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**Sub-category:** Invitation to the General Meeting

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mobilezone holding ag, Suurstoffi 22, 6343 Rotkreuz

## Invitation to the ordinary general meeting mobilezone holding ag

**Organisation concerned:**

mobilezone holding ag

CHE-101.782.529

Suurstoffi 22

6343 Rotkreuz

**General meeting details:**

06.04.2022, 09:30 Uhr, Company headquarters, Suurstoffi 22, 6343 Rotkreuz,  
Switzerland

**Invitation/Agenda:**

1. **Annual report, consolidated financial statements, financial statements of mobilezoneholding ag**
  - 1.1 Approval of the annual report and consolidated 2021 financial statements
  - 1.2 Approval of the 2021 financial statements of mobilezone holding ag
2. **Discharge of the Board of Directors and Group management**
3. **Resolution on the appropriation of available earnings, an ordinary dividend and a withholding-tax-free distribution from reserves from capital contribution**
  - 3.1 Appropriation of the 2021 available earnings and an ordinary dividend of mobilezone holding ag
  - 3.2 Withholding-tax-free distribution from reserves from capital contribution of mobilezone holding ag
4. **Amendment to the Articles of Association**
  - 4.1 Amendment of Article 3 (reduction of share capital)
  - 4.2 Amendment of Article 3a Paragraph 1 (authorized capital)
5. **Further share buybacks**
6. **Remuneration for members of the Board of Directors and Group management**
  - 6.1 Consultative vote on the remuneration report for fiscal year 2021
  - 6.2 Approval of the total amount of the maximum permissible remuneration for the Board of Directors for the period up to the next General Meeting

6.3 Approval of the total amount of the maximum permissible remuneration for Group management for fiscal year 2023

7. **Elections**

7.1 Members of the Board of Directors

7.2 Chairman of the Board of Directors

7.3 Members of the Compensation Committee

7.4 Independent proxy

7.5 Auditor

To the shareholders of  
mobilezone holding ag

# GENERAL MEETING 2022

Wednesday, 6 April 2022  
Suurstoffi 22, 6343 Rotkreuz, Switzerland





### About the visual concept of the Annual Report 2021

The culture of the mobilezone Group is characterised by the diversity of our employees. In this year's annual report, we would like to make this visible and have therefore looked for people within the company who symbolise this diversity. In the Annual Report 2021, we depict two people per location, one who has been with the company for longer and one who has been with the company for less time. We find out from them why they work for mobilezone and what mobilezone means to them. With the pictures of the portrayed persons on the cover pages of this booklet, we give you a first insight into the concept of the annual report.

The current picture shows Christoph Achterholt, Meina Batke, Fabian Goldhausen and Tim Klütz (from left to right) from powwow and mobilezone handel in Germany.

# Agenda items and motions

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  - 7.5 Auditor

# Record result 2021 – strong EBIT growth and increase in margins

Dear Shareholders,

mobilezone closed the reporting year of 2021 with record results. This was achieved both in Germany and Switzerland. Sales amounted to CHF 982 million; 67 per cent of this was achieved in Germany and 33 per cent in Switzerland. CHF 374 million (previous year: CHF 308 million) or 38.1 per cent of sales were achieved with its own platforms "online". Organic growth amounted to 7.3 per cent. The good result with an EBIT of CHF 72.7 million and an EBIT margin of 7.4 per cent is confirmation of the consistently pursued strategic course and the agile organisation. Restructuring of the German companies was completed in the first half of the year. The positive synergy effects of more than EUR 5 million per year are working as planned.

## Financial guidance exceeded

The operating profit (EBIT) amounts to CHF 72.7 million (2020: CHF 44.0 million / 2019: CHF 59.6 million) and is thus 22.0 per cent higher than in the pre-pandemic year 2019, which at that time was equivalent to the best result in the company's history. The EBIT guidance of CHF 67 to 72 million, which was increased by CHF 6 million in August 2021, and the sales expectation of CHF 950 million with an EBIT margin of around 7 per cent communicated in the previous year were exceeded.

The EBIT including the non-cash special effect of CHF 6 million from the sale of the wholesale business in Germany in January 2021 amounts to CHF 66.7 million.

## Key figures in brief

The following key figures exclude the non-cash negative special effects of CHF 6 million from the sale of the wholesale business in January 2021.

- ✔ Organic sales growth of plus 7.3 per cent from CHF 916 to CHF 982 million the currency effect amounts to minus 0.1 per cent. In 2020, the wholesale business sold in January 2021 contributed CHF 303 million, and mobiletouch austria gmbH, which was sold in December 2020, contributed CHF 18.7 million to the previous year's revenue of CHF 1,238 million.
- ✔ Operating profit (EBIT) of CHF 72.7 million (previous year: CHF 44.0 million) with an EBIT margin of 7.4 per cent (previous year: 3.6 per cent), with Switzerland and Germany each contributing 50 per cent.
- ✔ Financial expenses decreased by CHF 0.2 million to CHF 3.0 million (previous year: CHF 3.2 million).
- ✔ Tax expenses were CHF 13.8 million, an increase of CHF 7.3 million compared to the previous year.
- ✔ Net profit was CHF 56.7 million (previous year: CHF 34.5 million) and thus significantly above the record year 2019 with CHF 44.4 million.
- ✔ Free cash flow was CHF 67.6 million (previous year: CHF 46.5 million).



