

# Half-Year Results 2023

Analyst Conference, 29<sup>th</sup> August 2023

**TX Group**

Agenda

Welcome **Ursula Nötzli**

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TX Group – Review **Pietro Supino**

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TX Group – Financial report for Half-Year 2023 **Wolf-Gerrit Benkendorff**

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TX Group – Overview Segments **Sandro Macciachini**

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TX Markets **Olivier Rihs**

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Goldbach **Michi Frank**

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20 Minuten **Bernhard Brechbühl**

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Tamedia **Andreas Schaffner**

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Ventures **Daniel Mönch**

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Q & A

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# Financial report for Half-Year 2023

Wolf-Gerrit Benkendorff

Chief Financial Officer

Group at Glance

Revenues in CHF mn

**460.5**



PY: 445.7

EBIT adj. in CHF mn

**54.3**



PY: 40.6

EBIT adj. Marge

**11.8%**



PY: 9.2%

Equity ratio

**76.1%**

PY: 78.0%

Net liquidity in CHF mn

**11.9**

PY: 140.1

FCF b. M&A in Mio. CHF

**91.1**

PY: 50.3



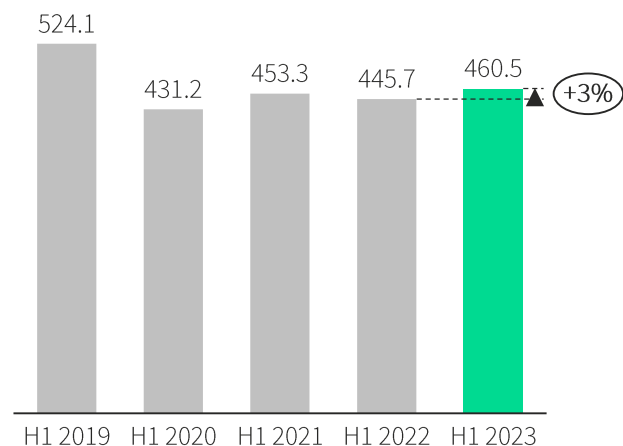
\* Previous year for or Equity Ratio and Net Liquidity is 31.12.2022

TX Group

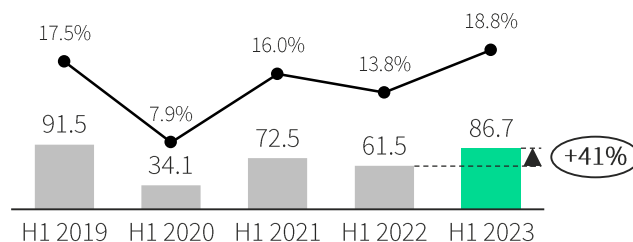
Revenue growth driven by Clear Channel Switzerland acquisition, clear improvement in profitability.

in MCHF

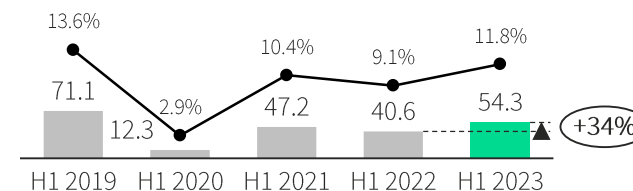
Net Revenue



EBITDA (incl. margin)



EBIT adj. (incl. margin)



- Revenue growth is driven by Clear Channel Switzerland acquisition.
- Negative organic growth of -10.8 MCHF (-2.4%) coming from Tamedia printing activities, TX Ventures and less external group services provided to SMG.

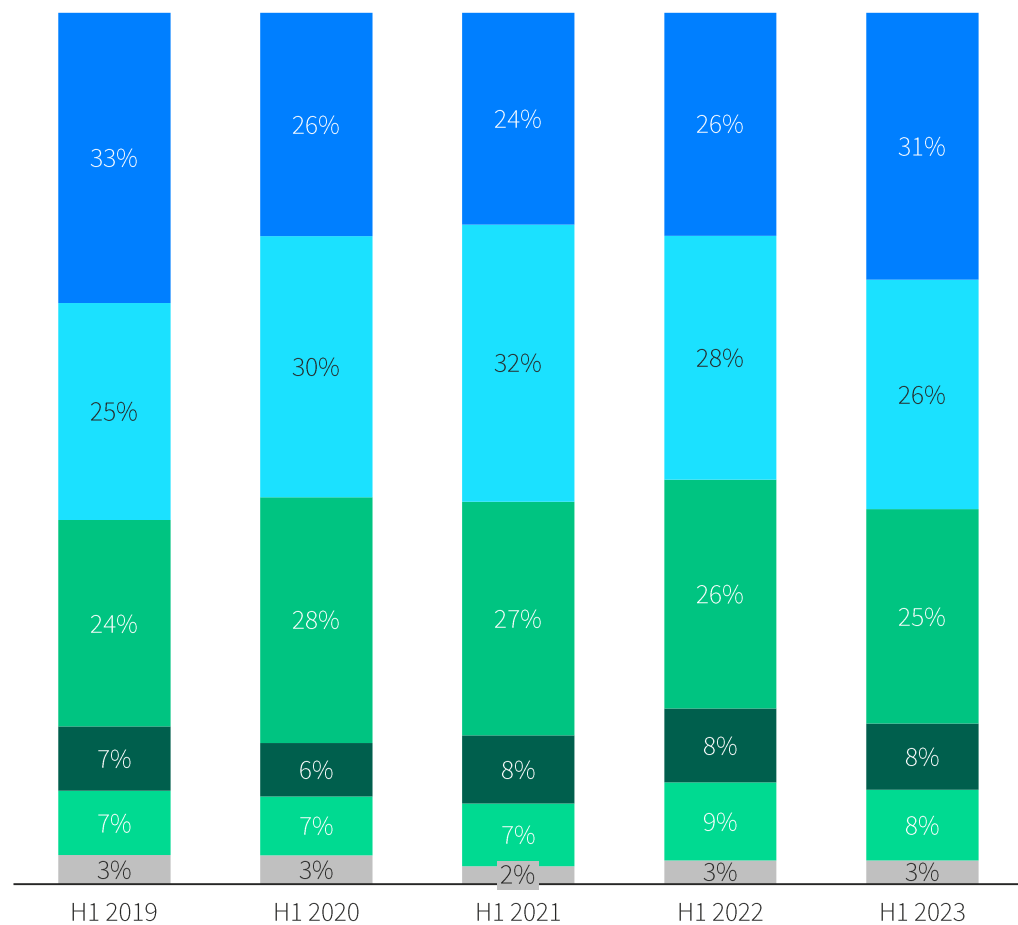
- Overall operating expenses dropped by +3.3 MCHF mainly due to lower personnel expenses (incl. IAS 19).
- Personnel expense despite integration of Clear Channel Switzerland below 2022.
- Net income from Associates and Joint Ventures increased by +7.1 MCHF mainly due to SMG (+10.8 MCHF).

- D&A (- 39.6 MCHF) increased by -6.8 MCHF compared to 2022 driven mainly by IFRS 16 due to newly capitalized contracts from Clear Channel Switzerland.
- Normalization of PPA amortization (+32.7 MCHF) reduced by -2.5 MCHF compared to 2022 mainly due to SMG (-3.1 MCHF) triggered by last year's impairment.



TX Group

Even after transfer of key Classified and Marketplaces units to SMG, well balanced revenue composition, comparable to pre-Covid in 2019.



