-28.487	-18.346
Cash and cash equivalents, TDKK			4.033	1.839
Annual Recurring Revenue (ARR) TDKK			39.990	30.290

* The Company's net income per share equals the net income for the Period divided with the average number of shares for the period. The outstanding shares as of 30 June 2025 are 9.499.998 shares and for the period January to June 2025, the average number of shares is 9.499.998.

Revenue

Revenue is comprised of subscription fees, implementation fees and ad-hoc work revenue, and decreased organically by 2,4% from TDKK 40.092 to TDKK 39.124. The decrease is mainly due to less ad-hoc work and later than expected signing and implementations in the market of new clients¹.

Total revenue for the Period is TDKK 39.124, 18% below the revenue budget of TDKK 47.536 and 2,3 % below forecasted revenue of TDKK 40.045²



¹ The Company's subscription model is primarily based on a percentage of sales generated from the use of the LoyalTfacts® platform, including a minimum monthly fee.

² Original budgeted revenue until end of January. Forecasted revenue from February.

Operating expenses (OPEX)³

Total operating expenses (OPEX) for the second half year of 2024/25 were TDKK 13.704 compared to last year's TDKK 15.871. A decrease of TDKK 2.168 (14%).

Total operating expenses (OPEX) for the full year were TDKK 27.836, TDKK 2.032 (6,8%) below budgeted costs of TDKK 29.868, as the Company continues its focus on profitability by optimizing resources spent.

Earnings before interest, tax, depreciation and amortization (EBITDA)

EBITDA (earnings before interest, tax, depreciation, and amortization) for the second half year of 2024/25 is TDKK -2.841 (2023/24 TDKK -3.434).

EBITDA YTD reached TDKK -6.742 compared to the budget of TDKK +291, the forecast of TDKK -8.142 and last year of TDKK -5.438.

Auditor review

This second half-year report has not been reviewed by the Company's auditor.

Proposed appropriation of retained earnings

The Board of Directors have proposed that no dividend be paid for the financial year 2024/25.

Accounting principles

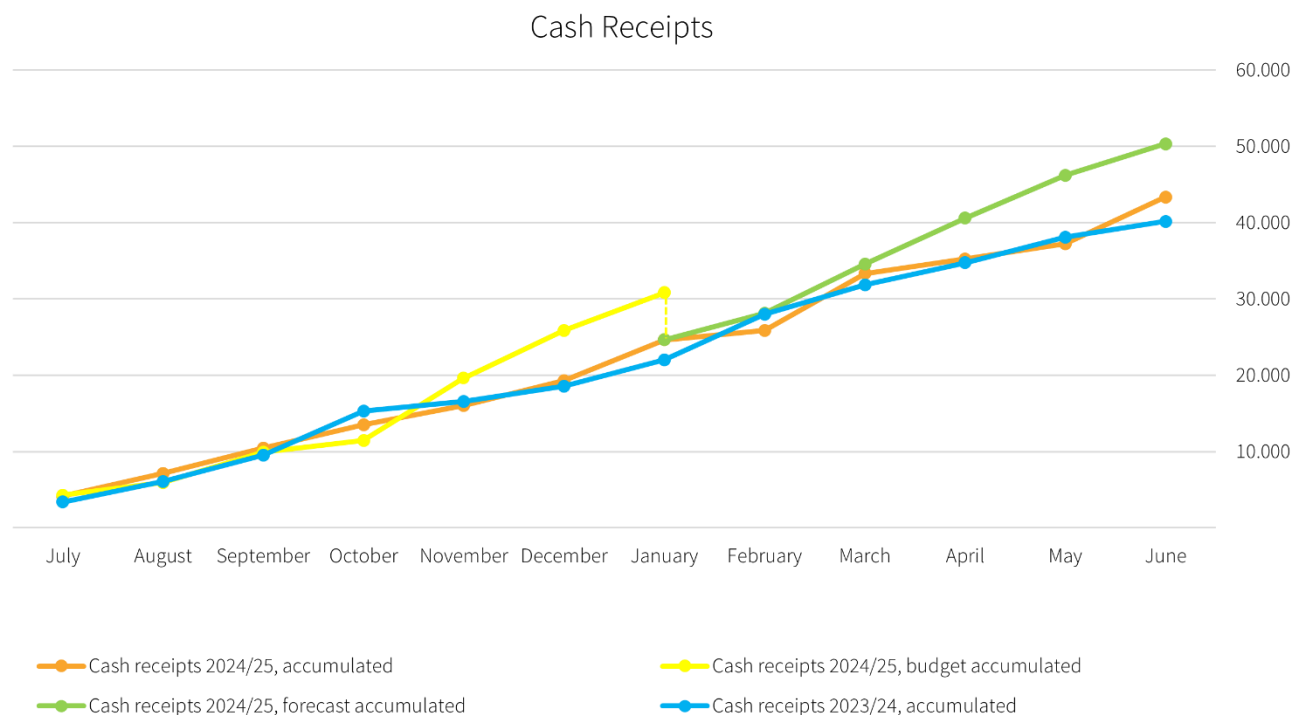
The financial statements are prepared in accordance with the Danish Financial Statements Act, "Årsregnskabsloven".

