



TX Group Ltd
Board of Directors

General Shareholders' Meeting 2021

To the shareholders of TX Group Ltd

Zurich, 11 March 2021

Ladies and Gentlemen,

The **Ordinary General Shareholders' Meeting 2021** of TX Group Ltd will take **place as scheduled on Friday, 9 April 2021**.

The General Shareholders' Meeting will not be held with a physical presence due to the ongoing Corona pandemic, in order to protect the health of our shareholders and employees. Voting rights can only be exercised via the independent proxy.

TX Group Ltd thus complies with Ordinance 3 on measures to combat the coronavirus (Covid-19) issued by the Federal Council, in particular Article 27 on "Company Meetings", which is valid until the end of 2021.

Agenda items and motions of the Board of Directors

1. Annual report, consolidated financial statements and annual financial statements 2020 (as of 31 December 2020), auditor's reports

A Motion

The Board of Directors proposes that the auditor's reports be acknowledged and that the annual report, the consolidated financial statements and the annual financial statements for 2020 be approved.

B Comments

Revenues of TX Group reduced by CHF 143.8 million or 13.3 per cent, compared with the previous year, from CHF 1,079.5 million to CHF 935.8 million. The coronavirus crisis led to a massive decrease

in advertising revenues in 2020. Tamedia's daily and Sunday titles and the free media offered by 20 Minuten have been particularly badly affected by the reduction in revenues. A strong negative impact on revenues had also classifieds and services (especially job advertisement). Marketing and brokerage revenue and print revenue were hard hit as well. By contrast, revenues from subscriptions and individual sales remained stable compared with the previous year. The effect of the change in the group of consolidated companies is negligible.

Operating income before depreciation and amortisation (EBITDA) fell by CHF 66.2 million or 33.6 per cent to CHF 130.6 million. The EBITDA margin decreased therefore from 18.2 per cent in the previous year to 14.0 per cent. Total depreciation and amortisation increased by CHF 14.9 million from the previous year, to CHF 116.5 million. A total of CHF 9.1 million of the increase in depreciation and amortisation is attributable to increased depreciation and amortisation associated with business combinations. The increase of total depreciation and amortisation is mainly due to amortisation associated with Tamedia brands, which are amortised with effect from 1 January 2020 and amounted to CHF 11.1 million in the reporting year. Based on a goodwill impairment test for the cash-generating unit Tamedia, an impairment on goodwill in the amount of CHF 85.0 million was recorded. Operating income (EBIT) amounts to CHF -70.9 million (previous year: 70.4 million).

The parent company TX Group AG reports revenues of CHF 222.0 million (previous year CHF 439.6 million) and an operating income before depreciation and amortisation (EBITDA) of CHF 27.8 million (previous year CHF 25.2 million) for the 2020 financial year. The operating income (EBIT) amounts to CHF 12.1 million (previous year CHF 17.4 million).

In their reports to the General Shareholders' Meeting, the auditors of PricewaterhouseCoopers Ltd, Zurich, recommend that the 2020 consolidated financial statements and the 2020 annual financial statements of the parent company be approved.

2. Appropriation of net profit and determination of dividends

A Motion

Due to the negative development of TX Group's results and in order to strengthen the company, the Board of Directors proposes that no dividends shall be distributed.

3. Discharge of the members of the Board of Directors and the Group Management

Motion

The Board of Directors proposes that the members of the Board of Directors and the members of the Group Management be discharged in respect of their activities in the 2020 financial year.

4. Elections

4.1. Elections to the Board of Directors

4.1.1. Re-election of Pietro Supino as a member and Chairman of the Board of Directors

Motion

The Board of Directors proposes that Dr. Pietro Supino be re-elected as a member and Chairman of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.2. Re-election of Martin Kall as a member of the Board of Directors

Motion

The Board of Directors proposes that Mr. Martin Kall be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting. Martin Kall shall remain as Vice President and Lead Director.

4.1.3. Re-election of Pascale Bruderer as a member of the Board of Directors

Motion

The Board of Directors proposes that Ms. Pascale Bruderer be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.4. Re-election of Pierre Lamunière as a member of the Board of Directors

Motion

The Board of Directors proposes that Mr. Pierre Lamunière be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.5. Re-election of Sverre Munck as a member of the Board of Directors

Motion

The Board of Directors proposes that Dr. Sverre Munck be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.6. Re-election of Konstantin Richter as a member of the Board of Directors

Motion

The Board of Directors proposes that Mr. Konstantin Richter be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.7. Re-election of Andreas Schulthess as a member of the Board of Directors

Motion

The Board of Directors proposes that Mr. Andreas Schulthess be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.1.8. Re-election of Christoph Tonini as a member of the Board of Directors

A Motion

The Board of Directors proposes that Mr. Christoph Tonini be re-elected as a member of the Board of Directors until the end of the next Ordinary General Shareholders' Meeting.