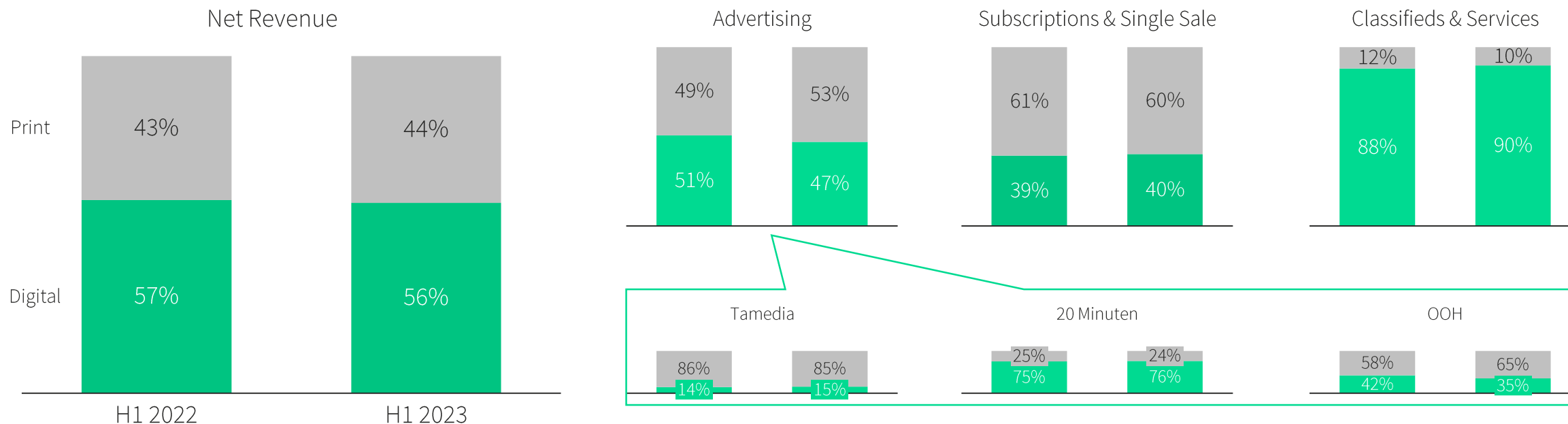
- Share of advertising revenue increased mainly due to the acquisition of Clear Channel Switzerland.
- Remaining revenue categories are slightly below the previous year's level.

■ Advertising     
 ■ Subscriptions & Single Sale     
 ■ Printing & Logistics Operations  
■ Classifieds & Services     
 ■ Commercialization     
 ■ Other Operating Revenue



TX Group

The overall revenue digital share slightly decreased due to the acquisition of Clear Channel Switzerland



- Subscriptions & Single Sales as well as Classifieds & Services are growing the digital categories slightly
- Drop within digital advertising revenue share due to Clear Channel Switzerland's large proportion of non-digital revenue.

Methodical change in digital/print split in the OOH business. This used to be classified as 100% digital. With the growth of the OOH business an accurate split according to revenue category is performed for 2022 and 2023.



## TX Group

## Income statement

in MCHF

	H1 2023		H1 2022	
<b>Revenues</b>	<b>460.5</b>	<b>100.0%</b>	<b>445.7</b>	<b>100.0%</b>
Cost of Material and Services	-79.2	-17.2%	-77.2	-17.3%
Personnel	-206.3	-44.8%	-212.5	-47.7%
Other Operating Expenses	-101.9	-22.1%	-100.9	-22.6%
Share of Net Result of Ass./JV	13.5	2.9%	6.4	1.4%
<b>EBITDA</b>	<b>86.7</b>	<b>18.8%</b>	<b>61.5</b>	<b>13.8%</b>
Depreciation and Amortization	-39.6	-8.6%	-32.8	-7.4%
<b>EBIT before PPA</b>	<b>47.1</b>	<b>10.2%</b>	<b>28.7</b>	<b>6.4%</b>
Amortization PPA	-25.7	-5.6%	-25.1	-5.6%
<b>EBIT</b>	<b>21.4</b>	<b>4.7%</b>	<b>3.7</b>	<b>0.8%</b>
Net Financial Result	-1.1	-0.2%	1.2	0.3%
<b>EBT</b>	<b>20.3</b>	<b>4.4%</b>	<b>4.9</b>	<b>1.1%</b>
Income Tax	-6.6	-1.4%	-3.5	-0.8%
<b>EAT</b>	<b>13.7</b>	<b>3.0%</b>	<b>1.3</b>	<b>0.3%</b>

- Personnel expense despite integration of Clear Channel Switzerland below 2022 (includes positive effect from IAS 19 of +4.7 MCHF).
- Increased contribution from Associates and Joint Ventures by +7.1 MCHF mainly due to SMG (+10.8 MCHF).
- Increase of depreciation and amortization due to Clear Channel Switzerland acquisition.
- Increased PPA amortization due to Clear Channel Switzerland acquisition.

## TX Group

## Income statement normalized

in MCHF	<b>H1 2023 reported</b>	<b>one-off effects</b>	<b>H1 2023 adjusted</b>	<b>H1 2022 adjusted</b>
<b>Revenues</b>	<b>460.5</b>	<b>0.3</b>	<b>460.7</b>	<b>443.3</b>
Cost of Material and Services	-79.2	-	-79.2	-77.2
Personnel	-206.3	-	-206.3	-212.5
Other Operating Expenses	-101.9	-	-101.9	-96.7
Share of Net Result of Ass./JV	13.5	7.0	20.5	16.5
<b>EBITDA</b>	<b>86.7</b>	<b>7.3</b>	<b>93.9</b>	<b>73.4</b>
Depreciation and Amortization	-39.6	-	-39.6	-32.8
<b>EBIT before PPA</b>	<b>47.1</b>	<b>7.3</b>	<b>54.3</b>	<b>40.6</b>
Amortization PPA	-25.7	25.7	-	-
<b>EBIT</b>	<b>21.4</b>	<b>32.9</b>	<b>54.3</b>	<b>40.6</b>
Net Financial Result	-1.1	4.0	2.9	-0.4
<b>EBT</b>	<b>20.3</b>	<b>36.9</b>	<b>57.2</b>	<b>40.2</b>
Income Tax	-6.6	-4.2	-10.8	-8.1
<b>EAT</b>	<b>13.7</b>	<b>32.7</b>	<b>46.4</b>	<b>32.1</b>

- Normalization Associates/JV of + 7.0 MCHF (PPA amortization) is below previous year (2022: + 10.1 MCHF) mainly due to last year's impairment at SMG.
- The normalization of net financial result relates to SMG (2.0 MCHF, complete buyout of the minority interests in IAZI) and KAT (1.9 MCHF, increase in the shareholding in hokify).

## TX Group

## Cash flow statement

in MCHF

	H1 2023	H1 2022
EBITDA	86.7	61.5
Change in Net Working Capital	32.1	6.5
Other changes	(7.0)	(2.1)
<b>Cash flow from operating activities</b>	<b>111.7</b>	<b>66.0</b>
<b>Cash flow from investing activities</b>	<b>(37.2)</b>	<b>23.8</b>
<i>thereof investments in PP&amp;E and intangible assets</i>	<i>(20.7)</i>	<i>(15.8)</i>
<b>Free Cash Flow</b>	<b>74.5</b>	<b>89.8</b>
<i>Free Cash Flow b. M&amp;A</i>	<i>91.1</i>	<i>50.3</i>
<b>Cash flow from financing activities</b>	<b>(127.0)</b>	<b>(134.8)</b>
<i>thereof repayment of lease liabilities</i>	<i>(24.6)</i>	<i>(15.5)</i>
Cash flow from discontinued operations	-	-
Change in cash and cash equivalents	(52.8)	(45.4)

- Change in Net Working Capital
  - Acquisition of Berner Oberland Medien and Clear Channel Switzerland (+7.4 MCHF).
  - Significant improvement from optimized receivables management at Goldbach.
- Cash flow from investing activities
  - PPE investments (-13.4 MCHF) at the level of 2022 (-12.1 MCHF).
  - Acquisition of Clear Channel Switzerland (-85 MCHF).
  - Positive effect from sale of financial assets (+75.3 MCHF, mainly divestments of time deposits).
- Cash flow from financing activities
  - Dividends paid to TX Group AG shareholders (-47.7 MCHF) and to non-controlling interests (-48.5 MCHF).
  - Increase of repayment of lease liabilities (2023: -24.6 MCHF; 2022:- 15.5 MCHF) due to Clear Channel Switzerland acquisition.