Markus Bernhard, CEO

Olaf Swantee, Chairman of the Board of Directors

- ✔ Earnings per share amounted to CHF 1.27 (previous year: CHF 0.77).
- ✔ As of 31 December 2021, the share price was CHF 13.62 compared to CHF 10.08 at the end of December 2020.
- ✔ Financial liabilities totalled CHF 134 million compared to CHF 183 million at the end of December 2020.
- ✔ At the end of the year, net current assets amounted to CHF 85 million (previous year: CHF 114 million).
- ✔ The net debt amounted to CHF 76 million (previous year: CHF 120 million).
- ✔ The ratio of net debt to EBITDA was 0.92 (previous year: 2.22).
- ✔ Shareholders' equity in the individual financial statements of mobilezone holding ag amounted to CHF 175 million (previous year: CHF 177 million).
- ✔ The share buyback of 781,213 shares (1.7 per cent) was completed shortly after the end of the reporting period on 3 February 2022 at an average price of 13.70 per share or a total of CHF 10.7 million.
- ✔ The Board of Directors will propose to the General Meeting on 6 April 2022 the distribution of a dividend increased by 50 per cent to CHF 0.84 (previous year: CHF 0.56) per share or a total of CHF 37.6 million.
- ✔ The EBIT expectation for fiscal year 2022 is CHF 70 to 80 million.

## Market area Switzerland

Business development in all sectors in Switzerland was highly gratifying.

- ✔ The retail and B2B business achieved the best results at the EBIT level in the company's history.
- ✔ Sales in Switzerland grew from CHF 307 million to CHF 323 million, an increase of 4.9 per cent. The sales of CHF 18.7 million generated in Austria in the previous year were eliminated.
- ✔ The EBIT increased by CHF 31.2 million to CHF 36.3 million corresponding to sales profitability of 11.2 per cent (previous year: 10.2 per cent).
- ✔ The number of shops was 124 (previous year: 123).
- ✔ The number of negotiated contracts (postpaid, internet and TV) increased by 4.7 per cent to 398,000 (previous year: 380,000).
- ✔ Service sales (fleet management, data transfer, setting up smartphones and other services) were CHF 7.2 million (previous year: CHF 6.6 million).
- ✔ Accessories sales increased by 11.1 per cent to CHF 23.9 million (previous year: CHF 21.5 million) and account for 7.4 per cent of sales in Switzerland.
- ✔ Sales at the MVNO TalkTalk amounted to CHF 17.1 million (previous year: CHF 15.9 million). The sales share of mobile customers increased to 79 per cent (previous year: 75 per cent). In the postpaid SIM cards segment, the number of customers grew to 45,700 (previous year: 31,300) or 46 per cent.

## Market area Germany

German business was extremely positive despite the coronavirus-related lockdown. Restructuring in the German companies has been completed. The synergies are taking effect on both the sales and the cost side.

- ✔ Sales grew from CHF 613 million to CHF 659 million, an increase of 7.5 per cent. The CHF 303 million revenue share of the wholesale business sold in January 2021 was eliminated in the previous year.
- ✔ The EBIT increased from CHF 11.9 million to CHF 36.2 million, which corresponds to sales profitability of 5.5 per cent. The previous year includes restructuring costs of CHF 4.8 million.
- ✔ Volume in the online business increased by 5.8 per cent to 600,000 (previous year: 567,000) mobile phone contracts. Of these, 522,000 (previous year: 492,000) — or an unchanged 87 per cent — were handled via our own platforms.
- ✔ The focus in online business to an increased extent is on mobile phone contracts with higher margins. This resulted in an overall increase in the contribution margin and per contract by more than 14 per cent in 2021.
- ✔ In "B2B trade", 419,000 (previous year: 452,000) mobile phone contracts were concluded; this corresponds to a decline of 7.3 per cent.
- ✔ In total, an unchanged 1,019,000 mobile phone contracts were concluded "online" and in "B2B trade".
- ✔ Sales at the MVNO High were CHF 17 million (previous year: CHF 13 million). The customer base was 69,000 (previous year: 54,000), representing an increase of 28 per cent.

In November 2020, mobilezone launched a new e-commerce platform called Pricezilla that uses the new Shoptech architecture to market smartphones, tablets and accessories without a subscription. The focus in the first year was, among other things, on building customer trust — with a rating of 4.9 out of 5 on the customer rating platform, Trust Pilot got off to a very good start. With still limited functionalities on pricezilla.de, 38,400 orders with sales of CHF 16.3 million were achieved in the second half of the year despite delivery bottlenecks.

### **Second Life and refurbishing of smartphones continues to grow**

As part of the ESG measures, the Second Life area — that is the repair and refurbishing of smartphones — is becoming increasingly important in mobilezone's business, especially in Switzerland. Accordingly, measures were intensified last year to increase sales of used smartphones and grow in the area of returns. In the reporting year 2021, 1.5 per cent of the total smartphones sold by mobilezone Switzerland were used smartphones (previous year: 0.4 per cent). The aim is to increase this figure to close to 2 per cent in 2022. Likewise, mobilezone was able to take back 6.4 per cent of its total smartphones sold (previous year: 3.6 per cent).

### **Change in the Board of Directors**

The Board of Directors proposes Dr Lea Sonderegger, Chief Digital Officer / Chief Information Officer and member of the Executive Board of Swarovski, a proven expert in e-commerce, for election to the Board of Directors at the General Meeting on 6 April 2022

(<https://www.mobilezoneholding.ch/en/about-us/organization/board-of-directors.html>).

### **Changes in Group Management**

Jens Barth, Chief Digital Officer (CDO), will leave Group Management as of 30 April 2022, as already communicated.

### **General Meeting of 6 April 2022**

The General Meeting 2022 will once again take place without the physical presence of the shareholders. Based on the ordinance issued by the Swiss Federal Council on measures to combat the coronavirus, they may only cast their votes via an independent proxy.

The Board of Directors will propose a dividend of CHF 0.84 per registered share to the General Meeting. Half of the distribution will come out of available earnings, and half will come out of reserves from capital contributions, which corresponds to a distribution ratio of 74 per cent. If this proposal is approved, the dividend will be paid out on 19 April 2022. The share will be traded ex-dividend from 13 April 2022.

