



PRESS RELEASE

Highlight Group publishes results for fiscal year 2023

- Consolidated sales amounted to CHF 421.3 million in the financial year (previous year: CHF 523.8 million), due to production-related factors in the Film segment
- Due to foreign-currency effects, EBIT amounts to CHF 6.9 million
- Consolidated net profit for the period attributable to shareholders of CHF -10.6 million
- The equity ratio decreases to 26.8% as at December 31, 2023

Pratteln, April 24, 2023 – The Highlight Group generates solid consolidated sales in 2023 in a difficult environment

Group development in fiscal 2023

- The Highlight Group's business performance in 2023 was more subdued than in the previous year. At CHF 421.3 million, consolidated sales were down 19.6 % on the previous year's figure of CHF 523.8 million due to production-related factors and foreign currency effects.
- The operating profit (EBIT) fell by CHF 7.7 million or 52.9 % to CHF 6.9 million (previous year: CHF 14.6 million) due to foreign currency effects and declining consumer behavior.
- The share of earnings attributable to Highlight shareholders decreased to CHF -10.6 million after CHF -2.9 million in the previous year.

Development of the operating segments in 2023

Film segment

- There were a total of three in-house and co-productions in theatrical production. In 2023, shooting took place on the in-house productions “Chantal im Märchenland” and “September 5”, as well as a psychological thriller set in the US with the working title of “Psycho Killer”. In terms of international projects, shooting for “In the Lost Lands and “Hagen” was completed. In theatrical distribution, ten films were released in German theaters during the fiscal year, including “Rehragout-Rendezvous” from the Eberhofer series, “Manta Manta – Zwoter Teil” and “Sun and Concrete”. In TV exploitation/license trading, numerous license sales of in-house and third-party productions took place with established and new partners in 2023. The premiere broadcasts of “Guglhupfgeschwader” and “Contra” achieved a high market share.
- Sales in the Film segment fell by 29.1 % to CHF 253.6 million in the year under review (previous year: CHF 357.4 million). Other segment income, which is largely influenced by capitalized film production costs, rose by 10.9 % to CHF 85.5 million (previous year: CHF 77.1 million). At the same time, segment expenses declined by a total of 21.2 % to CHF 330.5 million due to the significant reduction in amortization in particular (previous year: CHF 419.3 million). At CHF 8.7 million, segment earnings were down 42.5 % year-on-year (previous year: CHF 15.2 million).



Sport and event segment

- In the sports and event segment, TEAM Marketing AG had a very good start to sales in both the media and sponsorship areas and renewed several important partnerships in the early stages.
- In the reporting year, Sport 1 Medien AG focused 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.
- In the Highlight Event AG area, focus was set on the intensive support and realization of the sponsorship agreements with the main sponsors of the Vienna Philharmonic and the Eurovision Song Contest. Additionally, the agreement with the Vienna Philharmonic was extended until 2032 ahead of schedule.
- At CHF 167.7 million, external sales in the Sports and Event segment were up 0.8 % on the previous year's level (CHF 166.4 million). Segment expenses declined from CHF 176.6 million to CHF 170.9 million, while other income fell from CHF 13.3 million to CHF 6.4 million. As a result, the segment result of CHF 3.9 million was slightly below the previous year's figure (CHF 5.6 million).

Targets for fiscal 2024

Due to the continuing uncertain market situation caused by the inflation trend and the effects of the Ukraine crisis, the Board of Directors cannot rule out an impact on the Highlight Group's operating activities.

As in the previous year, the Board of Directors is monitoring the current situation in the current year and regularly reviews the measures taken. The Highlight Group plans to return to stable and economically successful business activities with great growth potential, including with a strong cinema program in the Film segment such as "In the Lost Lands" and "September 5" and the highly successful UEFA club competitions in the Sports and Events segment. Due to the risks mentioned above, the Board of Directors is unable to issue a forecast for the 2024 financial year.

There will be an adjustment to the Highlight Group's management in 2024. Peter von Büren, long-standing CFO (Chief Financial Officer) of the Highlight Group, will step down from the Management Board as of June 30, 2024 due to his age. However, he will stand for re-election as a non-executive member of the Board of Directors of Highlight Communications AG at the 2024 Annual General Meeting. As his successor, the Board of Directors of Highlight Communications AG has appointed Hasan Dilsiz, the former long-standing Director of Group Finance, as the new CFO and member of the Management Board as of July 1, 2024.

The Annual General Meeting for fiscal 2023 is scheduled to take place on June 27, 2024.

From today, the annual report for 2023 can be downloaded from www.highlight-communications.ch in German and English.



The Highlight Group at a glance

Group figures (IFRS)

CHF million	2023	2022	Change in %
Sales	421.3	523.8	-19.6
EBIT	6.9	14.6	-52.9
Consolidated net profit	-10.6	-2.5	n/a
(after taxes)	-10.6	-2.9	n/a
Net profit attributable to shareholders	-0.19	-0.05	n/a
Segment revenue			
Film	253.6	357.4	-29.0
Sport- und Event	167.7	166.4	0.8
Segment earnings			
Film	8.7	15.2	-42.5
Sport- und Event	3.9	5.6	-30.1
CHF million	Dec. 31, 2023	Dec. 31, 2022	Change in %
Total assets	598.8	634.3	-5.6
Equity	160.4	186.0	-13.8
Equity ratio (%)	26.8	29.3	-2.5 points
Financial liabilities	157.2	189.3	17.0
Cash and cash equivalents	25.5	29.9	-14.7

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