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Table of Contents

Call Participants

EXECUTIVES

Gilles Despas

Michi Frank
Chief Executive Officer

Olivier Rihs
CEO of Tamedia's Classifieds & Marketplaces Business Segment

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

Sandro Macciacchini
Head of Finance & Human Resources and Member of the Management Board

Unknown Executive

Ursula Nötzli

Wolf-Gerrit Benkendorff

ATTENDEES

Unknown Attendee

Presentation

Ursula Nötzli

Okay. A very warm welcome to the first Investor Day of TX Group. My name is Ursula Nötzli, and I'm heading the communications and IR of the TX Group. I just started actually in April, and when I look at our share price, I certainly can say it was a full minute start. So we are truly delighted that we have today the opportunity to present to you our group. As you can see, we have a full agenda. And obviously, we are also very interested to hear your questions at the end. For the ones who joined us via live stream, they can send us the questions via e-mail. You should have received the instruction earlier today.

Starting off at the daily newspaper, TX Group has diversified its business [indiscernible], normal especially in the last 20 years, yet, we are very connected to our roots in quality journalism. Today, we can proudly say that we are one of the biggest media and technology house here in Switzerland. We own diners paid media as well as free media and are 1 of the largest advertised marketeers here in the country. But TX Group also holds stake -- stakes in very interesting digital platforms, ranging from real estate and automotive to job offerings and many more. We have holdings in Doodle, our leading online meeting planner as well as [indiscernible] a leading streaming company, and we are also very committed to our ventures, especially in the fintech sector.

In short, we want to offer people information, orientation, entertainment and support in their daily lives. And now we will start with the first presentation from our Chairman and Publisher Pietro Supino.

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

Thank you, Ursula. And again, hello, everybody. I'm really happy to see you [indiscernible] here in this room, and I think that our Board have joined us via video. Thank you very much for your interest, and it's an honor for us that you dedicate your time to us. Maybe, first, a short introduction of my person. I have been Chairman and Publisher of then Tamedia and now TX Group since 2007, and I have been more involved with the group since the year 2000. And I was the driving force behind the IPO then in the year 2000. But I have been a member of the Board of Directors already since, I believe, 1993. So I was really young when I was elected to the Board of Directors at the time. And this is also due to the fact that I'm a descendent of the founder of the company. My great-great-grandfather [indiscernible] created the company in 1893. Then [indiscernible], but I should also say that I have not grown up in the part of the family that was managing the business. So when I came into the business, it was a new experience for me.

And I'm also kind of glad of having, on the 1 hand, the heritage that I represent, but on the other hand, I think I have always had a fresh view on the business and was not mainly driven by tradition, but mainly by moving the business ahead. That is my ambition.

Now, today, nevertheless, I will cover more the traditional part of our business because the main goal is to focus on the digital platforms. And for those, my colleagues are here who will represent these businesses in more depth, and therefore, I will concentrate on the group and on the traditional businesses. And now I have to move forward to that slide.

This is a slide that we are particularly proud of. It shows that transformation is the DNA of our group, 80% of our business today comes from sources that were not part of our group 20 years ago. We think that this is remarkable, and it shows that besides our commitment to running the operations professionally, we have certain expertise in consolidation of market positions and in [indiscernible]. And this is an expertise, we think, will also be important going forward.

Now a little bit more in detail the way our group has developed and then we have split it a way that above the time line, we have the development of our legacy businesses, of our traditional businesses and below the time line, you will see the development of our new businesses of our commercial digital platforms. Obviously, the 2 are interlinked and they went on parallel. But in essence, they are still different businesses, and that's the way we look at them. So for the traditional publishing, which is our historic business, the strategy has been, from the beginning of the century, but mainly from the year 2007 onwards, to consolidate the Swiss market. Why? Because it was obvious already then that this market will be under structural pressure and that in order to compensate that it was important to consolidate and to reinforce the market positions.

Then in the second moment, which already started 2008, but increased now in the last years, it was all about the digital transformation. And then we have been lucky as a group that besides this legacy publishing businesses, we have had the opportunity to take over 20 Minutes at the beginning of the century, which then was a loss-making operation. It was a disruptive operation that was brought to Switzerland by [indiscernible] some investors at the time. It was kind of the high time of the free [indiscernible]business all over Europe that started out of Scandinavia, but it was loss-making in Switzerland. Nevertheless, we wanted to take it over because we saw a threat and an opportunity, and it turned out that it has been much more an opportunity than a threat, especially for us that we have been able to really develop 20 Minutes into a leading business, which I will come back to later on.

Now in parallel, as already mentioned, we have built up a portfolio of investments in commercial digital platforms. I should say that at the beginning of that endeavor, we had the vision to do it organically. I'm proud to say that we recognized early on that we should invest into commercial digital platforms. It created, at the time, the so-called Winner Group that was a strategy of building up positions in cars, real estate, jobs and at the time also partnership besides the marketplace. And we created that separate holding structure as a startup and wanted really to develop those businesses.