## Confident outlook for 2022

The very good fiscal year in 2021 confirms the resilient business model of the mobilezone Group. There is a great demand for telecommunications products among the public. The times when personal contacts were limited have confirmed this. Accordingly, mobilezone is looking ahead to the next few years with confidence for all business segments in Germany and Switzerland. The EBIT expectation for 2022 is CHF 70 to 80 million. In addition, we are aiming for a further steady increase in the EBIT margin from today's 7.4 per cent in the coming years. We expect growth primarily from our online business and MVNO business. In terms of investments, we expect an increase of CHF 1 million to CHF 15 million. The investments are related to completion of the modernisation and renovation of all shops in Switzerland by the end of 2022, investments in our online platforms in Germany and Switzerland as well as customer acquisition costs of the two MVNOs TalkTalk and High. The Group is very well positioned today and looks forward to positive further development.

## Thanks go to our employees and shareholders

Special thanks go to our more than 1,000 employees who have distinguished themselves in the last two years through their enormous agility and great commitment in the unexpected pandemic situation. We are very satisfied with the results and proud of the team spirit that could be seen and felt during this difficult time. And, last but not least, we want to thank you, our valued shareholders. With your support and confidence, you have made it possible for us to advance the development of mobilezone.

Rotkreuz, 7 March 2022



Olaf Swantee  
Chairman of the Board of Directors



Markus Bernhard  
Chief Executive Officer



# Share

## Share

(CHF or as indicated)	2021	2020	2019	2018	2017
Shares issued at year end (number)	44 781 213	44 781 213	44 781 213	40 781 213	32 195 697
Treasury shares at year end (number)	583 442	70 000	63 624	100 000	60 000
thereof own shares from share buyback programme	444 570				
Weighted average number of shares outstanding (number)	44 639 429	44 709 172	42 792 890	38 664 992	32 163 959
Year-end price	13.62	10.08	10.86	10.94	12.85

## Stock market capitalisation and shareholders' equity

(CHF million or as indicated)	2021	2020	2019	2018	2017
Stock market capitalisation	609.9	451.4	486.3	446.1	413.7
Shareholders' equity	44.3	23.2	15.1	34.4	9.0
Shareholders' equity without offsetting goodwill	95.5	102.3	132.5	111.2	46.8
Equity per share without offsetting goodwill	2.13	2.28	2.96	2.73	1.45

## Distribution to shareholders and share buyback

(CHF million or as indicated)	2021	2020	2019	2018	2017
Dividend per share in CHF	0.84 <sup>1</sup>	0.56	0.60	0.60	0.60
Dividend – payout	37.6	25.1	26.9	24.4	24.4
Dividend payout ratio	74.2%	72.7%	60.6%	61.7%	69.2%
Share buyback	5.8				
Total payout	43.4	25.1	26.9	24.4	24.4

<sup>1</sup> 50 per cent distribution free of withholding tax from reserves from capital contribution and 50 per cent dividend as proposed by the Board of Directors to the General Meeting on 6 April 2022

## Share development 2003–2021 (in CHF)



## Share development 2021 (in CHF)



## Share development in CHF or as indicated

	2021	2020	2019	2018	2017
Highest price	13.90	11.64	11.94	12.48	15.95
Lowest price	9.14	7.21	8.78	9.51	11.45
Year-end price	13.62	10.08	10.86	10.94	12.85
Average price (end-of-day rate)	11.57	9.14	10.09	11.18	13.21
Average dividend yield <sup>1</sup>	7.3%	6.1%	5.9%	5.4%	4.5%
Price-earnings ratio – P/E <sup>2</sup> ratio	10.73	13.06	10.47	10.70	11.73
Average daily trading volume (units)	88 885	132 955	126 382	140 152	263 560

<sup>1</sup> Dividend in relation to annual average price (end-of-day prices)

<sup>2</sup> Year-end price / earnings per share

## Shareholder structure Number of shares

	2021	2020	2019	2018	2017
Top 20 shareholders	14 576 364	15 110 408	15 583 535	12 810 225	9 972 419
in %	33%	34%	35%	31%	31%
Other registered shareholders	16 280 941	17 804 485	16 635 574	15 009 163	10 898 327
in %	36%	40%	37%	37%	34%
Total number of non-registered shares	13 923 208	11 866 320	12 562 104	12 961 825	11 324 951
in %	31%	26%	28%	32%	35%
<b>Total issued shares</b>	<b>44 781 213</b>	<b>44 781 213</b>	<b>44 781 213</b>	<b>40 781 213</b>	<b>32 195 697</b>
in %	100%	100%	100%	100%	100%

## Registered shareholders Geographical location

	2021	2020	2019	2018	2017
Switzerland	5 243	5 781	5 388	4 585	3 841
Europe	103	112	111	97	130
Overseas	33	34	31	19	24
<b>Total shareholders</b>	<b>5 379</b>	<b>5 927</b>	<b>5 530</b>	<b>4 701</b>	<b>3 995</b>

