



Media release

Basel, 29 March 2023

Annual Results 2022

MCH Group: Significantly improved figures on previous year

The key figures for MCH Group's 2022 annual results are significantly up on the previous year. MCH Group was able to increase both its sales and its EBITDA by over 60 % compared with the previous year; the net loss was reduced to CHF 9.3 million.

Consolidated key figures at a glance

(figures for 2021 in brackets)

- Operating income: CHF 394.1 million (CHF 243.3 million)
- EBITDA: CHF 14.0 million (CHF 8.5 million)
- Loss for the year: CHF -9.3 million (CHF -17.3 million)
- Equity: CHF 113.3 million / 25.5% (CHF 47.8 million / 11.8%)
- Cash and cash equivalents: CHF 151.9 million (CHF 113.7 million)
- Net debt: CHF 84.6 million (CHF 132.7 million)

The first trimester of 2022 was still strongly marked by the continuing effects of the Covid 19 pandemic. MCH Group estimates that the negative effects of the pandemic led to a total reduction in sales of around CHF 45 million. In addition, the portfolio of activities and projects was subjected to an in-depth analysis in the second half of the year under review. The MCH Group disposed of a number of projects whose economic viability was not or no longer given. Due to the write-offs, these decisions entailed one-off financial effects which, in addition to the Covid effect, also had a negative effect on the result for 2022.

Normalisation and recovery as of May 2022

From May onwards, all activities could finally take place again practically without restrictions, and the unbroken demand for live events and live experiences among exhibitors and visitors alike could once again be met without restrictions - except for Asia.

Among other things, MCH Group was able to stage Art Basel in Basel and Miami Beach very successfully, as well as the premiere of Paris+ par Art Basel, and also recorded a strong "exhibition autumn" in Switzerland

with a further normalisation of the exhibition and congress business. In the field of experience marketing, there was increasing momentum in the second half of the year, which will also have an impact on the current year, especially in the USA.

Successful capital increase as a basis for the future

In autumn, the capital increase was successfully completed with a net cash inflow of CHF 74.0 million. This secures the repayment of the CHF 100 million bond due in spring 2023. At the same time, the financial basis for the further development of the company has been laid.

Outlook for 2023

MCH Group is optimistic for the coming year: provided that the tense geopolitical situation does not deteriorate drastically, a further improvement in the EBITDA is expected. The net result in 2023 is still expected to be slightly negative. From 2024 onwards, a positive net result is expected. We are confident that with our focus on growth, expansion and customer satisfaction, we will master all upcoming challenges.

Changes on the Board of Directors

There will be personnel changes on the Board of Directors of MCH Group at the General Meeting on 4 May 2023: Christoph Brutschin (Delegate of the Canton of Basel-City), Balz Hösly (Delegate of the Canton and City of Zurich) and Eleni Lionaki (representative of the anchor shareholder Lupa Systems) will step down from the Board of Directors.

Christoph Brutschin has been a member of the Board of Directors since 2009 as delegate of the Canton of Basel-Stadt with numerous additional functions: 2016 to 2021 Vice Chairman, 2009 to 2023 member of the Audit Committee (AC) and 2020 to 2023 member of the Governance, Nomination and Compensation Committee (GNCC, Chairman since 2021).

Andrea Zappia, Chairman of the Board of Directors, says: "With his vast experience, Christoph has been an invaluable presence on our Board. He was instrumental in bringing Lupa Systems on board at a time of great uncertainty, and we could always rely on his impressive network and knowledge of local politics, especially last year when we needed the support of our anchor shareholder, the Canton of Basel-Stadt, for the capital increase. On a personal level, I'm grateful to Christoph for the help he gave me when I joined the company, both in terms of understanding the business and of appreciating the city of Basel and its community. Our heartfelt gratitude and appreciation go out to the longest-standing Board member, and we wish him all the best."

The Executive Council of the Canton of Basel-Stadt would like to express its sincere thanks to Christoph Brutschin for his great commitment as a cantonal representative on the Board of Directors. The Canton of Basel-Stadt has appointed Basel entrepreneur and hotelier Raphael Wyniger as a new member of the Board of Directors as Christoph Brutschin's successor (see media release of the Executive Council of the Canton of Basel-Stadt dated March 15, 2023).

Balz Hösly has been a member of the Board of Directors since 2018, until 2020 as delegate of the City of Zurich, since December 2020 as delegate of the Canton and the City of Zurich. He was a member of the Governance, Nomination and Compensation Committee (GNCC) from 2018 to 2022 and has been a member of the Strategy Committee (SC) since 2019.

Florian Faber, Group CEO, says: "Balz Hösly has been bringing his political acumen and his knowledge of the Zurich region to the table as the delegate for the city and the canton of Zurich, important minority shareholders in our public private-partnership. As a seasoned expert for corporate and public governance and strategic legal advice to companies, he's been an important voice on our Board. We thank Balz for his more than five years of service on the MCH Group Board and wish him all the best."

The Canton and City of Zurich would like to thank Balz Hösly for his work as a representative on the Board of Directors. Ernst Stocker, President of the Cantonal Government, says: "We were able to count on consistently good cooperation and greatly appreciated Balz Hösly's judicious expertise."

Eleni Lionaki has been a member of the Board of Directors as well as of the Audit Committee (AC) and the Strategy Committee (SC) as a representative of Lupa Systems since December 2020.

Marco Gadola, member of the Board, says, "Eleni is a consummate professional who's been displaying impressive dedication, professionalism, and expertise as a member of our Board. It's been a privilege and a pleasure to work alongside her. As Eleni is leaving Lupa Systems, she's also stepping down from the MCH Group board. We wish her every possible success in her next endeavours."

In consultation with the Canton of Basel-Stadt and the Canton and City of Zurich, the Board of Directors intends to reduce the number of members of the Board of Directors from nine to seven. At the Annual General Meeting, Lupa Systems will limit itself to the nomination of two members and will forego a third election proposal. In addition, the Canton and the City of Zurich will refrain from nominating a delegate in the period from the 2023 General Meeting to the 2024 General Meeting, to which they would be entitled under the bylaws. Councillor Daniel Leupi, Head of the Finance Department of the City of Zurich, affirms: "Zurich remains an important exhibition venue, and we will continue to cultivate the good cooperation with MCH Group for our mutual benefit."

Note: The invitation to the Annual General Meeting on 4 May 2023 will be sent out on 12 April 2023.

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About MCH Group

MCH Group, with its head office in Basel, Switzerland, is an internationally active experience marketing company with a comprehensive service network. It organises around 30 community platforms in Switzerland and abroad, including Art Basel, Swissbau, and Giardina. The Live Marketing Solutions division, with the brands MCH Global, MC² and Expomobilia, offers comprehensive experiential marketing solutions ranging from strategy and creation to implementation. The MCH Group also operates the Messe and Congress Center Basel and Messe Zurich. The company employs over 800 people, around half of whom are based in Switzerland and the USA. In the 2022 financial year, the group achieved consolidated sales of CHF 394 million.

Business Report 2022 <https://www.mch-group.com/investoren/berichte/>

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