

PRESS RELEASE

Ad hoc announcement pursuant to art. 53 LR

Rotkreuz, 19 August 2022

mobilezone Group achieves another record result in the first half of 2022

- **Sales growth of plus 3.1% to CHF 500 million**
- **Operating profit of CHF 34.7 million (previous year: CHF 32.2 million)**
- **Net profit of CHF 26.0 million (previous year: CHF 23.9 million)**

Markus Bernhard, CEO of the mobilezone Group is very satisfied with the first half of the year, "Despite global challenges, mobilezone was able to continue to grow and seamlessly build on its record year 2021 with an excellent result during the first half of 2022 – due to 16 per cent growth in the German contract business and 12 per cent in Switzerland."

The mobilezone Group generated sales of CHF 500 million in the first half of 2022; 72 per cent was generated in Germany and 28 per cent in Switzerland. CHF 204 million (previous year: CHF 165 million) or 41 per cent of sales were achieved with the company's online platforms. Adjusted for foreign currency effects, sales amounted to CHF 526 million, corresponding to growth of 8.5 per cent. The excellent result with an operational EBIT of CHF 34.7 million and an EBIT margin of 6.9 per cent is confirmation of the consistently pursued strategic course.

Key figures in brief

- Sales growth of plus 3.1 per cent from CHF 485 million to CHF 500 million. The negative currency effect amounted to 5.4 per cent, meaning organic sales growth reached 8.5 per cent.
- Operating profit (EBIT) of CHF 34.7 million (previous year: CHF 32.2 million) and an EBIT margin of 6.9 per cent (previous year: 6.6 per cent), with Switzerland contributing 41 per cent and Germany 59 per cent. Adjusted for the currency effect, EBIT amounted to CHF 35.9 million.
- Financial expenses decreased by CHF 0.6 million to CHF 1.0 million (previous year: CHF 1.6 million).
- Tax expenses were CHF 7.7 million, an increase of CHF 0.7 million compared to the previous year.
- The net profit was CHF 26.0 million (previous year: CHF 23.9 million).
- Free cash flow was CHF 47.4 million (previous year: CHF 38.3 million), with investments amounting to CHF 9.1 million (previous year: CHF 6.8 million).
- The net debt was CHF 71 million (31.12.2021: CHF 76 million).
- The ratio of net debt to EBITDA was 0.84 (31.12.2021: 0.92), with a dividend payment of CHF 37 million in the first half of the year.
- Shareholders' equity in the individual financial statements of mobilezone holding ag amounted to CHF 144 million (31.12.2021: CHF 175 million).
- The share buyback of 781,213 shares (1.7 per cent of outstanding shares) was completed on 3 February 2022 at an average price of 13.70 per share or a total of CHF 10.8 million, including transaction costs.

In the previous year, the key figures were adjusted for the non-cash negative special effect of CHF 6 million from the sale of the wholesale business in Germany in January 2021.

Market area Switzerland

The contract volume in the Swiss core business increased by a double-digit percentage.

- Sales in Switzerland decreased from CHF 157 million to CHF 141 million, or 10.2 per cent. The partly limited availability of smartphones resulted in a higher proportion of postpaid contracts concluded without smartphones.
- EBIT remained unchanged from the previous year at CHF 14.8 million, corresponding to a return on sales of 10.5 per cent (previous year: 9.4 per cent).
- The B2C and B2B business achieved excellent results with an EBIT of CHF 13.2 million (previous year: CHF 12.4 million).
- The number of concluded contracts (postpaid, internet and TV) increased by 11.5 per cent to 203,000 (previous year: 182,000).
- The number of physical shops was 123 (31.12.2021: 124).
- Accessories sales dropped by 9.5 per cent to CHF 10.5 million (previous year: CHF 11.6 million) and accounted for 7.4 per cent of sales in Switzerland.
- Service sales (fleet management, data transfer, setting up smartphones and other services) were CHF 3.8 million (previous year: CHF 3.6 million).
- The trend of declining volumes and profitability in the repair business could not be stopped, resulting in a negative EBIT contribution of CHF 0.5 million.
- Sales at the MVNO TalkTalk amounted to CHF 9.9 million (previous year: CHF 8.5 million). The share of sales of mobile customers rose to 85 per cent (previous year: 77 per cent). Profitability continued to develop positively. In the postpaid SIM cards segment, the number of customers rose to 56,700 (31.12.2021: 45,700) or 24 per cent.

Market area Germany

Business in Germany was excellent and again performed very well with record results.