# Key figures

## Group

(CHF 000 or as indicated)	2021	%	2020	%	2019	%	2018	%	2017	%
Net sales	981 537		1 237 662		1 324 022		1 195 599		1 171 578	
Gross profit	199 657	20.3 <sup>1</sup>	177 336	14.3 <sup>1</sup>	180 073	13.6 <sup>1</sup>	156 838	13.1 <sup>1</sup>	149 826	12.8 <sup>1</sup>
Operating profit before depreciation (EBITDA)	76 325	7.8 <sup>1</sup>	53 776	4.3 <sup>1</sup>	67 812	5.1 <sup>1</sup>	58 296	4.9 <sup>1</sup>	55 954	4.8 <sup>1</sup>
Operating profit (EBIT)	66 675	6.8 <sup>1</sup>	43 958	3.6 <sup>1</sup>	59 648	4.5 <sup>1</sup>	52 535	4.4 <sup>1</sup>	50 123	4.3 <sup>1</sup>
Net profit	50 663	5.2 <sup>1</sup>	34 514	2.8 <sup>1</sup>	44 405	3.4 <sup>1</sup>	39 531	3.3 <sup>1</sup>	35 226	3.0 <sup>1</sup>
Operating profit (EBIT) adjusted for special effect <sup>4</sup>	72 691	7.4 <sup>1</sup>								
Net profit adjusted for special effect <sup>4</sup>	56 679	5.8 <sup>1</sup>								
Earnings per share adjusted for special effect <sup>4</sup>	1.27		0.77		1.04		1.02		1.10	
Net cash flow from operating activities	81 564		59 750		52 778		5 385		45 911	
Investments in property, plant and equipment and intangible assets	13 938		13 298		10 036		10 420		10 947	
Free cash flow before acquisitions/divestments	67 626		46 452		42 742		-5 035		34 964	
Total assets	326 800		353 789		390 541		367 070		302 640	
Shareholders' equity	44 342	13.6 <sup>2</sup>	23 182	6.6 <sup>2</sup>	15 051	3.9 <sup>2</sup>	34 382	9.4 <sup>2</sup>	8 977	3.0 <sup>2</sup>
Shareholders' equity without offsetting of goodwill	95 484	25.3 <sup>3</sup>	102 286	23.6 <sup>3</sup>	132 530	26.1 <sup>3</sup>	111 192	25.1 <sup>3</sup>	46 776	13.7 <sup>3</sup>
ROCE (%) <sup>4,5</sup>	57.7		31.7		47.6		55.4		70.6	
Net debt	75 892		119 578		130 876		76 161		70 200	
Net-debt-to-EBITDA ratio	0.99		2.22		1.93		1.31		1.25	
Net-debt-to-EBITDA ratio adjusted for special effect <sup>4</sup>	0.92									
Number of staff on 31.12 (on full-time basis)	1 018		1 127		1 217		930		867	
Number of staff (full-time positions) during the reporting period	1 038		1 249		1 245		942		898	
Number of shops as of 31 December in Switzerland	124		123		117		119		124	

<sup>1</sup> In per cent of net sales

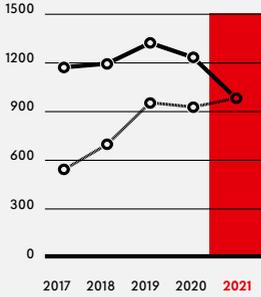
<sup>2</sup> In per cent of total assets

<sup>3</sup> Shareholders' equity and total assets without offsetting of goodwill / with amortisation

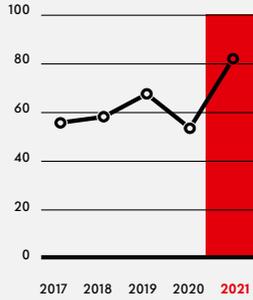
<sup>4</sup> A non-cash special effect of CHF 6 million resulted in the reporting period due to the sale of 75 per cent of the shares in einsAmobile GmbH.

<sup>5</sup> EBIT of the last 12 months adjusted for special effects / (∅ shareholders' equity + ∅ financial liabilities - ∅ cash and cash equivalents - ∅ real estate)

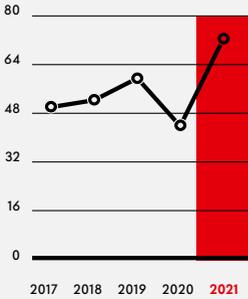
**Net sales**  
(CHF million)



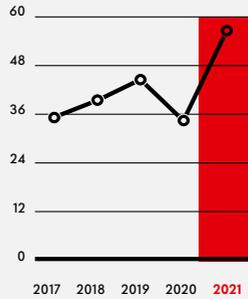
**EBITDA<sup>1</sup>**  
(CHF million)



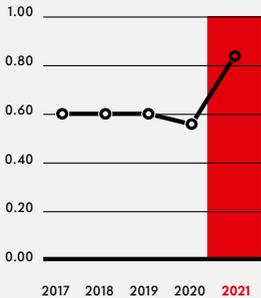
**EBIT<sup>1</sup>**  
(CHF million)



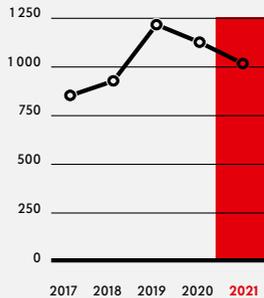
**Net profit<sup>1</sup>**  
(CHF million)



**Dividend per share**  
(CHF)



**Number of staff**  
(full-time positions)



 Swiss GAAP FER  
 Pro forma without divested business wholesale DE

<sup>1</sup> Adjusted for the non-cash special effect of CHF 6 million due to the sale of 75 per cent of the shares in einsAmobile GmbH.

# mobilezone at a glance

## Board of Directors

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### **Olaf Swantee**

Chairman, independent member

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### **Michael Haubrich**

Independent member

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### **Peter K. Neuenschwander**

Independent member

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### **Gabriela Theus**

Independent member

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## Group Management

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### **Markus Bernhard**

CEO Group

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### **Andreas Fecker**

CFO Group

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### **Roger Wassmer**

CEO Switzerland

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### **Wilke Stroman**

CEO Germany

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### **Jens Barth** (up to 30 April 2022)

CDO Group

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The mobilezone Group, based in Rotkreuz in Switzerland, was established in 1999 and is the leading, independent telecommunications specialist in the field of mobile and fixed-line telephony. The mobilezone Group operates in Switzerland and Germany. It employs a good 1,000 staff at its sites in Rotkreuz, Urnäsch, Cologne, Bochum, Münster and Berlin.

