

Ad hoc-announcement pursuant to Art. 53 KR

Zurich, 9 March 2023

TX Group increases organic revenue by circa 7 per cent and closes the 2022 financial year with a normalised operating income of CHF 100 million

«Our newspapers and digital platforms strive to be reliable sources and to offer perspectives - every day. Contrary to the content-related performance review, the financial results for the year 2022 are not satisfying. Our companies Tamedia, 20 Minuten and Goldbach did not perform up to expectations. Very pleasant was the development of the TX Markets segment: JobCloud was able to continue its growth course in Switzerland and the performance of karriere.at in Austria was also excellent. SMG Swiss Marketplace Group, founded at the end of 2021, is established and has very good prospects. The Group's decentralised structure introduced three years ago creates transparency. It facilitates the ability to identify operational weaknesses that need to be addressed within the companies. And it has made the value of the group more visible as the sum of its parts. The development must be pursued at both levels.»

Pietro Supino, Publisher & President of TX Group

Key results for 2022

Thanks to a positive development of the job market (JobCloud), the growth in out-of-home advertising (Neo Advertising) and higher print revenues, organic revenue grew by 6.7% in 2022. The decline in consolidated revenue is due to the deconsolidation of Homegate, Ricordo, Tutti and car4you, associated with the establishment of the SMG Swiss Marketplace Group in November 2021. Main reasons for the decline in the operating income were high PPA amortisation of SMG, investments in the out-of-home advertising business, high paper prices and the implications of the uncertain economic environment for the advertising market. Meanwhile, operating costs were reduced compared to the same period last year.

- **Revenue:** Consolidated revenue decreased by CHF 32.2 million to CHF 925.2 million (-3%), while organic revenue increased by CHF 57.8 million to CHF 925.2 million (+6.7%).
- **Operating income:** Operating income before the effects of business combinations (EBIT b. PPA) fell by 56.2% to CHF 56.0 million. The margin was 6.0% (previous year 13.4%). Normalised operating income (EBIT adj.) fell by 22% to CHF 100.1 million, the respective margin was 10.8% (previous year 13.4%). Impairments at the associated companies, the higher paper price, investments in out-of-home advertising and the uncertain economic environment negatively impacted profitability.
- **Net income (EAT):** EAT decreased significantly from 832.7 million to -4.6 million CHF. The result was largely influenced by the decline in the financial result from CHF 789.6 million to CHF 2.3 million. This is due to last year's effect of CHF 778.5 million, achieved through the contribution of TX Markets AG shares to the new joint venture SMG Swiss Marketplace Group AG.
- **Investments:** Total investments amounted to CHF 131.0 million (previous year CHF 82.1 million). Most of the investments in tangible and intangible assets were made in the renovation of the Werdareal premises in Zurich, in new advertising inventory in the out-of-home sector and in IT infrastructure. CHF 96.3 million (previous year CHF 41.8 million) were invested in financial assets, including an investment in time deposits of CHF 70.0 million.
- **Cash flow:** Operating cash flow net of investing activities in property, plant and equipment and intangible assets (FCF b. M&A) decreased by 38.8 per cent to CHF 79.6 million. Free cash flow b. M&A after dividends to minorities and repayment of lease liabilities, which forms the basis for the ordinary dividend distribution, amounted to CHF 7.8 million after deduction of higher profit distributions to minority shareholders (JobCloud and Goldbach) and repayments of lease liabilities (Neo Advertising).
- **Net liquidity:** Year-end 2022 net liquidity was CHF 140.1 million (previous year CHF 302.8 million). The main drivers were the payment of a dividend for the 2021 financial year and the steep increase in leasing liabilities resulting from additional analogue and digital advertising space leased by Neo Advertising.

Dividends

The Board of Directors of TX Group proposes to the Annual General Meeting the distribution of a regular dividend of CHF 0.30 and a special dividend of CHF 4.20 per share for the year 2022. The special dividend will be paid out in three tranches in 2022, 2023 and 2024 and will be funded by the cash inflow of CHF 135 million resulting from the merger of the digital marketplaces into SMG Swiss Marketplace Group. In total, the Board of Directors of TX Group proposes a dividend of CHF 4.50 per share for the financial year 2022. Provided that the shareholders approve the dividend at the Annual General Meeting on 14 April 2023, the dividend will be paid on 20 April 2023 to the shareholders registered as of 19 April 2023.

