



Basel, 25 March 2021

MCH Group: Result and Annual Report 2020

Embarking on the future

- **In the 2020 financial year, the MCH Group laid the foundations for the successful management of the Covid-19 situation and its corporate development.**
- **With a strengthened capital structure, shareholder base and corporate management, the strategy implementation will continue to be intensively driven forward.**
- **Although business operations were largely at a standstill in many areas in 2020, sales of CHF 188 million were generated. The goal is to return to the 2019 level in 2022.**

In the 2020 financial year, despite the exceedingly difficult conditions due to the Covid-19 pandemic, the MCH Group was able to lay the foundation for the path to a successful future. With the capital increases, the entry of Lupa Systems and the renewal of the Board of Directors, it proved possible to strengthen the capital structure, the shareholder base and the company management. In parallel to the operational measures for overcoming the Covid-19 situation, numerous innovative projects were developed and successfully implemented. Preparations for the time after the pandemic are in full swing.

Continued existence of the company secured

It was naturally not possible to offset the negative financial consequences of the Covid-19 pandemic. Despite this, it is remarkable that the MCH Group was able to generate operating income of CHF 188.0 million in the course of the 2020 financial year. This is, however, CHF 257.2 million, or almost 60%, below the figure for the previous year. The group's EBITDA amounts to CHF -45.1 million (previous year CHF 22.1 million) and its EBIT is CHF -66.1 million (previous year CHF -2.7 million). The loss for the year amounts to CHF -72.2 million (previous year CHF -9.9 million).

Cash and cash equivalents at the end of the 2020 financial year total CHF 130.1 million, thus securing the company's continued existence beyond the current financial year. Despite the inflow of CHF 71.1 million as a result of the capital increase, cash and cash equivalents have fallen by CHF 8.2 million compared with the previous year. Shareholders' equity totals CHF 67.3 million as per 31.12.2020, with an equity ratio of 16.8%.

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At the moment, the framework conditions cannot be expected to improve until the second half of 2021, with a return to normal in 2022. The MCH Group thus has to expect another substantial loss for the 2021 financial year, although this will be significantly lower than the loss for 2020. Attainment of the break-event point will therefore be shifted from the 2021 financial year to the 2022 financial year, when the 2019 level will be targeted.

Accelerating the transformation

"Implementing the strategy of developing future-oriented experience platforms and marketing solutions is being taken forward at pace", explains Ulrich Vischer, Chairman of the Board of Directors. "The process of strategic further development with the involvement of the new partner has been launched, and the aim is to further speed up the transformation and the attainment of break-even. In doing this, the company will benefit from the additional international experience, industry knowledge and innovative strength brought into the Board of Directors through its renewal."

"We believe in the future of live events, especially when these are combined with digital elements", emphasises Group CEO Beat Zwahlen. "And we are convinced of a successful future for our company – with our business model, our strategy, our strong brands and our innovative strength. Over the past year, we have created a sound basis for emerging stronger from the Covid-19 situation and translating our highly promising development potential into continuous growth and stable profitability."

Motions to the Annual General Meeting of 28 April 2021

The Board of Directors proposes to the Annual General Meeting of 28 April that the payment of a dividend be waived.

The Board of Directors is submitting the following election proposals to the Annual General Meeting on 28 April 2021: Andrea Zappia (Chairman), Markus Breitenmoser, Marco Gadola, Eleni Lionaki, James R. Murdoch and Jeffrey Palker. The remaining members of the Board of Directors, whose membership has now been reduced to nine, are Christoph Brutschin, Dagmar Kamber Borens and Balz Hösly, who are delegates of the Canton of Basel-Stadt and the Canton and City of Zurich.

The acting Chairman, Ulrich Vischer, and members Hans-Kristian Hoejsgaard and Andreas Widmer will be stepping down from the Board of Directors at the Annual General Meeting on 28 April 2021.

Note regarding the Ordinary General Meeting on 28 April 2021

Attendance in person is not possible on account of the current situation with regard to the Covid-19 pandemic. To protect the health of the shareholders and employees, the Board of Directors has decided that shareholders can only exercise their rights by granting a proxy to the independent voting representative. The invitation with the agenda and motions and also the information required for exercising shareholder rights will be sent out and published on 31 March 2021.

2020 Reports online (with download center)

<https://reports.mch-group.com/20/ar/en/>

Reports archive (pdf)

<https://www.mch-group.com/en/investors/reports/>

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