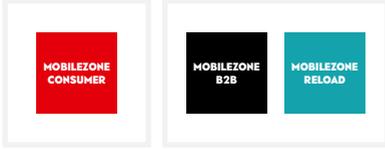
mobilezone Switzerland operates a network of over 120 shops in all language regions of Switzerland. The shops are equipped with a complete smartphone range including accessories and wearables and offer subscriptions for mobile and fixed-line telephony, digital TV and internet from all providers. Independent specialist advice and other services supplement the product range. Under the jusit brand, mobilezone sells used and refurbished smartphones at attractive prices. mobilezone business offers independent advice and individual customer solutions in the telecommunications sector for SMEs and large companies. TalkTalk, the in-house Mobile Virtual Network Operator (MVNO), is a provider in the mobile, fixed-line and Internet sectors whose products are available online at talktalk.ch and in the shops. mobilezone reload covers the repair and second life business in Switzerland, is responsible for the management of the mobilezone workshops and operates repair centres for various partners.

In Germany, mobilezone operates all e-commerce end customer brands with the powwow companies. The Sparhandy and Deinhandy brands specialise primarily in bundle deals – attractive offers consisting of a subscription and a mobile device. Pricezilla offers deals in hardware without subscription as well as other connectivity products. The teleshopping channel Handystar offers deals on smartphones and mobile subscriptions making it a useful addition to the online offer. The in-house mobile phone provider High is the counterpart to the Swiss TalkTalk. Indirect B2B trade is bundled under the umbrella brand mobilezone handel.

mobilezone Switzerland



mobilezone



Product and service brands



mobilezone Germany



powwow

mobilezone  
handel



Product and service brands



# Interview with Markus Bernhard

CEO of the mobilezone group

**You have already drawn a very positive balance for the first half of 2021. How satisfied are you generally with fiscal year 2021?**

We are very satisfied with both the financial results and the strategic development of our business. In August, we raised our 2021 financial guidance for the operating result by CHF 6 million to a range of CHF 67 to 72 million. The fact that we were even able to close the 2021 fiscal year with an EBIT of almost CHF 73 million is very satisfying and we are proud of that.

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**What were the challenges in the 2021 fiscal year?**

We had the opportunity to successfully "practice" dealing with the pandemic and the related measures, especially in the retail business, in 2020. Nevertheless, we were challenged in this regard, especially at the beginning and in the final weeks of the 2021 fiscal year. In recent months, we were able to substantially strengthen local management in Germany and Switzerland. This in turn enabled us to support the further development of our business in various areas, such as online and services.

The Covid-19 pandemic and the associated chip shortage have presented us with the challenge of supply bottlenecks for Apple and Samsung devices in particular. Nevertheless, we can say that we have coped very well with the challenges of the pandemic since March 2020. Our employees have

always reacted very flexibly to new situations and have shown enormous commitment throughout the past fiscal year.

**As you mentioned, the EBIT guidance was newly raised in August by 10 per cent to a range of CHF 67 to 72 million. What is the forecast for the new 2022 fiscal year?**

We are continuing to develop our business organically in the current fiscal year. We are convinced that we can build on last year's performance in both Germany and Switzerland. The start into the new year has definitely been successful. We still have a special focus on increasing the EBIT margin; its development in recent years from 4 per cent to 7.4 per cent makes us confident. Our business model has more than proven itself during the pandemic. We are convinced that we can achieve an EBIT of CHF 70 to 80 million in the current year. In addition, the share buyback is having a positive impact on earnings per share.

**The pandemic has caused a massive acceleration of digitalisation in many areas (video calls, home office, etc.). How has this affected mobilezone in terms of customer business? What effects have been felt internally?**

We already demonstrated in the previous year that we have a resilient business model. In 2021, we were able to achieve record results in all business segments. In the online business, this is certainly no surprise in the current environment; we were able to more than compensate for the results in Swiss retail with better closing rates despite lower customer frequencies of 15 per cent compared to 2019. The B2B business in Germany and Switzerland also developed very well, so we are in an excellent position. The exchange with partners as well as internally via video calls is now commonplace and it is no longer possible to imagine working without it. The resulting increase in efficiency is remarkable. Admittedly, the concept of home office is not relevant to our employees in sales in



We are very satisfied with both the financial results and the strategic development: Markus Bernhard, CEO in conversation with Martina Högger, Senior Manager Corporate Communications, about the business performance of the mobilezone Group.

the shops and in parts of logistics. In various central functions, however, it has been tried and tested for two years now and has become normal.

**What lessons do you draw from the pandemic after a good two years, on the one hand for mobilezone, but also for yourself personally?**

mobilezone has adapted to the changed and partly new requirements of our customers and suppliers in a very short time. At the same time, we have mastered the financial and operational challenges well. On a personal level, virtual meetings

have shaped my daily work. The greatly reduced travel times have given me a little more personal free time.

**You previously gave a positive assessment of the Swiss B2B business for the first half of the year. How has this developed overall in the 2021 fiscal year? And what can we expect here?**

We were able to carry the positive momentum of the first six months into the second half of the year. Our customised client platforms are used by a large proportion of our B2B clients and their emp-

loyees. We were able to increase recurring revenue in the B2B service business to CHF 4.5 million by the end of December 2021. "Device as a Service" for business customers will definitely have established itself in the current year.