## Background information

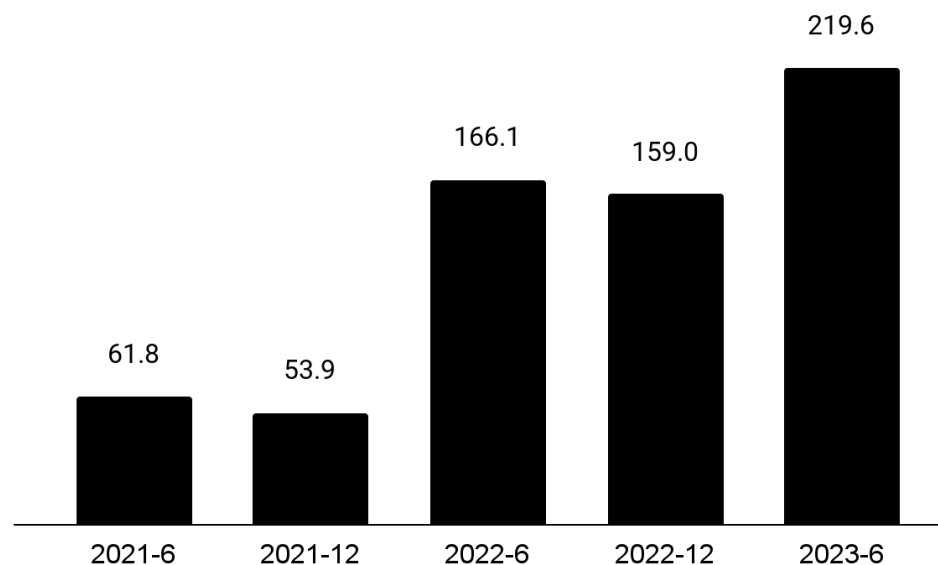
The increase in capitalized leases makes IFRS16 more relevant

**When must a lease be capitalized under IFRS 16?**

- The leases to be capitalized are identified in a first step. No lease exists according to IFRS 16 if:
  - TX is not the main user of the asset.  
(requirement: economic benefit for TX > 90%)
  - TX has no or only limited control over how and for what purpose the asset is used.
  - Lessor has the right to replace the asset during the lease term.
- All "identified" leases and the associated rights and obligations are recognized.
- Short-term leases with terms of less than one year and leases of low value are excluded from the recognition requirement.

**Why is this topic gaining importance at TX Group?**

Increase in capitalized leases (in Mio. CHF)



## Financial Impact

Significant shift from operating expense to D&A in the profit and loss statement

## Profit and Loss Statement

in Mio. CHF	30.06.2023 as reported	IFRS 16 Impact	thereof OOH	30.06.2023 adjusted
<b>Revenues</b>	<b>460.5</b>	–	–	<b>460.5</b>
Cost of material and services	(79.2)	–	–	(79.2)
Personnel expense	(206.3)	–	–	(206.3)
Other operating expense	(101.9)	(25.7)	(20.0)	(127.5)
Share of net result of associates / joint ventures	13.5	–	–	13.5
<b>Operating income / (loss) before depreciation and amortisation (EBITDA)</b>	<b>86.7</b>	<b>(25.7)</b>	<b>(20.0)</b>	<b>61.0</b>
Depreciation and amortisation	(39.6)	23.7	18.3	(15.9)
<b>Operating income / (loss) before effects of business combinations (EBIT b. PPA)</b>	<b>47.1</b>	<b>(2.0)</b>	<b>(1.7)</b>	<b>45.1</b>
Depreciation and amortisation resulting from business combinations	(25.7)	–	–	(25.7)
<b>Operating income / (loss) (EBIT)</b>	<b>21.4</b>	<b>(2.0)</b>	<b>(1.7)</b>	<b>19.4</b>
Financial income	7.7	–	–	7.7
Financial expense	(8.8)	2.0	1.7	(6.8)
<b>Income / (loss) before taxes (EBT)</b>	<b>20.3</b>	–	–	<b>20.3</b>
Income taxes	(6.6)	–	–	(6.6)
<b>Net income / (loss) (EAT)</b>	<b>13.7</b>	–	–	<b>13.7</b>
of which attributable to TX Group AG shareholders	(1.4)	–	–	(1.4)
of which attributable to non-controlling shareholders	15.0	–	–	15.0

## Financial Impact

Extension of Balance Sheet by 219.6 Mio CHF (+14%) due to capitalization

## Balance Sheet

in Mio. CHF	30.06.2023 as reported	IFRS 16 Impact	thereof OOH	30.06.2023 adjusted
<b>Current assets</b>	<b>564.2</b>	–	–	<b>564.2</b>
Property, plant and equipment	471.5	(219.6)	(188.1)	251.9
Other non-current assets	2'276.2	–	–	2'276.2
<b>Non-current assets</b>	<b>2'747.7</b>	<b>(219.6)</b>	<b>(188.1)</b>	<b>2'528.1</b>
<b>Total assets</b>	<b>3'311.8</b>	<b>(219.6)</b>	<b>(188.1)</b>	<b>3'092.3</b>
<b>Current financial liabilities</b>	<b>59.6</b>	<b>(58.8)</b>	<b>(50.6)</b>	<b>0.9</b>
Other current liabilities	422.6	–	–	422.6
<b>Current liabilities</b>	<b>482.2</b>	<b>(58.8)</b>	<b>(50.6)</b>	<b>423.4</b>
Non-current financial liabilities	192.0	(165.7)	(141.1)	26.3
Other non-current liabilities	115.7	–	–	115.7
<b>Non-current liabilities</b>	<b>307.7</b>	<b>(165.7)</b>	<b>(141.1)</b>	<b>142.0</b>
<b>Liabilities</b>	<b>789.9</b>	<b>(224.5)</b>	<b>(191.7)</b>	<b>565.4</b>
Share capital	106.0	–	–	106.0
Reserves	2'141.0	4.9	3.6	2'145.9
<b>Equity, attributable to TX Group AG shareholders</b>	<b>2'247.0</b>	<b>4.9</b>	<b>3.6</b>	<b>2'251.9</b>
Equity, attributable to non-controlling interests	274.9	–	–	274.9
<b>Equity</b>	<b>2'522.0</b>	<b>4.9</b>	<b>3.6</b>	<b>2'526.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>3'311.8</b>	<b>(219.6)</b>	<b>(188.1)</b>	<b>3'092.3</b>
Net liquidity / (net debt)	11.9	224.5	191.7	236.3
Equity Ratio	76.1%			81.7%

## Financial Impact

Repayment of lease liabilities deducted due to increased profit and cash flow from operating activities