- Sales grew from CHF 327 million to CHF 358 million, an increase of 9.5 per cent.
- Adjusted for foreign currency effects, sales growth of 17.4 per cent or CHF 384 million was achieved.
- EBIT increased from CHF 17.1 million to CHF 20.3 million, corresponding to a return on sales of 5.7 per cent (previous year: 5.2 per cent). Adjusted for the currency effect, EBIT amounts to CHF 21.5 million.
- A total of 537,000 mobile phone contracts were concluded "online" and in "B2B trade" (previous year: 465,000); this corresponds to an increase of 15.5 per cent.
- Volume in the online business increased by 12.9 per cent to 315,000 (previous year: 279,000) mobile phone contracts. Of this, 91 per cent (previous year: 85 per cent) were handled via the company's own platforms.
- In B2B trade, 222,000 (previous year: 186,000) mobile phone contracts were concluded; this corresponds to an increase of 19.4 per cent.
- Sales at MVNO High were CHF 10.3 million (previous year: CHF 8.5 million). The customer base was 80,000 (31.12.2021: 69,000), representing an increase of 15.9 per cent.
- The expansion of the new product ranges and the marketing of mobile phones without contract commitments as well as accessories, which were previously planned on Pricezilla, will be integrated into the well-known brands Sparhandy and Deinhandy. The Pricezilla brand will not be pursued further.

Dividend, capital reduction, earnings per share and share price

At the Annual General Meeting on 6 April 2022, shareholders approved a dividend of CHF 0.84 (previous year: CHF 0.56) per registered share, which was paid out on 19 April 2022. The capital reduction from the share buyback completed on 3 February 2022, approved at the Annual General Meeting, was entered in the Commercial Register on 14 June 2022. mobilezone holding ag now has 44,000,000 outstanding shares.

Earnings per share developed positively in the first half of 2022 and amounted to CHF 0.59 (previous year: CHF 0.53). The share price also developed positively: It stood at CHF 16.66 on 30 June 2022 compared to CHF 13.62 at the end of December 2021. This corresponds to an increase of 22 per cent after the dividend payment of CHF 0.84.

New share buyback programme

On 21 June 2022, the Board of Directors of mobilezone holding ag announced the launch of a new share buyback program with a maximum term of three years. From 22 August 2022 to 21 August 2025, mobilezone holding ag intends to repurchase shares with a maximum value of CHF 45 million via a separate trading line on the SIX Swiss Exchange. The repurchase is for the purpose of a capital reduction, which is subject to the approval of future general meetings. The first tranche of up to CHF 12 million will start after the publication of this report.

Confident outlook for the second half of 2022 – confirmation of financial guidance

To secure future growth targets, mobilezone continues to invest in expanding the Group-wide infrastructure. The course of business is seasonal due to the iPhone launch in September, Black Week in November and the Christmas trade: Revenue and EBIT in the second half of the year are, therefore, generally higher than in the first half. For the full year 2022, mobilezone expects currency-adjusted sales growth of 6 to 8 per cent with an EBIT margin of around 7.6 per cent. Despite the negative currency development, the EBIT expectation for financial year 2022 communicated in March 2022 is confirmed and remains at CHF 70 to 80 million. In addition, the mobilezone Group is striving for a further steady increase in the EBIT margin in the coming years. The Group is in a very good position today and is confidently looking forward to further positive development. These assumptions are based on the current geopolitical tensions not increasing further and the partially existing bottlenecks in the supply chains not worsening in the second half of the year.

The semi-annual report 2022, including the detailed half-year financial statements pursuant to Swiss GAAP FER, can be accessed with immediate effect at <https://www.mobilezoneholding.ch/en/investors-1/reports-and-presentations.html>.

This morning, a video conference for investors, analysts and the media will take place at 9.15 a.m. (<https://www.mobilezoneholding.ch/en/investors-1/videoconference.html>)

A summary of the figures can be found in a video presentation (in German only): <https://www.mobilezoneholding.ch/de/investoren/berichte/video-halbjahreszahlen-2022.html>

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About mobilezone

Founded in 1999, mobilezone holding ag is the leading independent Swiss and German telecoms specialist with sales of CHF 982 million and a net profit of CHF 50.7 million in the reporting year 2021. The registered shares of mobilezone holding ag (MOZN) are traded on the SIX Swiss Exchange AG.

The mobilezone Group has around 1,000 employees at its sites in Rotkreuz, Urnäsch, Cologne, Bochum, Münster and Berlin. The services and products offered by the Group include a full range of mobile phones and tariff plans for mobile and fixed-line telephony, digital TV and internet from all providers. Independent advice and services for private and business clients, repair services, wholesale activities and supply to retailers complete the offering. The services and products are provided online via various web portals and in over 120 shops of its own in Switzerland.

www.mobilezoneholding.ch

Agenda

10 March 2023	Publication of the 2022 Annual Report
10 March 2023	Video conference for analysts, investors and the media

5 April 2023

General Meeting 2023