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**” We are convinced that we will achieve an EBIT of CHF 70 to 80 million in the current year.**

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**In the meantime, you have been selling used and refurbished devices of the "jusit" brand for over a year. Can you tell us how you are doing?**

We are successfully selling the used and refurbished smartphones in Switzerland. The demand for these sustainable products is higher than we expected. The biggest challenge is buying back used devices from our end customers so that we can give enough smartphones a second life. First and foremost, we sell the smartphones — which have been checked and refurbished by our certified service technicians — online at [www.get-jusit.ch](http://www.get-jusit.ch) and in twelve selected mobilezone shops throughout Switzerland.

**Where is jusit heading in 2022?**

The topic of a circular economy is more relevant than ever and it has quickly become an increasingly important issue in society at large. We have combined our activities around the repair and refurbishing of smartphones with a focus on the "smartphone circular economy". We want to increase the share of "second life smartphones" to around 2 per cent of the total number of smartphones sold at mobilezone in Switzerland.

**mobilezone is a financially sound company that continues to impress, even in times of crisis. How do you manage that?**

We have subjected our business model to robust development in recent years. Today, we generate more than 38 per cent of our sales with our online platforms. Our cash flows from Germany and Swit-

zerland are balanced with the online, retail, B2B and MVNO focus. We are steadily expanding services and recurring revenue year on year. The ongoing investments in all our business segments are the basis for the increasing EBIT margins in recent years. Furthermore, with the sale of the wholesale business in Germany at the beginning of 2021, we were able to complete our announced focusing.

We were able to reduce net debt/EBITDA from 2.22 at the beginning of the year to 0.92 at the end of December. In April 2021, we were able to pay out a dividend of CHF 25.1 million to our shareholders; the healthy financial situation prompted us to start a share buyback in November, which was completed on 3 February 2022 with a volume of CHF 10.7 million.

Over the last few years, mobilezone has been able to improve its results very reliably and steadily. To achieve this, we need motivated employees and satisfied customers. Our regularly conducted customer and employee surveys give us very valuable feedback on this, which we take seriously and which motivates us to continue to improve.

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**” We have subjected our business model to robust development in recent years. Today, we generate more than 38 per cent of our sales with our online platforms.**

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**Let's take a look into the future. What can we expect from the mobilezone Group in 2022?**

In 2021, we strengthened our teams in Germany and Switzerland with targeted additions. We are convinced that we are ideally positioned to maintain or even improve upon our good results. The further organic growth of the contract business with the network providers, our MVNO business with TalkTalk and High, and our online business, will all make an important contribution.

**mobilezone's dividend policy was redefined in November. What were the reasons for this?**

When we announced the share buyback in November 2021, we took the opportunity to clarify our dividend policy. mobilezone intends to distribute 60 to 75 per cent of net profit to shareholders in the form of dividends in the future. In addition, mobilezone intends to return excess capital below a net-debt-to-EBITDA ratio of 1 to shareholders via special dividends or share buybacks. This applies as long as no more-efficient uses are seen for the surplus capital. We previously carried out a share buyback of CHF 10.7 million from the end of 2021 until February 2022.

**You have enjoyed very strong growth in Germany compared to the previous year. What can you attribute this to?**

Restructuring of the German companies was completed in the first half of 2021. We are now in the best possible position, so the synergies are taking effect on both the sales and cost side. The result is an EBIT of CHF 36.2 million compared to CHF 11.9 million in the previous year.

**The German B2B business under mobilezone handel was affected by the impact of the Covid-19 pandemic but recovered in the first half of 2021. What are your conclusions here?**

Our retail business in Germany is very diverse, ranging from small owner-operated shop formats to large-scale retail chains. Accordingly, regulation in Germany in 2021 was not only dependent on the federal state and incidence, but also on shop format and size. The different formats had varying degrees of success. Most retailers have come through the crisis well. Already in Q4 2021, some of our sales were above the level of 2019. There were individual insolvencies among our partners, but the big wave of insolvencies in brick-and-mortar business fortunately failed to materialise. This makes us optimistic about the future.

**mobilezone wants to push its online strategy further with the Pricezilla brand. You see great growth potential in this. What are your conclusions here?**

In wearables, for example, smartwatches or fitness trackers, we used the scarce goods available in favour of higher-margin contract business on Sparhandy and Deinhandy. As a result, with sales of CHF 16 million, we fell slightly short of our expectations of CHF 20 million — but we did so very consciously. Pricezilla is well received, the processes work, we have a very high level of customer satisfaction, and even on the peak days during Black Week, everything worked smoothly. For example, we sold 1,100 Apple AirPods Pro and 1,000 Apple Air Tags in 24 hours. In just 6 hours, we sold our stock of Samsung Galaxy Tabs A7 amounting to 900 units.

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**» We are now in the best possible position, so the synergies are taking effect on both the sales and cost side. The result is an EBIT of CHF 36.2 million compared to CHF 11.9 million in the previous year.**

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**Where is Pricezilla heading in 2022?**

We want to continue on the path we have started, hoping for better availability of smartphones so that we can achieve greater sales in this category. Otherwise, we want to grow in the area of the "Internet of Things". There are various opportunities in the market that we want to seize upon. So, things remain exciting, and it will certainly be an exciting year in 2022.

**With Sparhandy and Deinhandy as well as the teleshopping channel Handystar, mobilezone is the number 1 in online business in Germany. What strategic steps are you planning here to remain number 1?**

First of all, in 2022, we will complete the largest part of our most important strategic investment in recent years — the changeover from our old shop

technology to state-of-the-art new systems. These total investments of around CHF 10 million will give us the opportunity to defend our position as number one in the future, because we will become technical and technological leaders and will be able to quickly accommodate new requirements from the market and customers.