## Cash flow statement

in Mio. CHF	30.06.2023 as reported	IFRS 16 Impact	thereof OOH	30.06.2023 adjusted
Net income / (loss) (EAT)	13.7	–	–	13.7
Amortisation, depreciation and impairment	65.2	(23.7)	(18.3)	41.6
Financial result	1.1	–	–	1.1
Income taxes	6.6	–	–	6.6
Other Cash flow from / (used in) operating activities	24.9	–	–	24.9
Interest paid	0.2	(0.9)	(0.7)	(0.7)
<b>Cash flow from / (used in) operating activities</b>	<b>111.7</b>	<b>(24.6)</b>	<b>(19.0)</b>	<b>87.1</b>
<b>Cash flow from / (used in) investing activities</b>	<b>(37.2)</b>	<b>–</b>	<b>–</b>	<b>(37.2)</b>
<b>Cash flow after investing activities (FCF)</b>	<b>74.5</b>	<b>(24.6)</b>	<b>(19.0)</b>	<b>50.0</b>
<b>Cash flow after investing activities in property, plant and equipment and intangible assets (FCF b. M&amp;A)</b>	<b>91.1</b>	<b>(24.6)</b>	<b>(19.0)</b>	<b>66.5</b>
Dividends paid to TX Group AG shareholders	(47.7)	–	–	(47.7)
Dividends paid to non-controlling interests	(48.5)	–	–	(48.5)
Repayment of lease liabilities	(24.6)	24.6	19.0	–
Repayment of non-current financial liabilities	(6.3)	–	–	(6.3)
<b>Cash flow from / (used in) financing activities</b>	<b>(127.0)</b>	<b>24.6</b>	<b>19.0</b>	<b>(102.5)</b>
<b>Impact of currency translation</b>	<b>(0.3)</b>	<b>–</b>	<b>–</b>	<b>(0.3)</b>
<b>Change in cash and cash equivalents</b>	<b>(52.8)</b>	<b>–</b>	<b>–</b>	<b>(52.8)</b>

## Financial Impact

Impact of IFRS 16 on Financial KPI's of TX Group (based on 2023-06, in Mio. CHF)

KPI		as reported	IFRS 16 Impact	thereof OOH	adjusted	Impact
Profit and Loss Statement	Other operating expense	(101.9)	(25.7)	(20.0)	(127.5)	Shift from operating expenses to D&A
	EBITDA	86.7	(25.7)	(20.0)	61.0	
	D&A	(39.6)	23.7	18.3	(15.9)	
	EBIT	21.4	(2.0)	(1.7)	19.4	
	Financial expense	(8.8)	2.0	1.7	(6.8)	
	EBT	20.3	-	-	20.3	
Balance Sheet	Property, plant and equipment	471.5	(219.6)	(188.1)	251.9	Extension of Balance Sheet
	Liabilities	789.9	(224.5)	(191.7)	565.4	
	Equity	2'522.0	(4.9)	(3.6)	2'526.9	
	Net Liquid					
Cash flow statement	Cash flow from / (used in) operating activities	111.7	(24.6)	(19.0)	87.1	Shift from operating activities to financing activities
	Cash flow from / (used in) financing activities	(127.0)	24.6	19.0	(102.5)	



# Overview Segments

Sandro Macciaccchini

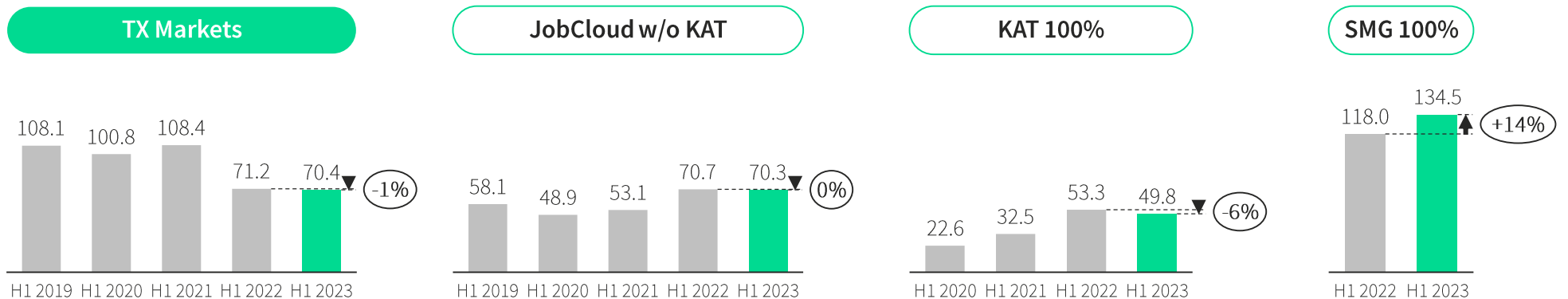
Chief Operating Officer

TX Markets

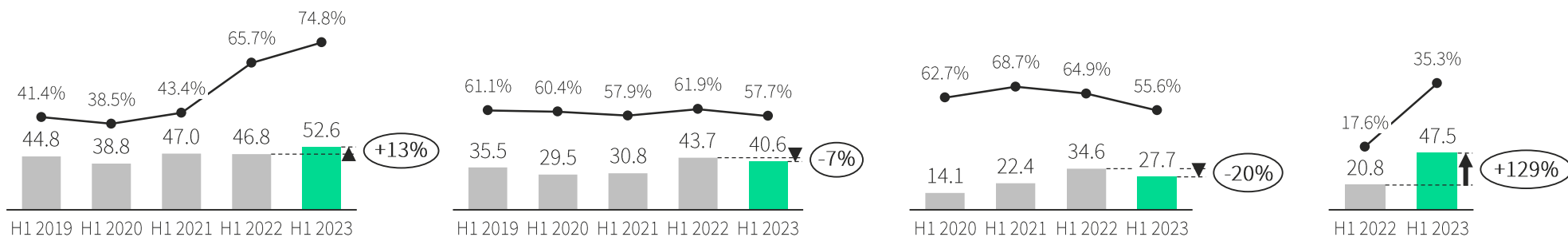
Challenging job market especially in Austria, excellent development of SMG.

in MCHF

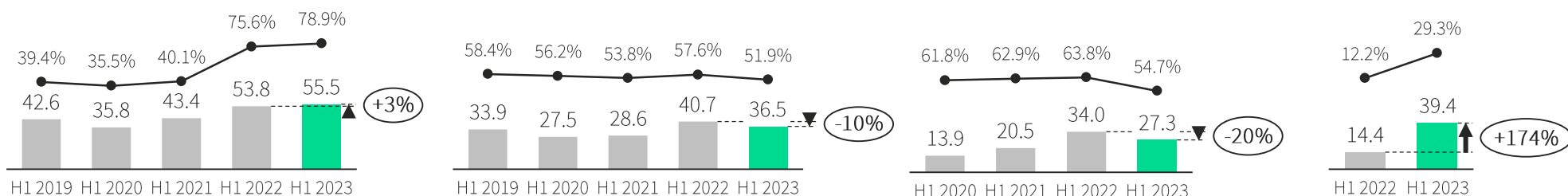
Net Revenue



EBITDA (incl. margin)



EBIT adj. (incl. margin)



SMG Share of Net Result (adj.) amounted to 10.4 MCHF in 2023 (2.7 MCHF in 2022). Share of Net Result of KAT (adj.) accounted for 10.0 MCHF in 2023 (12.4 MCHF in 2022).