Change in the board of directors

The Board of Directors of TX Group proposes the election of Dr. Stephanie Caspar and Claudia Coninx-Kaczynski to the Board of Directors at the Annual General Meeting. As already announced, Christoph Tonini will step down from the Board of Directors of TX Group following his election as CEO and Board Delegate of SMG Swiss Marketplace Group. Andreas Schulthess has decided to not renew his mandate. In accordance with the family-internal rotation, Claudia Coninx-Kaczynski, who belongs to the same family line of the founding family, shall succeed him. Andreas Schulthess will remain associated with the TX Group as a member of the pool of family shareholders.

Dr Stephanie Caspar (D/1973) is a partner in the private equity firm Summa Equity, where she is responsible for the global portfolio. She has been a member of the Supervisory Board of Tonies as well as

Galileo Global Education since 2022. From 2013 to 2022, Stephanie Caspar worked at Axel Springer SE. In 2018, she was appointed to the Executive Board of Axel Springer SE, first leading the Technology and Data division, later the national media business and most recently the digital marketplace and classifieds division. Caspar began her career at McKinsey & Company. This was followed by management positions at Ebay and Immobilienscout24, before she established the online shop Mirapodo for the Otto Group as founder and managing director. Stephanie Caspar holds a doctorate in business administration.

Claudia Coninx-Kaczynski (CH/1973) has been a member of the Board of Directors of Forbo Holding AG since April 2014 and is also a member of the Personnel and Nomination Committee and the Compensation Committee. She is additionally a member of the boards of directors of Swisscontent AG and Awina AG, as well as other boards of foundations and committees. From 2006 to 2011, she managed the business of Färbi Immobilien AG (later Rietpark Immobilien AG) in Zurich. She thereafter executed various projects for P.A. Media AG and Swisscontent AG in Zurich until 2014, including in the area of M&A. Claudia Coninx-Kaczynski is a member of the founding family of TX Group AG. She was already a member of the Board of Directors of TX Group AG (formerly Tamedia AG) from 2013 to 2016. She studied law (lic. iur.) at the University of Zurich and holds a Master of Law (LL.M.) from the London School of Economics and Political Sciences (LSE).

Key Figures	2022 in CHF mn	2021 in CHF mn	Change in per cent
TX Group			
Revenues	925.2	957.4	-3.4%
Operating income / (loss) before depreciation and amortisation (EBITDA)	123.8	177.7	-30.3%
Margin in % ¹	13.4	18.6	-5.2%p
Operating income / (loss) before effects of business combinations (EBIT b. PPA)	56.0	127.9	-56.2%
Margin in % ¹	6.0	13.4	-7.4%p
Operating income / (loss) (EBIT)	5.9	63.3	-90.7%
Margin in % ¹	0.6	6.6	-6.0%p
Operating income (EBIT adj.)	100.1	128.3	-22.0%
Margin in % ¹	10.8	13.4	-2.6%p
Net income / (loss) (EAT)	-4.6	832.7	-100.6%
Margin in % ¹	-100.6	87.0	-187.6%p
Net income / (loss) (EAT adj.)	79.5	102.0	-22.1%
Margin in % ¹	8.6	10.7	-2.0%p
Cash flow from / (used in) operating activities	110.1	160.6	-31.4%
Cash flow after investing activities in property, plant and equipment and intangible assets (FCF b. M&A)	79.6	130.1	-38.8%
Cash flow after investing activities (FCF)	32.4	226.8	-85.7%
Total assets	3 373.4	3 763.4	-10.4%
Equity ratio in % ²	78.0	79.2	-1.2%p
TX Markets			
Revenues	139.7	205.1	-31.9%
EBIT adj.	93.2	88.1	5.9%
Margin in % ¹	66.7	42.9	23.8%p
Goldbach			
Revenues	191.5	174.5	9.8%
EBIT adj.	21.2	34.4	-38.5%
Margin in % ¹	11.1	19.7	-8.7%p
20 Minuten			
Revenues	115.0	123.8	-7.1%
EBIT adj.	15.3	18.7	-18.4%
Margin in % ¹	13.3	15.1	-1.8%p
Tamedia			
Revenues	464.4	459.3	1.1%
EBIT adj.	6.7	18.2	-63.0%
Margin in % ¹	1.4	4.0	-2.5%p
Group & Ventures			
Revenues	180.6	185.0	-2.4%
EBIT adj.	-25.7	-20.6	24.6%
Margin in % ¹	-14.2	-11.1	-3.1%p

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 Performance Indicators: TX Group uses the following alternative performance indicators: Operating income before depreciation and amortisation (EBITDA), Operating income 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 (key figures of the normalised consolidated income statement are referred to as adjusted, for example EBIT adj.).