4.2. Elections to the Compensation Committee

4.2.1. Re-election Martin Kall as a member of the Compensation Committee

Motion

The Board of Directors proposes that Mr. Martin Kall be re-elected as a member of the Compensation Committee until the end of the next General Shareholders' Meeting. Mr. Martin Kall shall remain Chairman of the Compensation Committee.

4.2.2. Re-election of Pierre Lamunière as a member of the Compensation Committee

Motion

The Board of Directors proposes that Mr. Pierre Lamunière be re-elected as a member of the Compensation Committee until the end of the next Ordinary General Shareholders' Meeting.

4.2.3. Re-election of Andreas Schulthess as a member of the Compensation Committee

Motion

The Board of Directors proposes that Mr. Andreas Schulthess be re-elected as a member of the Compensation Committee until the end of the next Ordinary General Shareholders' Meeting.

4.3. Re-election of Gabriela Wyss as independent representative of voting rights

Motion

The Board of Directors proposes that Dr. Gabriela Wyss, Attorney at Law, Zurich, be re-elected as independent representative of voting rights until the end of the next General Shareholders' Meeting.

4.4. Re-election of PricewaterhouseCoopers Ltd as auditors

Motion

The Board of Directors proposes the re-election of PricewaterhouseCoopers Ltd as the auditors for the 2021 financial year.

5. Total remuneration to the Board of Directors and Group Management

5.1. Total remuneration to the Board of Directors for the 2020 financial year

A Motion

The Board of Directors proposes that the total remuneration to the members of the Board of Directors for the 2020 financial year in the amount of CHF 2,464,386 be approved.

B Comments Details are provided in the compensation report on pages 127 et seq. of the Annual Report.

5.2. Total fixed remuneration to the Group Management for the 2020 financial year

A Motion

The Board of Directors proposes that the total fixed remuneration to the members of the Group Management for the 2020 financial year in the amount of CHF 1,864,524 be approved.

B Motion

Details are provided in the compensation report on pages 127 et seq. of the Annual Report.

5.3. Total variable remuneration to the Group Management for the 2020 financial year

A Motion

The Board of Directors proposes that the total variable remuneration to the members of the Group Management for the 2020 financial year in the amount of CHF 531,410 be approved.

B Comments

Details are provided in the compensation report on pages 127 et seq. of the Annual Report.

6. Any other business

For the Board of Directors



Dr. Pietro Supino
Chairman

Organisational Information

Annual Report, Auditor's Reports

The Annual Report, comprising the annual report, the compensation report, the annual financial statements and the consolidated financial statements for the period ending 31 December 2020 along with the reports by the external auditor will be available for consultation by shareholders at the reception of our registered office (TX Group Ltd, Werdstrasse 21, 8004 Zurich) from Thursday, 11 March 2021 and will be provided to shareholders upon request. The full Annual Report is also available on the website of TX Group Ltd for download at www.tx.group. The same applies to the Tamedia Quality Report: www.tamedia.ch.

Voting rights on the occasion of the General Shareholders' Meeting

At the General Shareholders' Meeting on 9 April 2021, shareholders entered in the share register by 6 p.m. on 1 April 2021 may exercise their voting rights exclusively by granting power to the independent proxy, Dr. iur. Gabriela Wyss, Attorney at Law, Freigutstrasse 22, 8002 Zurich. The independent proxy will vote according to the instructions received. If no instructions are given, she will vote in favour of the proposals of the Board of Directors. Should Dr. iur. Gabriela Wyss be prevented from attending the General Shareholders' Meeting, the Board of Directors shall appoint a substitute. The proxy may be granted in writing using the proxy form on the registration card or electronically according to the information and login data in the enclosure. The share register will be closed at 6 p.m. on Thursday, 1 April 2021. Electronic participation or any changes to electronically submitted instructions will be possible until 11.59 p.m. on Tuesday, 6 April 2021.

Finanz und Wirtschaft-Discount subscription

All shareholders who issue a power of attorney with their voting instructions to the independent proxy are entitled to a digital FuW subscription at half price. Existing subscriptions (print or digital) will be automatically renewed after instructions have been issued. Shareholders who have not yet taken advantage of a discounted subscription will be contacted by us after the General Shareholders' Meeting.

If you have any questions, please do not hesitate to contact Nadja Naegeli (+41 44 248 41 90 / nadja.naegeli@tx.group).