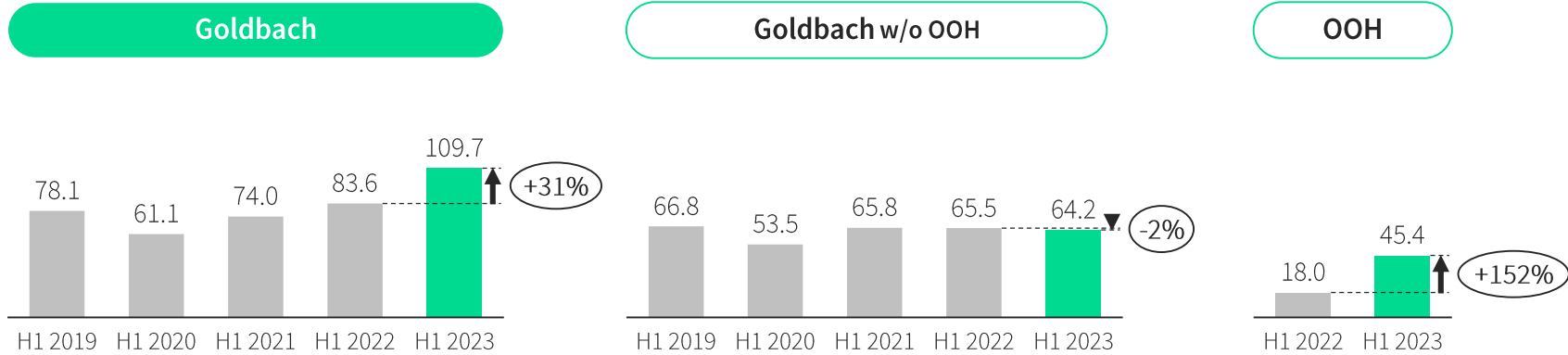


Goldbach

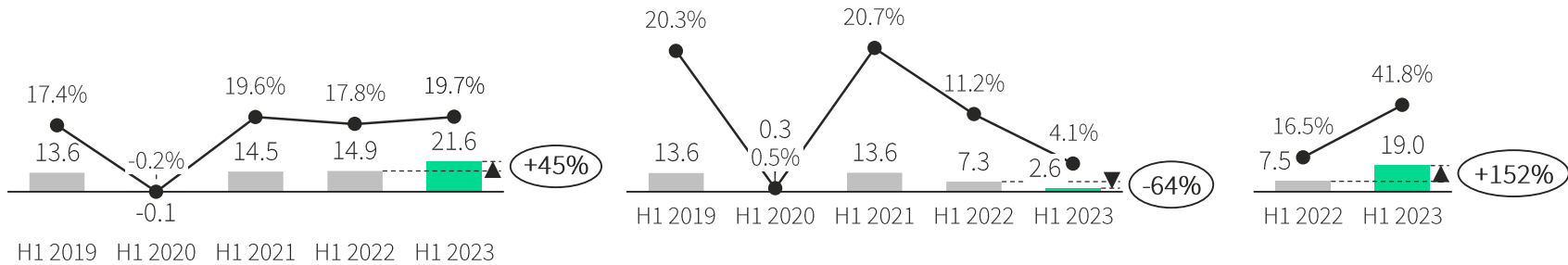
Development in the advertising market challenging, growth driven by Clear Channel Switzerland acquisition.

in MCHF

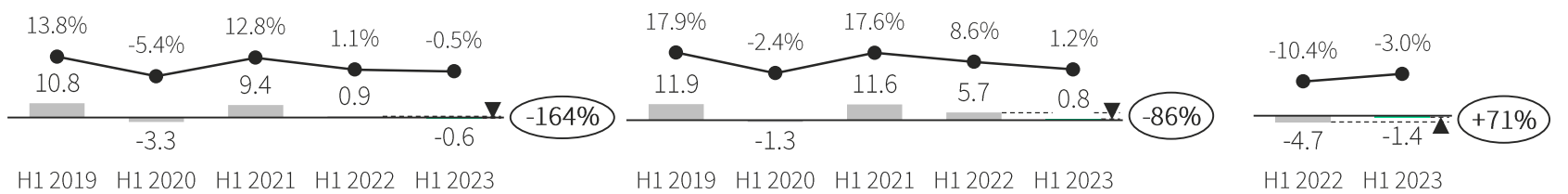
Net Revenue



EBITDA (incl. margin)



EBIT adj. (incl. margin)

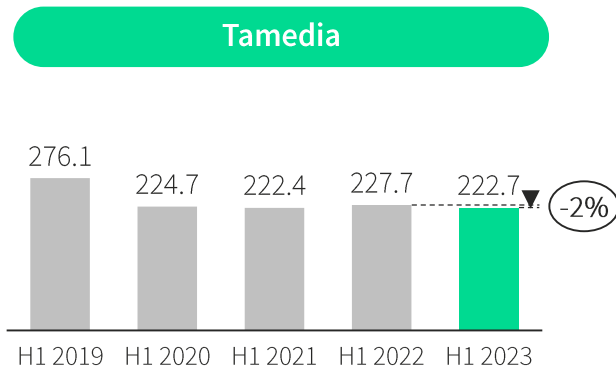
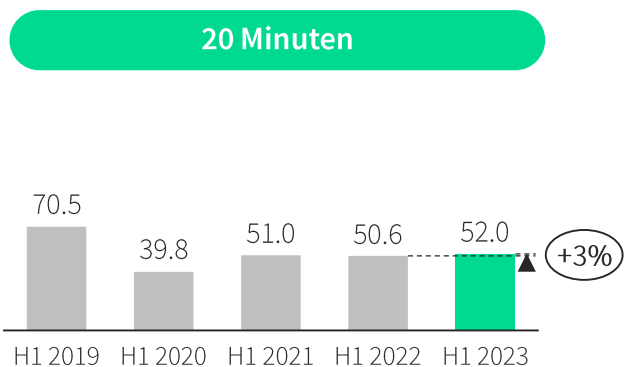


20 Minuten & Tamedia

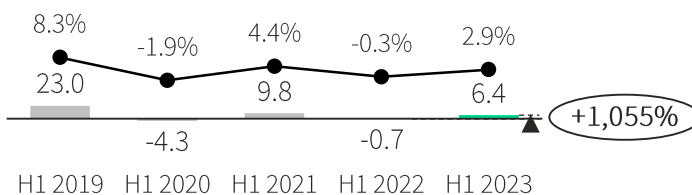
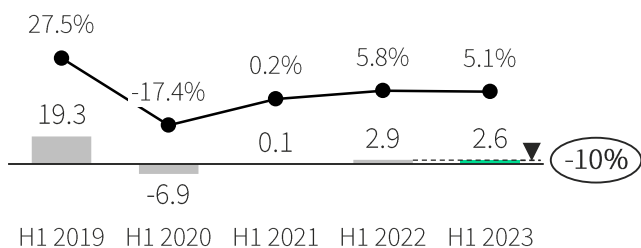
20 Minuten at previous year's level, cost discipline at Tamedia leads to improved results.

in MCHF

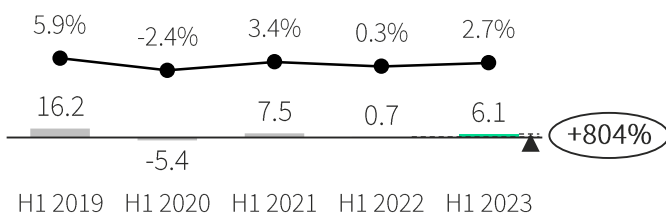
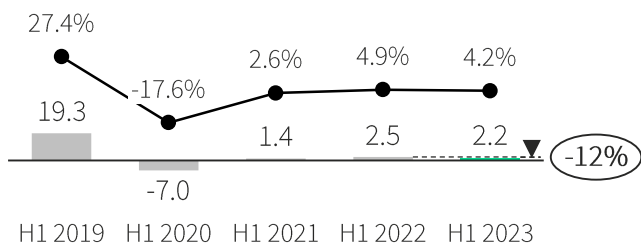
Net Revenue



EBITDA (incl. margin)



EBIT adj. (incl. margin)



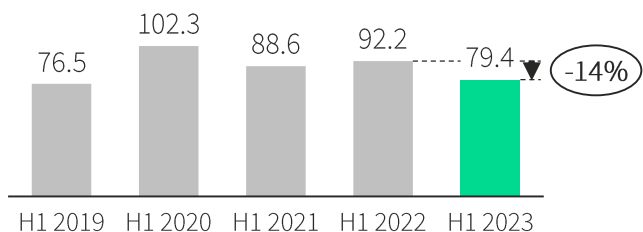
Group & TX Ventures

Slight decline in revenue at Ventures more than offset by cost savings, Group further reduces cost base.

