

Ad hoc release as per Art. 53 LR

Zurich, 30 August 2022

TX Group with stable revenue (organically 12% above previous year) - high paper price, investments and depreciation and amortisation affect earnings

"The environment currently holds many challenges: Pandemic, war, inflation. Coupled with the transformation of the media industry, these uncertainties are impacting the results of our traditional companies Goldbach, Tamedia and 20 Minuten, mainly in terms of profitability. It is in these difficult times that we are devoting our attention to the transformation in journalism and advertising. Sustainable business models must be developed and established so that we can fulfil our role in a free society - it is and remains both irreplaceable and indispensable."

Pietro Supino, Publisher and Chairman of TX Group

Amid a difficult economic environment, TX Group managed to organically increase its revenues by 12% during the first half of the year. This increase is mainly due to the excellent development of the JobCloud job portals (TX Group holds 50%) as well as Goldbach's new business in the area of out-of-home advertising. The scope of consolidation significantly changed with the establishment of the Swiss Marketplace Group SMG (TX Group holds 30.76%) in November 2021. The resulting operating income loss of CHF 55 million was almost entirely offset. On a consolidated basis, operating income decreased by only approximately 2% to CHF 445.7 million.

The TX Group suffered a setback in its operating result (EBIT b. PPA), dropping 40% to CHF 28.7 million. The high paper prices, investments in marketing for out-of-home advertising and high PPA amortisation due to the newly established SMG had a negative impact. In addition, the "Corona emergency aid" received in 2021 in the amount of CHF 3.1 million was repaid to the federal government during the first half of 2022, thus also negatively impacting the result. Cash flow after investing activities (FCF) doubled compared to the previous year: In addition to an improved operating cash flow, the sale of Moneypark was a success.

Key Figures	2022	2021	Change³
	in CHF mn	in CHF mn	in per cent
TX Group			
Revenues	445.7	453.3	-1.7
Operating income / (loss) before depreciation and amortisation (EBITDA)	61.5	72.5	-15.1
Margin in % ¹	13.8	16.0	-2.2p
Operating income / (loss) before effects of business combinations (EBIT b. PPA)	28.7	48.2	-40.4
Margin in % ¹	6.4	10.6	-4.2p
Operating income / (loss) (EBIT)	3.7	15.4	-76.2
Margin in % ¹	0.8	3.4	-2.6p
Operating income (EBIT adj.)	40.6	47.2	-13.9
Margin in % ¹	9.2	10.4	-1.3p
Net income / (loss) (EAT)	1.0	21.2	-95.2
Margin in % ¹	0.2	4.7	-4.5p
Cash flow from / (used in) operating activities	66.0	61.6	8.1
Cash flow after investing activities in property, plant and equipment and intangible assets (FCF b. M&A)	50.3	49.3	2.0
Cash flow after investing activities (FCF)	89.8	45.3	98.3
Total assets	3 377.9	2 776.9	21.6
Equity ratio in % ²	78.0	74.7	3.3
TX Markets			
Revenues	71.2	108.4	-34.3
EBIT adj.	53.8	43.4	23.9
Margin in % ¹	75.6	40.1	35.5p
Goldbach			
Revenues	83.6	74.0	12.9
EBIT (adj.)	0.9	9.4	-90.1
Margin in % ¹	1.1	12.8	-11.6p
20 Minuten			
Revenues	50.6	51.0	-0.8
EBIT (adj.)	2.5	1.4	82.7
Margin in % ¹	4.9	2.6	2.2p
Tamedia			
Revenues	227.7	222.4	2.4
EBIT (adj.)	0.7	7.5	-91.0
Margin in % ¹	0.3	3.4	-3.1p
Group & Ventures			
Revenues	92.2	88.6	4.0
EBIT (adj.)	-13.3	-9.0	47.4
Margin in % ¹	-14.4	-10.2	-4.2p

¹ As a percentage of revenue

² Equity to total assets

³ No indication is given for changes in comparative variables with different signs (n.a.). The change in relative values (e.g. margins) is given in percentage points (p)

Alternative key performance figures



TX Group uses the following alternative key performance figures: Operating income / (loss) before depreciation and amortisation (EBITDA), Operating income / (loss) before effects of business combinations (EBIT b. PPA), Cash flow after investing activities in property, plant and equipment and intangible assets (FCF b. M&A), Normalised consolidated income statement

Details about the segments

TX Markets: JobCloud performed exceptionally well

The TX Markets segment performed exceptionally well during the first half of the year, reaching an EBIT (adj.) of CHF 53.8 million. The job platforms of JobCloud (TX Group holds 50% in the joint venture, fully consolidated) contributed significantly to the result. JobCloud was able to grow both in terms of new orders (+36% year-on-year) and new customers (+23% year-on-year). As a result, the company's clear market leadership in Switzerland was expanded. The Austrian job platform Karriere.at (TX Group indirectly holds 24.5%, as JobCloud AG holds 49%) also developed very positively and grew strongly. The Swiss Marketplace Group (TX Group holds 30.76%) is also an important investment in the segment. Despite the dried-up markets in the vehicle and real estate sectors, SMG's operating business performed well during the first half of the year. In parallel, the young company is focusing on building up its management team and operational structures. Initial synergies were achieved by optimising marketing expenses and reorganisation.