So I'm proud to say that I think we recognized at the right time that there was a development going on and an opportunity. I am less proud of the success we had in implementing that strategy, turned out not to be successful, but, in the second phase, we were at least able to build off the same kind of portfolio that we have had in mind in the beginning through acquisitions. And that was not one acquisition, but it was step by step. Partly, we could bring in businesses that we have developed ourselves, but mainly was really acquisition of such positions, which at the time were less obviously promising than today. Today, everybody is very hot about marketplaces and classifieds. That has not been the case in the same degree as today, but it is something we have been attentive to for many years, and we have really strategically developed. The first step was that we acquired 45% share in Homegate, then we acquired Car For You. And then through the acquisition of Edipresse that shows how the publishing business is still interlinked to a certain degree with the commercial digital platforms. We got in control of the other 45% of Homegate and through that of Homegate, and we also acquired through Edipresse 100% in drop up, which was then an important part to bring in the Drop Cloud at the time that we took over Drops together with our competitor partner Ringier. And lastly, we took over Ricardo from Naspers, which, at the beginning, was a difficult exercise.

It turned out to be in much less good shape, especially technologically than we thought when we acquired the business. We then heavily invested in the renovation of the tech stack. And then also, in this case, thanks to the difficult period we are living through in the last 2 years, on that newly built tech stack. We really could see a very, very pleasing development of Ricardo. So this is to say that we have, for a very long time, strategically developed this portfolio of classified platforms and marketplaces. It has not been a straightforward journey.

It has been a journey with ups and downs. But as of today, we are really extremely happy about the portfolio that we have. And as in the part -- in the business of publishing Tier 2, we have come to the conclusion that consolidation of market positions is really important. And that is the reason why when we took over Drops.ch, at the time, we decided to do it together with Ringier to really consolidate the Swiss market in this field, and that's also the reason why when we now form the Swiss marketplace group, we really put a lot of energy into getting together with our now partners, and we are extremely happy that, that has worked out. And we are convinced it's not only good for us, as the shareholders of the joint venture, but foremost and as the preconditions were being good for us, it's good for the Swiss people. I think it's good for this country that we have really built the base for that industry, and that it can be developed here and that the Swiss people can be served out of a very strong group that can invest in product development, that can serve its customer best both on the user side and on the business side and through that, create the value, ultimately also for us as shareholders.

Now I move on to a third bucket that is increasingly important for us. That's the debentures. In addition to the classified marketplace investments, we have also invested, in the last 10 to 15 years, in other digital platforms with the Connex to our core business. The Connex is mainly or mostly that our media reach is attractive to these businesses. And to mention just the most successful case out of this history, it is search.ch, which we could take over from the post at the time. That's a yellow page business. We took it over in an exchange against our distribution network for newspapers that fitted in quite well in the logistics operation of the post.

And then we heavily invested in the development of search.ch, both in the technology of the business as well as in the sales force. But we were the #2. We were the incumbent, and we were really trying to put #1, which was local.ch under pressure, always with the idea that maybe a merger between the 2 positions could create value for all involved, but it was difficult to convince Swisscom and then public group that, that would be a good move for all parts involved, and it needed a public takeover bid on the then Stock Exchange Listed Public Group to really put the thing into play and, ultimately, realize that merger, which created the value of about CHF 200 million for us, which we then realized because, ultimately, in the construction network, the call and put options and Swisscom then called that participation for us. But it shows how we have been able to create value in a more distantly related field of business, applying expertise we have out of our traditional business and also leveraging forces that we have in our traditional business.

Now over time, the portfolio of ventures was relatively diversified, and we have decided that we should streamline it. So nowadays, we concentrate mainly on 2 big companies that are Board ventures. They are kind of mature digital platform businesses. One is Doodle. Doodle, I'm sure you all know for making appointments. So there, our north star is to reach an annual recurring revenue from subscriptions of CHF 10 million. We have been growing at a rate of 60%. And I'm proud to say, looking at Sam who is responsible as a chairman for this achievement, that we have reached now CHF 8 million of ARR, and we are confident that in the course of the next year, we will hit CHF 10 million threshold, which then we are convinced will open us a lot of interesting options for Doodle in its space. It is not for us a strategic investment, but it is an investment we care a lot about because we see a lot of value in it, and we want to develop it one step [indiscernible] before hopefully being able to materialize the options that will come up with 1 or the other way.

And besides that, I think it's also a great learning experience for a more traditional company as we are to be involved in such businesses successfully. The other really important tech company, digital company that they are, the majority shareholder is Zattoo streaming platform, which hopefully you know as a consumer. And it's an interesting business model and a relatively complex business model because there is advertising business in it on that platform, there is subscription business in that platform, and Zattoo is also a technology provider for cable networks.