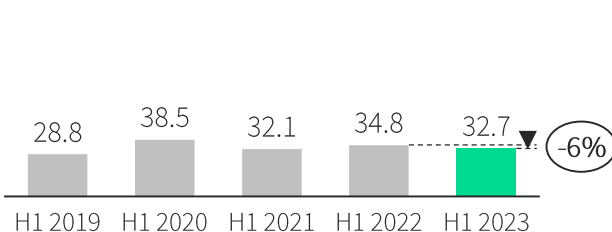
in MCHF

Net Revenue

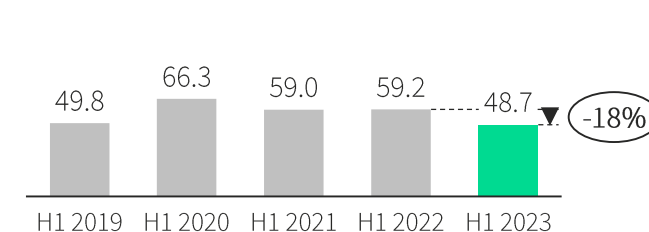
Group & Ventures



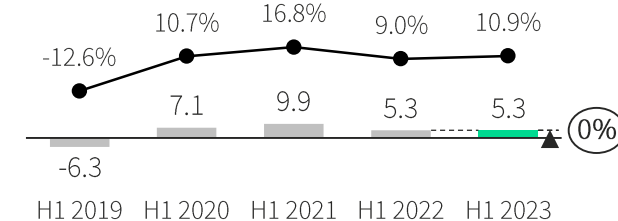
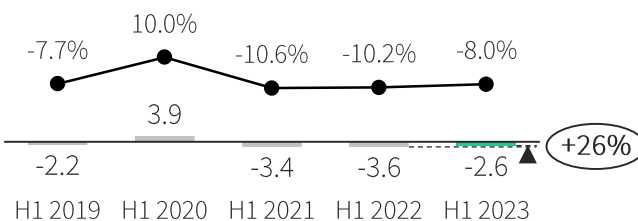
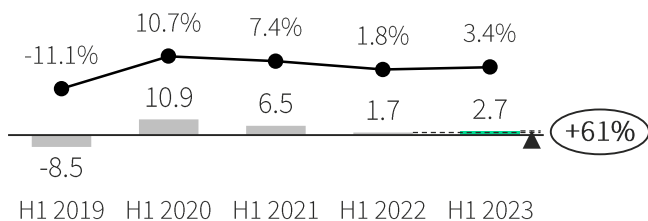
TX Ventures



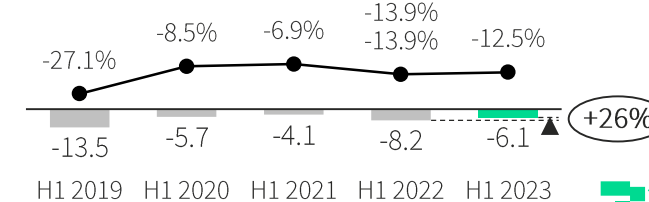
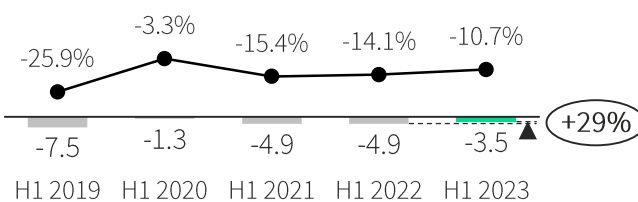
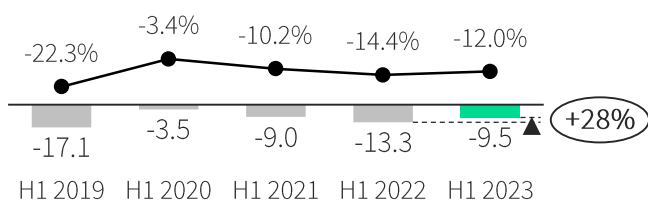
Group



EBITDA (incl. margin)



EBIT adj. (incl. margin)



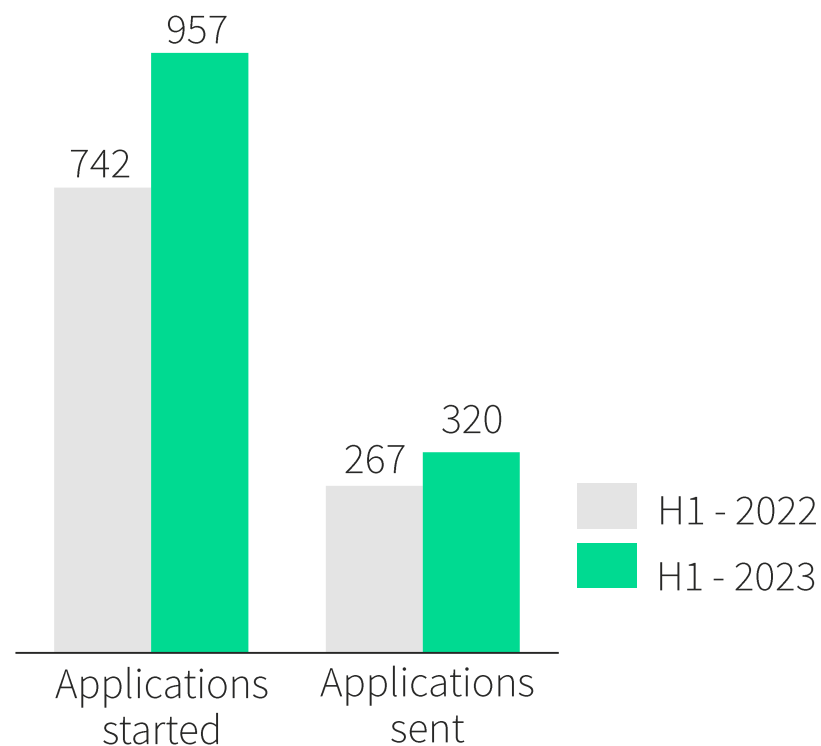
# Operational reporting

## JobCloud remains resilient

- Proven resilience even in a market environment of uncertainty
- Experiencing a “war for talent”
- Launch of new products for companies and recruiters
- Successful integration of artificial intelligence into the platforms

