



PRESS RELEASE

Highlight Group closes the financial year on a positive note despite coronavirus pandemic

- Consolidated sales at CHF 414.6 million (previous year: CHF 486.8 million)
- EBIT declines by 13.4 % to CHF 25.6 million
- Consolidated net profit for the period attributable to shareholders falls by 51.6 % to CHF 12.2 million
- Earnings per share down 52.3 % to CHF 0.21
- Equity ratio increases to 31.3 % as at December 31, 2020 compared with 29.3 % as at December 31, 2019

Pratteln, April 30, 2021 - The business performance of the Highlight Group in 2020 was satisfactory on the whole in light of the sustained COVID-19 pandemic.

Group development in fiscal 2020

- At CHF 414.6 million, consolidated sales were down 14.8 % on the prior-year figure of CHF 486.8 million. All segments (Film, Sports- and Event-Marketing and Sports) generated lower external sales than in the previous year, in particular due to theatre closures and sports events that were not held.
- At CHF 498.3 million, consolidated operating expenses were optimised due to flexibility and were down 16.2 % on the figure for fiscal 2019 (CHF 594.9 million).
- The decrease in sales partly offset by consolidated operating expenses, resulting in an EBIT of CHF 25.6 million (previous year: CHF 29.5 million).
- Taking into account tax expenses (current and deferred taxes) in the amount of CHF 8.2 million compared with tax income of CHF 2.9 million in the previous year, the consolidated net profit amounted to CHF 12.0 million, down on the prior-year figure of CHF 25.4 million.
- The share of earnings attributable to Highlight's shareholders is CHF 12.2 million after CHF 25.2 million in the previous year.
- Based on an average of 56.7 million shares in circulation in the reporting year (previous year: 56.8 million), this resulted in earnings per share of CHF 0.21 (previous year: CHF 0.44).

Development of the operating segments in 2020

- In the Film segment, the Constantin Film Group had to revise its targets in fiscal 2020 owing to the closure of movie theaters and the temporary suspension of shooting in conjunction with the national lockdowns in March and November. There were a total of six in-house and co-productions in theatrical production, including the in-house production "Caveman" and the productions "Hui Buh 2", the "Resident Evil" reboot and "Zwischen uns". Four movies were released in German movie theaters in theatrical distribution in the fiscal year, including "After We Collided". In TV exploitation/license trading, various license sales of in-house and third-party



productions took place. “Black Beauty”, a production originally intended for global theatrical exploitation, was sold to the streaming service Disney+.

In free TV, sales were generated in particular by the start of initial licenses such as “Fack Ju Göhte 3” (Sat. 1). In the pay TV sector, there were also the initial licenses for “Das perfekte Geheimnis” (Sky) and “Der Vorname” (Sky).

Sales in the Film segment amounted to CHF 261.3 million in the reporting year (previous year: CHF 303.5 million). Other segment income, which is largely influenced by capitalized film production costs, fell by 18.6 % to CHF 104.3 million (previous year: CHF 128.0 million). Due to a significant reduction in amortization in particular, segment expenses declined by 15.1 % in total to CHF 352.4 million (previous year: CHF 415.2 million), resulting in segment earnings falling by 19.1 % to CHF 13.3 million (previous year: CHF 16.4 million).

- In the Sport- and Event-Marketing segment, the TEAM group the development of commercial concepts and rights packages for the 2021/22 to 2023/24 cycle of the UEFA Champions League, the UEFA Europa League, and the newly founded UEFA European Conference League in the reporting year.

At CHF 61.5 million, external sales in the Sports- and Event-Marketing segment were down by 5.0 % on the previous year’s level (CHF 64.7 million) on account of currency effects. Segment expenses declined from CHF 36.2 million to CHF 34.8 million, while other income fell from CHF 0.7 million to CHF 0.6 million.

As a result, segment earnings were down 6.6 % year-on-year at CHF 27.2 million (previous year: CHF 29.2 million).

- In the reporting year, the Sports segment continued to focus on optimizing its portfolio of rights, improving and creating new digital content and marketing environments in addition to cross-platform content exploitation, networking and capitalization.

The segment generated sales of CHF 91.8 million in fiscal 2020, down 22.6 % on the figure for the previous year (CHF 118.6 million). Other income declined by 47.1 % from CHF 9.2 million to CHF 4.9 million. Expenses amounted to CHF 106.2 million, down 22.2 % on the previous year (CHF 136.5 million), as a result of which segment earnings also fell to CHF -9.0 million (previous year: CHF -8.2 million).

Targets for fiscal 2021

The global spread of the COVID 19 virus continued to weigh on the Highlight Group's operating activities in the first quarter of 2021.

As in the previous year, the Board of Directors is monitoring the situation in the current reporting period and regularly reviews the measures taken.

However, in the event that the national COVID 19 restrictions cease to apply, Highlight Group is ready to return to stable and economically successful business activities with major growth potential, including a strong theatre program in the Film segment and the new Bundesliga rights for the 2021/22 season in the Sports segment. Due to the unpredictable developments of the COVID 19 situation, the Board of Directors is currently unable to issue a forecast for fiscal 2021.

The Annual General Meeting for fiscal 2020 is scheduled to take place in June 2021.



From today, the annual report for 2020 can be downloaded from www.highlight-communications.ch in German and English

The Highlight Group at a glance

Group figures (IFRS)

CHF million	2020	2019	Change in %
Sales	414.6	486.8	-14.8
EBIT	25.6	29.5	-13.4
Consolidated net profit (after taxes)	12.0	25.4	-52.8
Net profit attributable to shareholders	12.2	25.2	-51.6
Earnings per share (in CHF)	0.21	0.44	-52.3
Segment revenue			
Film	261.4	303.6	-13.9
Sports- and Event-Marketing	61.5	64.7	-5.0
Sports	92.2	119.0	-22.5
Segment earnings			
Film	13.3	16.4	-19.1
Sports- and Event-Marketing	27.2	29.2	-6.6
Sports	-9.0	-8.2	n/a
CHF million	Dec. 31, 2020	Dec. 31, 2019	Change in %
Total assets	661.3	673.9	-1.9
Equity	207.0	197.7	4.7
Equity ratio (%)	31.3	29.3	2.0 points
Financial liabilities	172.7	187.7	-8.0
Cash and cash equivalents	48.2	53.0	-9.0

For further information:

Highlight Communications AG

Investor Relations

Netzibodenstrasse 23b

CH-4133 Pratteln BL

Tel: +41 (0) 61 816 96 91

E-mail: ir@hlcom.ch