



Basel, 31 August 2022

MCH Group half-year Closing

## **First half of 2022 still marked by Covid, prospects of positive development**

- In the first quarter of 2022, business activity – with the exception of the Experience Marketing segment – was still largely at a standstill due to the Covid-related restrictions.
- In the second quarter, the event business picked up noticeably and we expect a further normalisation of the pandemic situation and a positive development of business activity.
- Compared to the same period last year, we were able to more than triple operating income to CHF 185.6 million. The operating result before interest, taxes, depreciation and amortisation (EBITDA) is almost balanced at CHF -3.2 million. The half-year loss amounts to CHF -13.2 million.
- Another Group loss is expected in the second half of the year. However, EBITDA will continue to improve, and we expect the full-year result will also be positive even without any special income.

### **Significant increase compared with the same period last year**

Compared with the same period of the previous year, we were able to more than triple our operating income to CHF 185.6 million in the first half of 2022. Nevertheless, the pandemic-related impact on the first half of 2022 is significant, as MCH Group overall lost a significant double-digit million amount in sales, with a correspondingly large impact on the result. The Experience Marketing segment recorded an increase in operating income to CHF 128.3 million in the first half of 2022 compared with the same period of the previous year. This segment's share of the group's overall result rose from 56.3% to 69.1%. In the Community Platforms segment, operating income almost tripled year-on-year to CHF 55.6 million thanks to the second quarter. This segment accounts for 30% of the group's total result.

The consolidated net loss for 2022 is CHF -13.2 million. The consolidated result improved significantly by CHF 16.2 million compared with the same period last year. EBITDA for the first half of 2022 amounts to CHF -3.2 million (first half of 2021 CHF -17.4 million). Due to the half-year loss, cash and cash equivalents decreased from CHF 113.7 million to CHF 100.5 million in the first half of 2022 and equity fell to CHF 34.5 million.

### **Outlook for the second half of the year**

In the second half of the year, “Paris+ par Art Basel”, staged by Art Basel for the first time, is planned in October and Art Basel in Miami Beach in December. In Basel, the program includes the “Holz” (trade fair for the wood working industry) and the Basel Wine Festival, the “Berufsmesse Zürich” (careers and education fair), the IFAS (health market trade fair) and the Digital Festival and HackZurich are planned in Zurich, and the Ilmac (platform for the chemical, pharma, and biotechnology industry) and the “Salon des métiers et de la formation” in Lausanne. In the area of experience marketing, we see a further increase in demand for our services, both for orders in the second half of 2022 and already towards 2023.

Assuming a progressive normalisation of the pandemic situation and without further geopolitical destabilisation, we expect a further positive development of business activity. According to current estimates, the second half of 2022 will show a consolidated loss in the low to mid single-digit million range at Group level.

According to current expectations, we expect EBITDA to continue to improve in the second half of the year and to be positive, so that EBITDA for the full year can also be expected to be positive.

Based on the significant increase in business activity and on the further development of the strategy, we have updated the multi-year planning. The medium and long-term goals are still ambitious. We are convinced that they are achievable. However, a crucial prerequisite for this is the successful implementation of the planned capital increase in the second half of 2022.

### **Planned capital increase**

The announced planned capital increase will be submitted to the shareholders at an Extraordinary General Meeting on 28 September 2022. The invitation will be sent out soon. The Board of Directors plans a capital increase of up to around CHF 80 million, of which CHF 68 million are backstopped by the Canton of Basel-Stadt and Lupa Systems.

### **About MCH Group**

MCH Group, headquartered in Basel, Switzerland, is an internationally active experience marketing company with a comprehensive service network. It organizes around 30 community platforms in Switzerland and abroad, including the Art Basel fairs, Swissbau, and Giardina. The Live Marketing Services division offers comprehensive experiential marketing solutions with its brands MCH Global, MC2, and Expomobilia. MCH Group also operates the Messe and Congress Center Basel and the Messe Zurich.

The company employs more than 800 permanent staff, around half of whom are based in Switzerland and the US. In the 2021 financial year, the group posted consolidated sales of CHF 243 million, despite business operations coming to a virtual standstill in many areas due to Covid-19.

[www.mch-group.com](http://www.mch-group.com)

### **Half-year Report 2021**

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

### **Ad hoc announcements**

<https://www.mch-group.com/en/investors/ad-hoc-announcements/>

### **News**

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