**As already mentioned, you operate your own teleshopping channel with Handystar. Isn't this outdated in times of webshops, apps, etc.? Or in other words: Why do you operate a teleshopping channel?**

Handystar addresses the growing market of the golden-agers. They want and need to be addressed differently than the rather young customers at Sparhandy and Deinhandy. The teleshopping platform is an important gateway for this customer group. We also modernised the webshop for Handystar in 2021 and are receiving an increasing number of orders through this channel. Two years ago, only 10 per cent of Handystar customers ordered their new bundle, the combination of device and mobile phone subscription, online; now it is already one in three. Two thirds of orders are still taken by telephone.

# Agenda items and motions

## 1. Annual report, consolidated financial statements, financial statements of mobilezone holding ag

### 1.1 Approval of the annual report and consolidated 2021 financial statements

The Board of Directors proposes that the General Meeting approves the annual report and consolidated 2021 financial statements.

### 1.2 Approval of the 2021 financial statements of mobilezone holding ag

The Board of Directors proposes that the General Meeting approves the 2021 financial statements of mobilezone holding ag.

## 2. Discharge of the Board of Directors and Group Management

The Board of Directors proposes that the General Meeting grants discharge to all members of the Board of Directors and Group Management for fiscal year 2021.

## 3. Resolution on the appropriation of available earnings, an ordinary dividend and a withholding-tax-free distribution from reserves from capital contribution

On the basis of the distribution rule introduced on 1 January 2020 with the corporate tax reform of the capital contribution principle for companies listed on a Swiss stock exchange, a withholding-tax-free distribution from reserves from capital contribution can only still be carried out if taxable dividends of at least the same amount are distributed. Therefore, the Board of Directors proposes the distribution of a dividend from the available earnings and a distribution from the reserves from capital contribution of CHF 0.42 in each case.

### 3.1 Appropriation of the 2021 available earnings of mobilezone holding ag and distribution of an ordinary dividend

Profit carried forward from the previous year	CHF	79 102 188
Net profit in 2021	CHF	29 608 242
Available earnings at the disposal of the General Meeting	CHF	108 710 430

The Board of Directors proposes that the General Meeting dispose of the 2021 available earnings as follows:

Distribution of a dividend of CHF 0.42 per dividend registered share	CHF	-18 808 109
Profit carried forward to new account	CHF	89 902 321

If this proposal is accepted, the payment on 19 April 2022 (ex-date 13 April 2022) will be with deduction of the Swiss withholding tax of 35 per cent on the dividend amount of CHF 0.42 per share.

Treasury shares held by mobilezone holding ag and its subsidiaries are not entitled to dividends. Therefore, the reported dividend amount may change accordingly.

### 3.2 Withholding-tax-free distribution from reserves from capital contribution of mobilezone holding ag

Reserves from capital contributions – carried forward from previous year	CHF	66 650 663
Distribution of a dividend free of withholding tax in the amount of CHF 0.42 per dividend registered share	CHF	-18 808 109
Reserves from capital contributions carried forward to new account	CHF	47 842 554

If this proposal is accepted, the distribution of CHF 0.42 per share from the reserves from capital contribution on 19 April 2022 (ex-date 13 April 2022) will be free from withholding tax.

## 4. Amendment to the Articles of Association

### 4.1 Amendment of Article 3 (reduction of share capital)

The Board of Directors of mobilezone holding ag has decided on a share buyback programme of up to 781,213 own registered shares with a nominal value of CHF 0.01 each for the purpose of capital reduction. In the period from 18 November 2021 to 3 February 2022, the 781,213 registered shares were repurchased via the second trading line on the SIX Swiss Exchange for a total amount of CHF 10.7 million. These shares are to be cancelled and the share capital reduced accordingly. BDO AG, the auditors of mobilezone holding ag, confirmed in a special report of 6 April 2022 for the attention of the General Meeting that from today's perspective, the claims of the creditors are fully covered even after the proposed reduction of the share capital.

The Board of Directors proposes to the General Meeting:

- According to the special report of BDO AG of 6 April 2022, it should be noted that from today's perspective, the receivables of the creditors are fully covered even after the proposed reduction of the share capital.
- To reduce the share capital by CHF 7,812.13 (from CHF 447,812.13 to CHF 440,000.00) by cancelling 781,213 own registered shares repurchased in the period from 18 November 2021 to 3 February 2022.
- To amend Article 3 of the Articles of Association to the following new wording: "The share capital of the company amounts to CHF 440,000.00 and is fully paid up. It is divided into 44,000,000 registered shares with a par value of 1 Rp. each."

### 4.2 Amendment of Article 3a Paragraph 1 (authorized capital)

The authorization of the Board of Directors for the authorized capital expires. The Board of Directors proposes to renew the authorization to increase the capital by a maximum of CHF 40,000 and to extend the term until April 5, 2024. Accordingly, the Board of Directors proposes to amend Art. 3a paragraph 1 of the Articles of Association as follows:

#### Art. 3a paragraph 1

**The Board of Directors is authorized at any time until April 5, 2024 to increase the share capital by a maximum amount of CHF 40,000 by issuing a maximum of 4,000,000 fully paid registered shares with a par value of 1 Rp. each. An increase in partial amounts is permitted.**

In accordance with the law and Art. 13 of the Articles of Association, approval of the amended Article 3a Paragraph 1 requires at least two-thirds of the votes represented and an absolute majority of the par value of the shares represented.

## **5. Further share buybacks**

The Board of Directors proposes that the shareholders authorise the Board of Directors, at its discretion, to repurchase shares up to a total value of CHF 45 million in the period from the General Meeting 2022 to the General Meeting 2026. All shares repurchased under this authorisation shall be cancelled and the necessary share capital reductions shall be submitted to the shareholders' vote. Therefore, the repurchased shares do not fall under the 10 per cent limit pursuant to Art. 659 of the Swiss Code of Obligations, which restricts the acquisition of treasury shares by the Company.