### Comparison of application numbers

in thousands



### karriere.at

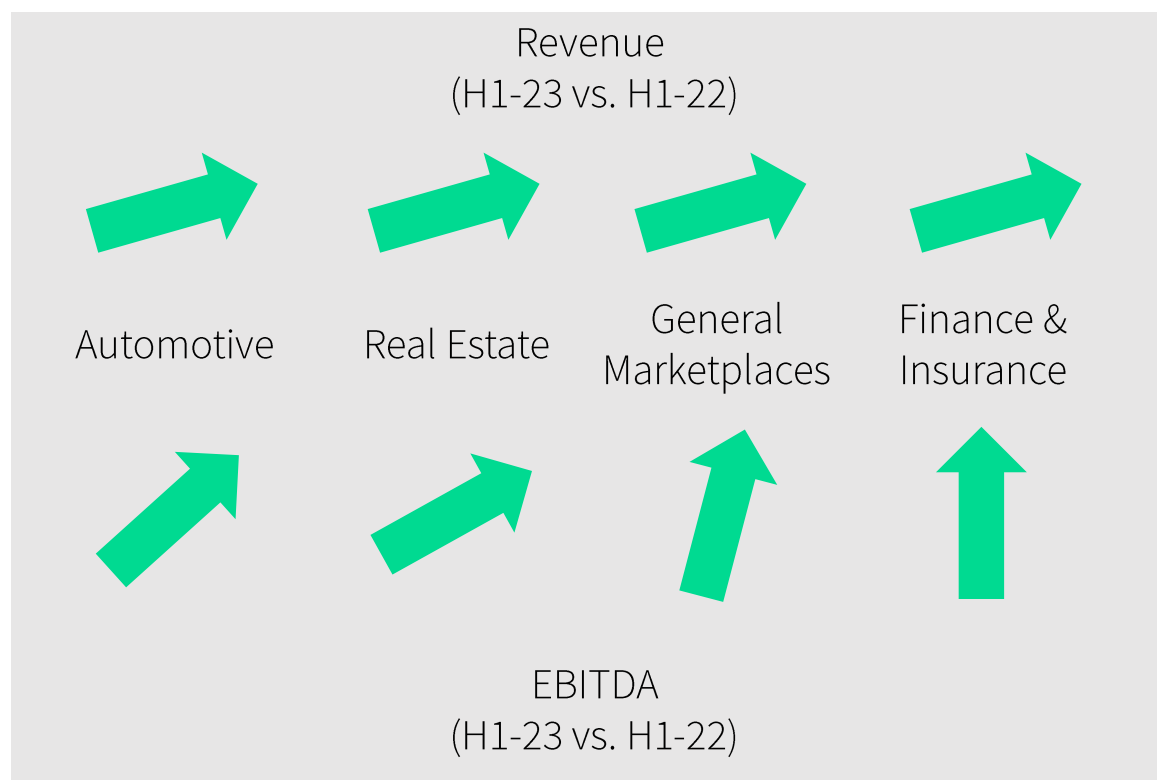
- Difficult market environment
- Persistently high inflation results in more cautious HR policy
- Negative impact on business

Operational reporting - SMG Swiss Marketplace Group

Continuous growth in all four divisions

- New CEO Christoph Tonini since February
- Changes to product/services and prices were introduced
- Intensive work to promote uniformity across technical platforms continues
- Solid foundation: Everything is in place to accelerate growth and further increase profitability

Balanced portfolio





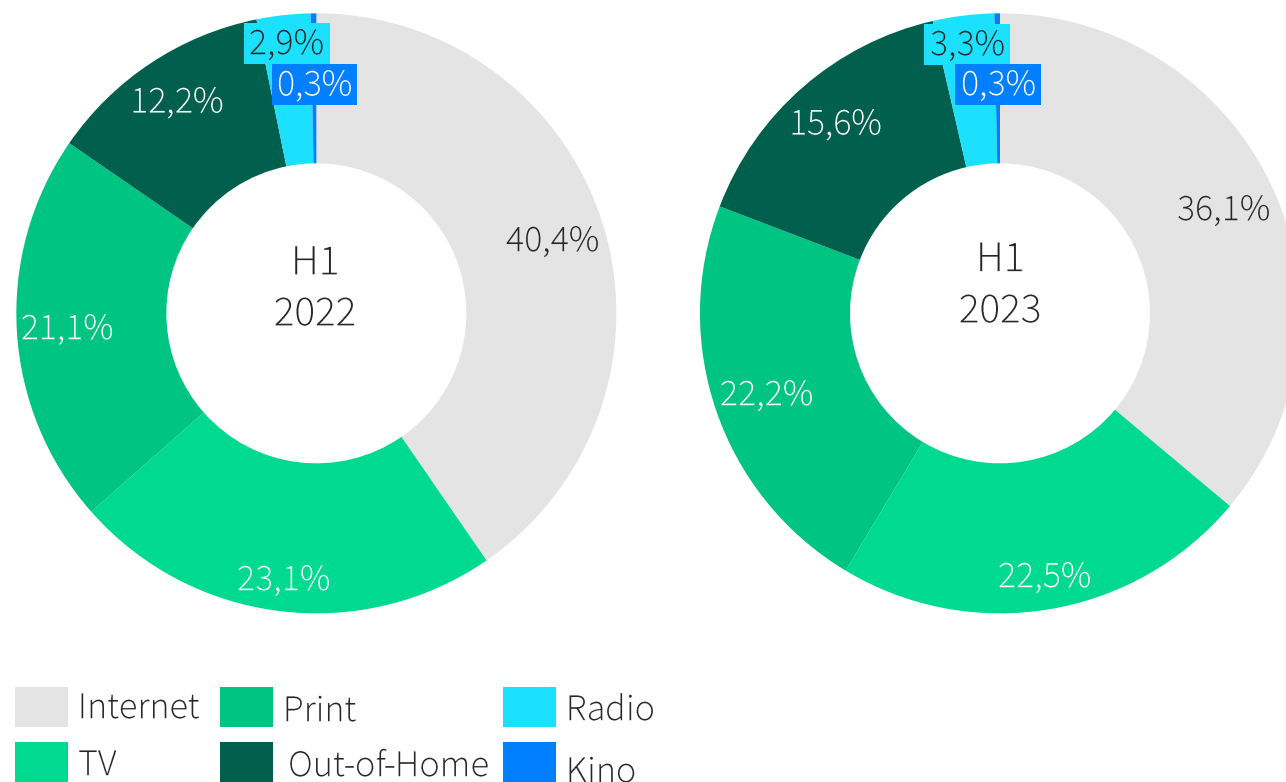
Operational reporting - Goldbach

Ongoing investment in transformation

- Market environment:
  - Advertising market remains uncertain and difficult to predict
  - Out-of-Home market is growing
- Out-of-Home
  - Acquisition of Clear Channel Switzerland has been closed end of March
  - Merger of Neo Advertising into Goldbach Neo OOH will take place end of September
  - No. 2 in Switzerland
- TV business: Acquired the marketing contract from TF1 (as of 2024)
- Ongoing investment in transformation, eg establishment of booking platform for SME