Goldbach: Significant increase in sales in out-of-home advertising

Goldbach experienced the adverse effects of the war and the pandemic on the advertising market as a whole during the first half of the year. EBIT (adj.) fell to CHF 0.9 million, while the margin was just over 1%. Operating income rose to a good CHF 83.6 million. The increase was largely due to the marketing launch of the out-of-home advertising spaces in the newly acquired inventories. At the earnings level, the out-of-home advertising and the new inventory have not yet had an impact. Not surprisingly, this area had a negative impact on the result in the first half of the year: many of the new inventories had to be digitalized before they could be marketed (start-up effect), and long-term experience shows that the second half of the year is more profitable than the first. The core businesses of print and TV are still under pressure. Revenues are slightly down on the previous year due to the current circumstances and loss of reach associated with time-shifted viewing (TV) and digital transformation (print). Compensation through new forms of advertising in the area of time-shifted use is being sought for the TV area. In the print segment, Goldbach is able to partially compensate for lower advertising expenses by expanding its third-party marketing business.

20 Minutes: The most widely used news offering in Switzerland

EBIT (adj.) amounted to CHF 2.5 million, with the margin at just under 5%. The earning results remain modest even in the second year after the outbreak of the pandemic. 20 Minuten felt the effects of the Corona crisis in both the advertising and user markets. The war in Ukraine and the uncertain economic situation also weighed on advertising revenues. Overall, operating income was virtually unchanged from the prior-year period at just over CHF 50 million. In the user market, the printed circulations slowly recovered and settled at nearly 20% below the value of 2019. 20 Minuten continues to be the most-used news offering in Switzerland. 20 Minuten's international business with stakes in the free newspaper Heute (publisher AHV Verlag, TX Group holds 25.5%) and heute.at (publisher DJ Digitale Medien, TX Group holds 51%) in Austria and Edita/ L'essentiel (TX Group holds 50%) in Luxembourg performed well, while the digital offering in Austria was outstanding.

Tamedia: In the midst of transformation

The economic effects of the Corona crisis and the Ukraine war had a significant impact on Tamedia. EBIT (adj.) decreased significantly in the first half of 2022 and amounted to CHF 0.7 million, while the margin was 0.3%. The high paper price and the payback to the federal government of the CHF 3.1 million "Corona

emergency aid" received in 2021 strained the results in the first half of 2022. At the same time, economic uncertainty, problems in the supply chains and war reporting are having a negative effect on advertising sales. Revenues increased slightly, primarily as a result of the higher paper price in third-party business which internally led to higher production costs passed on to the third parties without margin. The digital transformation of its business remains the dominant theme for Tamedia. Customer retention across all channels and increasing the number of digital paid subscriptions are top priorities. At mid-year, the number of paid subscriptions was 646,000 and Tamedia recorded around 146,000 digital-only subscribers, a slight increase on the previous year. The successful introduction of new software in the subscription area at the end of 2021 contributed to this. It enables better segmentation and an optimised approach to the target groups. This helped to increase the number of new subscriptions in the first half, while in the spring an increased number of cancellations from the so-called "lockdown subscriptions" was recorded.

Group & Ventures: Cost savings on targeted level at Group level.

The operating result (EBIT adj.) amounted to CHF -13.3 million (previous year CHF -9.0 million). The Group was able to further optimise costs thanks to ongoing flexibility enhancements to its offering and optimization of processes and systems. The goal communicated two years ago, whereby CHF 20 million in savings would be achieved at Group level by the end of 2023, continues to be in effect and is being implemented consistently. The simplification and digitalisation of processes and, where appropriate, the decentralisation of organisational units will continue to be driven forward in the future. Increased costs in the first half of the year compared with the same period of the previous year are mainly due to the establishment of the service centre in Belgrade, a resumption of travel activities, and del credere adjustments. In the first half of 2022, the TX Group made investments in both existing portfolio companies such as Selma and new start-ups such as Stableton. The exit from Moneypark in spring 2022 was a success. The two majority holdings, Doodle and Zattoo, can look back on an eventful first six months. Doodle was able to create the best conditions for product development and product innovations by switching to a new backend. The shift towards more B2B customers (subscription) is progressing. Zattoo continued to grow its user base in Switzerland, focusing on acquiring new customers in the B2B segment.

Organisational details

Analyst conference in English today, 30 August 2022

Time	14:30 - 15:30 a.m.
Location	Presseclub, Werdstrasse 21, 8004 Zürich
Webcast	Link
Questions via dial-in	+41 (0) 58 310 50 00 Please dial in a few minutes before the conference starts.

Kontakt

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About TX Group

TX Group forms a network of platforms and associates that offers users information, orientation, entertainment and assistance for their daily lives. Its roots lie in journalism with Tamedia's diverse newspapers and the media offered by 20 Minuten. The portfolio is supplemented by the advertising



marketer Goldbach. TX Group is the anchor shareholder of the SMG Swiss Marketplace Group and of Jobcloud, holds majority interests in Doodle and Zattoo and is involved in the area of fintech as a venture investor. The company, established in 1893, has been listed on the Swiss stock exchange since 2000.

www.tx.group