## **6. Remuneration for members of the Board of Directors and Group management**

### **6.1 Consultative vote on the remuneration report for fiscal year 2021**

The Board of Directors proposes that the Annual General Meeting approves the Compensation Report for the financial year 2021 by way of an advisory vote.

### **6.2 Approval of the total amount of the maximum permissible remuneration for the Board of Directors for the period up to the next General Meeting**

The Board of Directors proposes that the General Meeting approves the — unchanged compared to the previous year — total amount of the maximum permissible remuneration for the Board of Directors for the period up to the next General Meeting in the sum of CHF 0.63 million.

### **6.3 Approval of the total amount of the maximum permissible remuneration for Group management for fiscal year 2023**

The Board of Directors proposes that the General Meeting approves the total amount of the maximum permissible remuneration for Group Management for fiscal year 2023 in the sum of CHF 4.3 million.

## **7. Elections**

### **7.1 Members of the Board of Directors**

The Board of Directors proposes to the General Meeting that the following five persons be elected individually as members of the Board of Directors for a term of office of one year:

- a) Re-election of Olaf Swantee
- b) Re-election of Gabriela Theus
- c) Re-election of Dr Peter K. Neuenschwander
- d) Re-election of Michael Haubrich
- e) Election of Dr Lea Sonderegger

## 7.2 **Chairman of the Board of Directors**

The Board of Directors proposes to the General Meeting that Olaf Swantee be elected as Chairman of the Board of Directors for a term of office of one year.

## 7.3 **Members of the Compensation Committee**

The Board of Directors proposes to the General Meeting that the following three persons be elected individually as members of the Compensation Committee for a term of office of one year:

- a) Re-election of Olaf Swantee
- b) Re-election of Dr Peter K. Neuenschwander
- c) Re-election of Michael Haubrich

If Olaf Swantee is elected, it is the intention of the Board of Directors to appoint him as Chairman of the Compensation Committee.

Information on the professional backgrounds of the members of the Board of Directors can be found in the Annual Report available at <https://www.mobilezoneholding.ch/en/investors-1/reports-and-presentations.html> or on our web portal under the link <https://www.mobilezoneholding.ch/en/about-us/organization/board-of-directors.html>.

## 7.4 **Independent proxy**

The Board of Directors proposes that the General Meeting appoint "Hodgskin Rechtsanwälte, Zürich" as independent proxy until the conclusion of the next General Meeting.

## 7.5 **Auditor**

The Board of Directors proposes that the General Meeting appoint BDO AG, Schiffbaustrasse 2, Zurich, as auditors for fiscal year 2022.

# Organisational information

## **No physical presence of shareholders**

In compliance with Covid-19 Regulation 3 of the Swiss Federal Council, the Board of Directors of mobilezone holding ag decided to carry out the 2022 General Meeting without the physical presence of shareholders in the interest of a preventative and precautionary measure for the protection of our shareholders.

Therefore, the annual General Meeting will only take place with those persons required by statute present. Shareholders can only exercise their rights by means of instructions submitted in writing or electronically to the independent proxy.

## **Annual report / minutes of the 2021 General Meeting**

The 2021 Annual Report with the annual report, consolidated financial statements, financial statements, remuneration report of mobilezone holding ag, auditor reports, proposal by the Board of Directors on the appropriation of available earnings as well as the other proposals of the Board of Directors and the minutes of the General Meeting of 7 April 2021 are available for inspection at the company's headquarters at Suurstoffi 22, 6343 Rotkreuz. In addition, the annual report is available in electronic form on the company's website at [www.mobilezoneholding.ch/en/investors-1/reports-and-presentations.html](http://www.mobilezoneholding.ch/en/investors-1/reports-and-presentations.html).

## **Voting right**

Shareholders can only exercise their rights by means of instructions submitted in writing or electronically to the independent proxy, Mr Martin Dietrich, Hodgskin Rechtsanwälte.

Shareholders with voting rights who are entered in the share register with voting rights by 29 March 2022 (5:00 p.m. CET), will receive this invitation to the General Meeting with the agenda items and motions of the Board of Directors sent directly to them. No entries will be made in the share register from 30 March 2022 to 6 April 2022. Registered shareholders who sell their shares before the annual General Meeting are no longer entitled to vote.

## **Issue of a written power of attorney and corresponding instructions**

By signing the power of attorney on the reply form, shareholders can authorise the independent proxy Mr Martin Dietrich, Hodgskin Rechtsanwälte, Tödistrasse 17, PO Box 1814, 8027 Zurich, to represent their shareholder vote(s). Please use the power of attorney form on the back of the reply form to grant a power of attorney and issue your instructions.

**Issue of an electronic power of attorney and corresponding instructions**

Shareholders can issue a power of attorney and instructions to the independent proxy using electronic remote voting. Electronic participation and any changes to electronically submitted powers of attorney and instructions are possible up to and including Monday, 4 April 2022, 11.59 a.m. (CEST). In such a case, please register on the website <https://mobilezone.netvote.ch> and follow the instructions. The login data required for this will be sent to the shareholders together with the written documents for the General Meeting.

**Questions regarding business on the agenda**

Because, as a precautionary and precautionary measure to protect our shareholders in relation to Covid-19, physical attendance at the General Meeting is not possible, mobilezone offers its shareholders the opportunity to address their questions to the Board of Directors at the following e-mail address: [GV2022@mobilezone.ch](mailto:GV2022@mobilezone.ch). This e-mail address will be available to shareholders between 14 March 2022 and 31 March 2022.

The Board of Directors will address the most important questions at the General Meeting and, as far as possible, comment on some or all of the remaining questions on the mobilezone website. mobilezone reserves the right to comment on submitted questions in an aggregated form or individually, possibly naming the respective shareholder.