Development of media mix

Source: Media Focus Schweiz GmbH



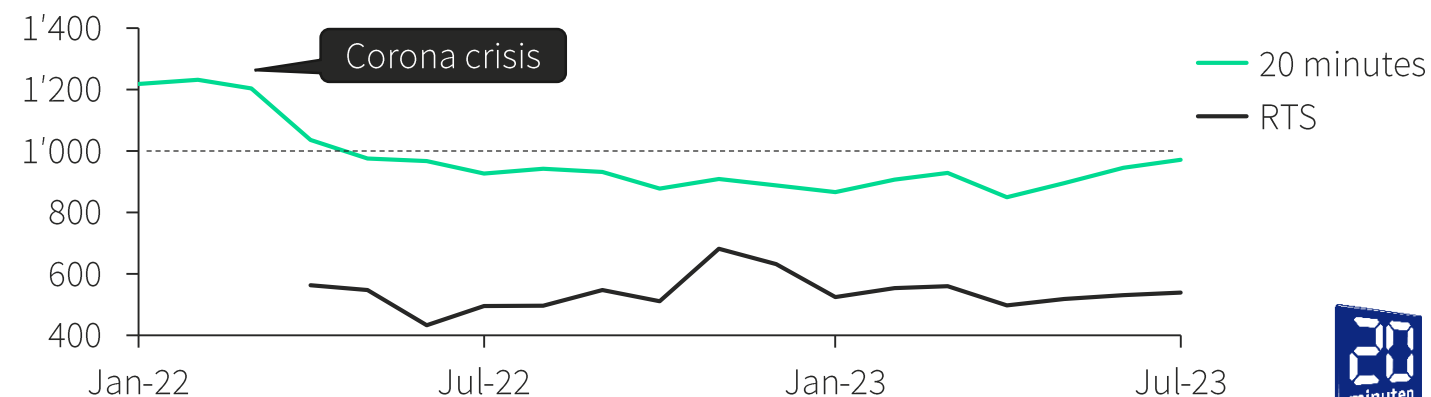
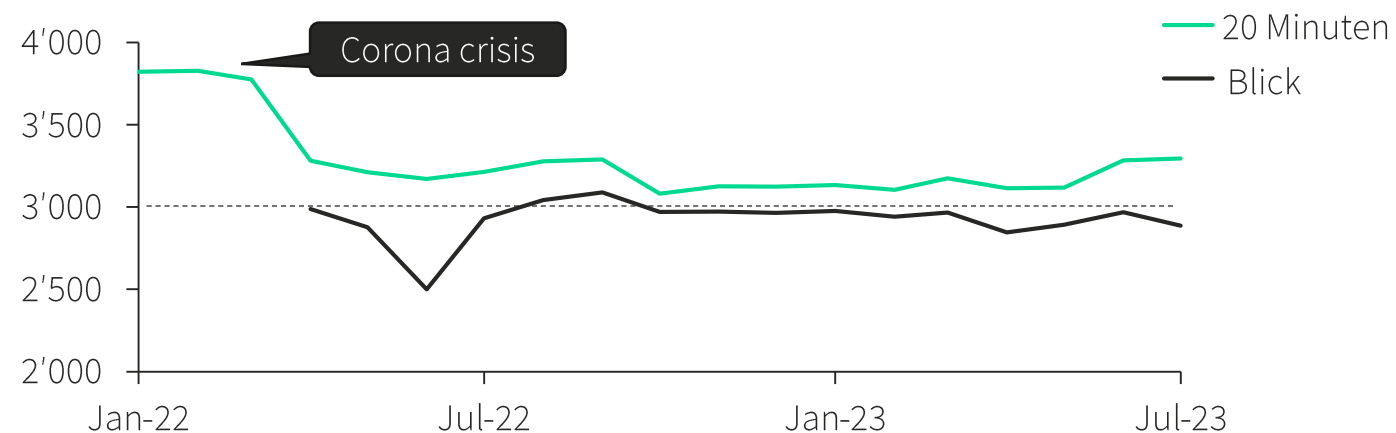
Operational reporting – 20 Minuten

Reorganization, refresh of print edition and improvement of digital presence

- Advertising revenue slightly higher but market still challenging
- User market: After a traffic drop in 2022, 20 Minuten/20 minutes managed to grow again and expand the lead
- Reorganization of the editorial team has united strengths and increased journalistic impact
- Refresh of print edition
- Continuous improvement of the digital presence
- Positive development of digital activities of L'essentiel in Luxembourg and heute.at in Austria

Visits per day (in thousands)

Source: Mediapulse Online Content Traffic Data



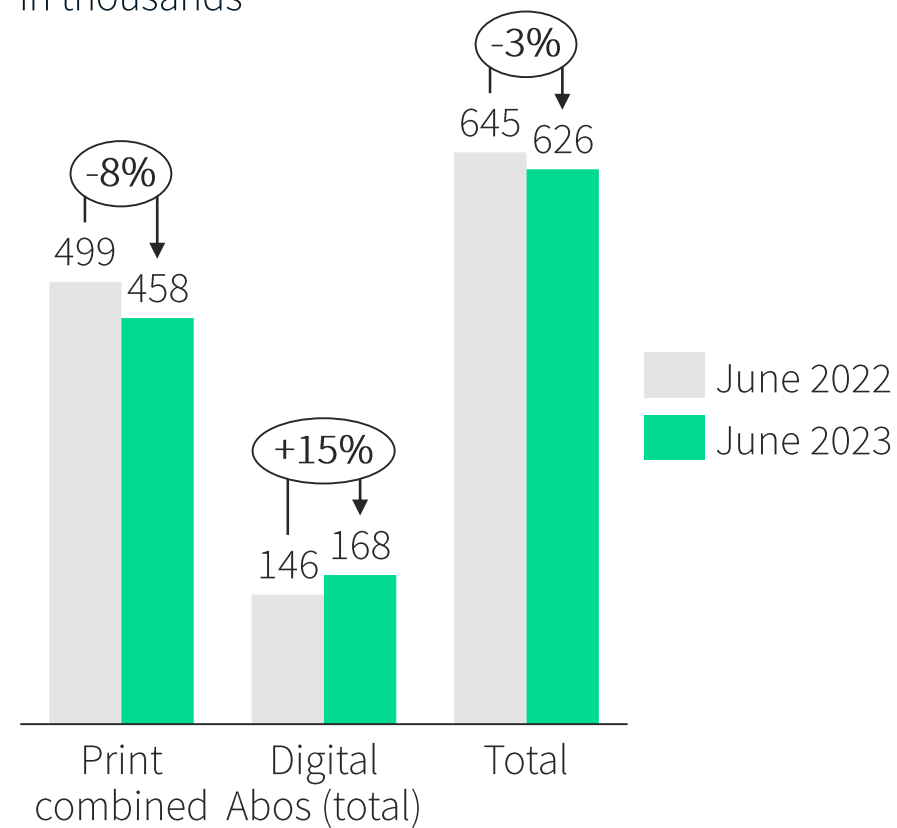
Operational reporting - Tamedia

Economic situation is improving slightly

- Enhancing structures within the Swiss German editorial team to bolster digital agility
  - Closer collaboration between Product, Editorial, Consumer Business and Technology
  - Launching several new formats (i.e. evening briefing), newsletters (free and paid) and podcasts (free and paid) to attract new users
- Launch of the first Tamedia B2B Vertical with the « VerkehrsMonitor »
  - Aiming to tap into new revenue streams alongside existing operations
  - Further monitors are being considered after a successful launch

Total subscriptions\*

in thousands



\*Figures without Berner Oberland Medien



Operational reporting - Ventures

Launch of TX Ventures Fintage Fund I



- Focus on strengthening its product offering
- Improve user satisfaction and increase the number of subscribers
- Target by the end of 2023: 100,000 paid subscriptions



- Mixed half year 2023
- Continuous grow of the direct-to-consumer segment in Switzerland
- Stagnation in Germany
- Extended contracts in the B2B segment with existing and one new customer



- Further important milestones:
  - Bank Neon exceeded the 150'000 customer mark
  - Stabelton issued the Unicorn Index AMC
  - Relio obtained a fintech licence
- New investments announced in Cashlink, Tidely and Lano
- Supervisory authority gave green light for the launch of the TX Ventures Fintage Fund I



# Financial Calender

- |                    |   |
|--------------------|---|
| <b>30 NOV 2023</b> | <b>Strategy Day</b>   |
| <b>14 MAR 2024</b> | <b>Media and Analyst Conference on Results 2023 in Zurich</b>       |
| <b>19 APR 2024</b> | <b>Annual Shareholders Meeting 2024 at Zurich Convention Center</b> |