Details about the segments

TX Markets: JobCloud continues to grow - SMG is established and shows great potential

The TX Markets segment developed positively in the financial year and achieved an EBIT adj. of CHF 93.2 million (+5.9%). Particularly the participations in the job portal JobCloud in Switzerland (fully consolidated, with TX Group holding 50% of the capital) and in karriere.at in Austria (TX Group indirectly holds 24.5%, as JobCloud AG holds 49%) performed extremely well thanks to a considerable increase in orders and new customers. The company SMG Swiss Marketplace Group (TX Group holds 30.74%, at-equity consolidation), which was founded in November 2021, focused on finalising its management team during the reporting year and establishing its structures. In spite of the difficult economic situation, the digital platforms business developed favourably as a whole. As a result of the realignment in the automotive sector, intangible assets created in the course of the merger had to be written off, burdening TX Group's result. A new CEO, Christoph Tonini, has been leading the company since 1 February 2023. The ideal starting position of the now established SMG can now be used for accelerated growth and further increased profitability.

Goldbach: Investments in transformation

Goldbach was able to close the 2022 reporting year with revenue growth thanks to out-of-home advertising. The other categories could not capitalise as well as in the previous year as a result of the declining usage and the challenging environment of the advertising market. Goldbach is investing in the transformation of the company and in the development and expansion of a cross-media booking platform, thereby burdening the result. Overall, a decline in EBIT adj. to CHF 21.2 million (-39.9%) was recorded. With Clear Channel Switzerland, a strategically relevant acquisition, was announced in December. In the meantime, the acquisition has been approved by the Swiss Competition Commission and the remaining closing conditions should be fulfilled within a few weeks. The combination of Clear Channel Switzerland and Neo Advertising will significantly improve Goldbach's market position in out-of-home advertising.

20 Minuten: Swiss media brand with the widest reach

The EBIT adj. of 20 Minuten fell by 18.4% to CHF 15.3 million. The situation on the advertising market remains challenging. The high paper price also had a negative impact on the business result. It is encouraging that 20 Minuten was able to secure its position as the Swiss media brand with the widest reach. In addition, the digital transformation of the business is well underway with a 73% share of revenue.

Tamedia: High paper prices impact result

In the reporting year, Tamedia recorded a slight increase in revenues compared to the previous year. However, EBIT adj. declined to CHF 6.7 million (previous year CHF 18.2 million, -63%). Higher paper and energy costs had an impact on operating expenses, which increased significantly compared to the previous year. Tamedia is pursuing the goal of compensating for the losses in print subscriptions by selling digital subscriptions. By the end of December 2022, the company had a total of more than 150,000 digital subscriptions.

Group & Ventures: Cost savings on track at Group level

The Group continued to make its product range more flexible and to optimise its processes and systems, thus realising cost savings. The expanded activities of the service centre in Belgrade also contributed to this. The target announced over two years ago to save CHF 20 million by the end of 2023 at Group level remains valid. In the ventures sector, the significant correction in technology stocks also left its mark on young start-ups. Valuations declined significantly for new investments, offering better entry opportunities.

Regarding existing investments, TX Ventures supports its portfolio companies to extend the time to follow-on financing, either by implementing cost efficiency programmes and/or raising additional funding.

Detailed information on the normalised income statement can be found on page 63 of the annual report.

Organisational information

Analyst conference in English today, 9 March 2023

Time	10:00 - 11:00 a.m.
Place	Werdstrasse 21, 8004 Zurich or virtually
Webcast	Link
Questions via Dial-in or Google Meet	+41 (0) 58 310 50 00 Please dial in a few minutes before the start of the conference

Media talk “Tamedia” in German today, 9 March 2023

Time	11:15 a.m. - 12:15 p.m.
Place	Werdstrasse 21, 8004 Zurich

Contact

Ursula Nötzli, Chief Communications & Sustainability Officer, Member of the Executive Board
+41 79 462 52 45, ursula.noetzli@tx.group

About TX Group

The TX Group forms a network of platforms and participations that offers users information, orientation, entertainment and assistance for everyday life on a daily basis. Its roots lie in journalism with the diverse newspapers of Tamedia and the free media of 20 Minuten. The portfolio is complemented by the advertising marketer Goldbach. The TX Group is an anchor shareholder of the SMG Swiss Marketplace Group and JobCloud, holds majority stakes in Doodle and Zattoo and is an investor in the fintech sector through TX Ventures. Founded in 1893, TX Group has been listed on the Swiss stock exchange since 2000. www.tx.group