³ Total operating expenses consists of other external costs and staff costs.

Cash Balance & Operating Cash Flow

Cash Balance on 30 June 2025 was TDKK 4.033.

There has been an increase of 11% (TDKK 2.422) in cash receipts for the second half year of financial year 2024/25 compared to second half-year 2023/24. YTD the total increase in cash receipts has been 8% (TDKK 3.187) ⁴.

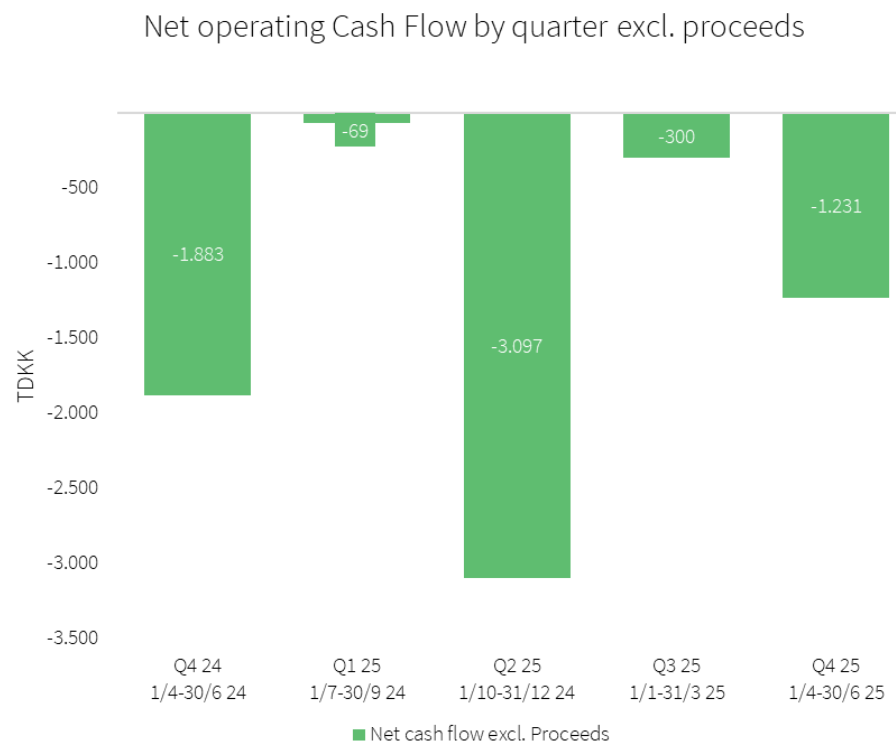


⁴ Original budgeted cash receipts until end of January. Forecasted cash receipts from February.

Net cash flow excluding loans for the second half year of financial year 2024/25 is TDKK 1.111 (TDKK -2.274).

The Company continues to have a strong focus on cash management. Net operating outflows excluding loans YTD is TDKK -4.698 (TDKK -5.450) an improvement of 14%. As we continue to expand the business, we will continue our strong focus on cash management.

The company has secured a loan from major shareholders in the second half year of TDKK 3.093 to improve its cash position.



Outlook

Market outlook

Customer loyalty and customer retention continues to increase in importance for all companies; therefore we expect the total global loyalty market to continue to grow at the current 3-5% annual pace.

Payment/card-linked loyalty, the market Loyal Solutions operates in, continues to grow faster than the total loyalty market, as a growing number of companies realize the power of this business model and technology. This transition is also driven by the strong consumer preference for this seamless and secure user experience.

Loyal Solutions' market position and brand recognition continue to grow stronger, driven by our state-of-the-art platform, LoyalTfacts®, our extensive industry know-how and experience, our world class team and our marque reference clients.

Data privacy, compliance and security will continue to increase in importance for our clients. Being a digital and GDPR native, and maintaining PCI DSS Level 1, ISO 27001-017-018 compliant ISMS and SOC2-Type 2 certification ensures that Loyal Solutions is seen as a strong partner also on this very important parameter.

Financial goals for the next financial year (1/7 2025-30/6 2026)

The Company expects to maintain a healthy growth rate. The outlook for the coming fiscal year is:

- ✓ Top line revenue growth of 42% to TDKK 55.646
- ✓ ARR (annual recurring revenue) growth of 34% to TDKK 53.776
- ✓ EBITDA of TDKK + 6.894
- ✓ Result of TDKK +3.191

Our existing clients are expected to maintain their strong growth rates, forming a solid baseline for our long-term growth.

Organizational growth

Loyal Solutions are currently 18 employees (*Denmark (13), Sweden (1), and South Africa (4).*) In the coming financial year, we will scale our organization in conjunction with new clients being contracted, maintaining our focus on efficiency, operating expenses and cash flow.

Research & development (“R&D”)

The Company’s product development pipeline is continuously augmented with our own and clients’ ideas. Our product roadmap includes new AI-based components, bespoke solutions for easier program management, integration to additional payments schemes and more.

Sales Pipeline

Our sales pipeline is expected to continue to grow, both from direct sales and via partners such as Visa and Bright Insights Consulting. Sales lead times remain long, due to Loyal Solutions’ business model of forming strategic long-term relations with our clients. We are continuously working with our sales partners to shorten lead times and improve time to market for new clients

Cash management

The Company will continue its strong focus on cash management.

Conference call to present second half of financial year 2024/25

Loyal Solutions will present its second half year report 2024/25 results in a brief live webcast through MS Teams on 26 August 2025, at 10.00-10.30 CET. Please join and ask questions directly to CEO, Peter Kisbye, at this investor event.

To participate, please join the conference call on this [link](#).

The audited annual report for the Period will be made public on our website under “reports and presentations” on the 25 September 2025 at 08.00 CET. The Annual General Meeting will be held on 23 October 2025 at 13.00 CET at the Company headquarters in Copenhagen.

Certified Adviser

Svensk Kapitalmarknadsgranskning AB

E-post: ca@skmg.se

This financial report constitutes inside information that Loyal Solutions A/S is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was sent for publication, through the agency of the contact persons set out below, at the time stated by the Company's news distributor, Cision, at the publication of this press release.

For further information about Loyal Solutions A/S, please contact:

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About Loyal Solutions

Loyal Solutions was set up with the sole purpose of disrupting the loyalty industry with new technology, new transparent concepts and a 100% focus on the end customer.

Loyal Solutions has become a leading global provider of loyalty concepts, solutions, and SaaS technology for selected industries and clients. Our proprietary technology and global private SaaS cloud solutions are state of the art and market leading. We also offer clients full outsourcing options, making implementation of a full program seamless and easy.

We have our HQ in Copenhagen an IT hub in South Africa and are represented in Stockholm, Dubai, San Francisco, and Sydney.

INCOME STATEMENT

DKK	Second half year		YTD	
	01-01-2025	01-01-2024	01-07-2024	01-07-2023
	30-06-2025	30-06-2024	30-06-2025	30-06-2024
	<i>Non-Audited</i>	<i>Non-Audited</i>	<i>Non-Audited</i>	<i>Audited</i>
Revenue	20.889.826	19.973.585	39.123.822	40.091.671
Work performed for own account and capitalised under assets	588.736	700.090	1.220.398	1.302.344
Direct costs	-10.616.288	-8.236.737	-19.250.076	-18.031.044
Other external costs	-4.740.799	-5.718.892	-10.664.373	-10.694.670
Gross profit	6.121.475	6.718.046	10.429.771	12.668.302
Staff costs	-8.962.826	-10.152.403	-17.171.878	-18.106.302
EBITDA	-2.841.351	-3.434.356	-6.742.107	-5.438.000
Depreciation on tangible and intangible assets	-319.130	-450.745	-699.075	-1.026.134
EBIT	-3.160.481	-3.885.101	-7.441.182	-6.464.134
Financial income	572.322	148.426	653.581	465.211
Impairment losses on financial assets	0	0	0	-354.879
Financial expense	-2.101.290	-1.584.601	-3.543.664	-2.611.216
Profit before tax	-4.689.449	-5.321.276	-10.331.265	-8.965.018
Tax for the year	268.488	286.516	245.094	281.517
Operating profit	-4.420.961	-5.034.760	-10.086.171	-8.683.501
Dividend	0	0	0	0
Retained earnings	-4.420.961	-5.034.760	-10.086.171	-8.683.501
Profit for the period/year distributed	-4.420.961	-5.034.760	-10.086.171	-8.683.501

BALANCE SHEET

DKK

ASSETS

Development projects in progress

Completed development projects

Intangible assets

Fixture, fittings, tools and equipment

Property, plant and equipment

Deposits

Investments in subsidiaries

Income tax

Investments

Total fixed assets

Trade receivables

Receivables from group enterprises

Income Tax

Other receivables

Prepayments

Receivables

Cash and cash equivalents

Current assets

Total assets

30-06-2025	30-06-2024
<i>Non-Audited</i>	<i>Audited</i>
356.154	725.428
4.105.981	3.170.985
4.462.135	3.896.413
41.206	85.606
41.206	85.606
704.163	688.158
354	354
268.488	286.516
973.005	975.028
5.476.346	4.957.047
7.026.822	9.282.088
379.069	384.796
263.122	188.116
70.298	558.227
1.408.053	1.756.494
9.147.365	12.169.721
4.033.252	1.838.570
13.180.617	14.008.291
18.656.963	18.965.338

BALANCE SHEET (continued)

DKK

EQUITY & LIABILITIES

	30-06-2025 <i>Non-Audited</i>	30-06-2024 <i>Audited</i>
Share capital	9.499.998	9.499.998
Retained earnings	-41.467.462	-30.885.460
Reserve for development expenditure	3.480.465	3.039.202
Equity	-28.486.999	-18.346.260
Long-term debt to other credit institutions	25.218.213	16.497.636
Other long-term payables	674.758	650.360
Long-term liabilities	25.892.971	17.147.996
Short-term debt to other credit institutions	1.850.451	2.114.925
Prepayments received from customers	5.446.148	4.053.497
Trade payables	10.317.684	12.259.886
Other payables	3.636.708	1.735.294
Current liabilities	21.250.991	20.163.602
Total liabilities	47.143.962	37.311.598
Total equity & liabilities	18.656.963	18.965.338

CASH FLOW STATEMENT

DKK

	Note	01-07-2024 30-06-2025 <i>Non-Audited</i>	01-07-2023 30-06-2024 <i>Audited</i>
Operating profit		-7.441.182	-6.464.134
Other non-cash adjustments	1	875.537	734.908
Change in working capital	2	4.443.494	3.105.874
Interests etc. received		408.833	446.027
Interests etc. paid		-1.390.435	-1.096.327
Income taxes paid or received		188.116	101.371
Cash flow from operating activities, net		-2.915.637	-3.172.281
Development costs activated		-1.220.398	-1.302.344
Change in other non-current assets		-14.060	-3.425
Cash flow from investing activities		-1.234.458	-1.305.769
Proceeds from loans and borrowings		7.342.276	0
Repayment of loans and borrowings		-991.435	-1.012.806
Intercompany loan		-6.065	40.960
Cash flow from financing activities		6.344.777	-971.846
Net cash flow for the period		2.194.682	-5.449.896
Cash at the start of the period		1.838.570	7.288.466
Net cash flow for the period		2.194.682	-5.449.896
Cash at the end of the period		4.033.252	1.838.570

CASH FLOW STATEMENT (continued)

DKK

	01-07-2024 30-06-2025	01-07-2023 30-06-2024
	<i>Non-Audited</i>	<i>Audited</i>
Note 1 - Other non-cash adjustments		
Depreciation and impairment losses	699.075	1.026.134
Other non-cash adjustments	176.462	-291.226
	875.537	734.908
Note 2 - Change in working capital		
Change in receivables	3.098.062	-2.430.976
Change in payables, prepayments and other liabilities	1.345.432	5.536.850
	4.443.494	3.105.874

The above cannot be derived directly from the income statement and the balance sheet.

STATEMENT OF CHANGE IN EQUITY

	Share capital	Reserve development expenditure	Retained earnings	Total
01-07-2024 - 30-06-2025	<i>Non-Audited</i>	<i>Non-Audited</i>	<i>Non-Audited</i>	<i>Non-Audited</i>
Equity at 1 July 2024	9.499.998	3.039.202	-30.885.460	-18.346.260
Profit for the year	0	0	-10.086.171	-10.086.171
Transfer to reserve for development costs	0	441.263	-441.263	0
Share-based payment	0	0	-54.568	-54.568
Equity at 30 June 2025	9.499.998	3.480.465	-41.467.462	-28.486.999

	Share capital	Reserve development expenditure	Retained earnings	Total
01-07-2023 - 30-06-2024	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>
Equity at 1 July 2023	9.499.998	2.780.003	-21.961.829	-9.681.828
Profit for the year	0	0	-8.683.501	-8.683.501
Transfer to reserve for development costs	0	259.199	-259.199	0
Share-based payment	0	0	19.069	19.069
Equity at 30 June 2024	9.499.998	3.039.202	-30.885.460	-18.346.260