Because of that situation, there is also the question whether this offer should not be unbundled. It's 1 of the questions that we will have to deal with and to answer in the coming months in the course of reassessment of the owner's strategy. Both Doodle and Zattoo are increasingly active or depending on the subscription business. And that, again, is an interesting parallel to our more traditional businesses, like publishing, where, historically, advertising was the main revenue stream, but looking forward for the paid media subscription will be and already eased the main revenue stream.

The third chapter in this field of noncore businesses of our group is ventures, and in the sense that I have said, they wanted to streamline our ventures investment. We have come to conclusion 2 years ago that we should concentrate on fintech. Why that? Because we feel that Switzerland is a very interesting location for fintech, and we are a media company in Switzerland. And through our media reach, again, we can help B2C fintech businesses, and it has proven to be a valuable strategy when you look at our portfolio. And as, in the meantime, we have also been able to build up expertise in the fintech space, we have decided to enlarge our investment focus also to B2B fintech, and we are investing in roughly CHF 20 million a year into such businesses with the goal to create value for our shareholders.

Now this picture, I don't want to go very much in depth. It just shows you the way we look at the group. It is a portfolio of diversified markets where we are not an operator anymore, but when we are an anchor shareholder of SMG and Drop Cloud, and Gilles Despas and Olivier Rihs will run you through these businesses. We are the owner of Goldbach. Michi Frank will tell you more about Goldbach. We have 20 Minutes and Tamedia. I have already gone into these 2 more traditional businesses. I will say a very few more words about them. But I would also like to mention besides the ventures that I have touched on that we have important real estate holdings. These real estate holdings are mainly related to our printing business. Besides, these premises where you are now present here, those who are here. And over time, it is not difficult to imagine that the need for real estate or printing facilities will decrease. And in that process, we will try to redevelop the real estate. And then through that also, I think, open up the options for the shareholders to eventually spin off the real estate that should be the vision of shareholders.

Now I don't want to go very much in depth with regard to Tamedia as I think you are very familiar with these operations. Just to recap, so we have been following, first, the strategy of consolidation. And then, secondly, that's where we are really in now a strategy of digital transformation. It's important to note that we have a really, really strong market position with Tamedia in our country. We have a market share of -- depending on how we look at it 40%, that's really a lot. To give you an example, in Italy, there is a law that you are not allowed to have a market share of more than 20% in publishing. So it's astonishing how we have been able to develop this very, very strong market position in an attractive country of roughly 40%.

We are all aware that these businesses are under very high pressure, but we should not forget that these businesses are still cash flow rich, especially the printing side of it, although, in the public discourse, this is often underestimated. And it is, of course, our ambition to maintain this cash flow profitability of these operations as long as possible, and we are rather optimistic, at least with a 5-year time horizon that we will be able to deliver on that.

Now for Tamedia, it is also really important to have emphasis on quality. Why that? Because on the one hand through our important market position, we have also a really high responsibility for what is going on in the public sphere. And through our quality initiatives, we want to live up to this responsibility. But secondly, reputation that goes with Tamedia is not only important as such, but it's also a door opener for other businesses we are in. And to give you just 1 concrete example is when we are in tender offers for developing our position in the out-of-home advertising market with Goldbach. It makes, of course, a difference if the offer comes from somebody who also is from Tamedia and not only in terms of reputation, but also in terms of ARPA, for example, that we can leverage, but Michi will say more about that. Just to mention that Tamedia, of course, has to be a profitable business in itself, but Tamedia is also adding value to the other businesses of our group. The same is true for 20 Minutes. 20 Minutes is really an international unique success story, and I am really proud to say how my predecessors have been able to develop the then loss-making 20 Minutes venture into the strongest media brand of Switzerland, which reaches 3 million people every day on print and in digital. And that, in a country of the size of Switzerland, is just amazing and very, very good assets we have [indiscernible] and offering further opportunities.

To mention here also that 20 Minutes is, I think, almost a world-class champion in the digital transformation, 2/3 of the revenues of 20 Minutes also come from the digital business. This is also a consequence of the very difficult times 20 Minutes has been living through now in the pandemic because 20 Minutes, in print, is distributed along the public transport system, and there, of course, presence of people has been inferior to normal times, but it has been difficult times. But on the other hand, that also shows the robustness of the business model of 20 Minutes and the market position is just a fantastic asset of our group and something we are really proud about.

The other feature of 20 Minutes I wanted to mention is that although the company now is 20 years old, so it's a grown-up company, it has maintained the spirit of startup. There is a lot of innovation and creativity in 20 Minutes. And it is also for that reason, [indiscernible], as a stand-alone company with its own CEO and its own Board of Directors because we believe that this culture, this spirit is really a strength of 20 Minutes. That in the dynamic environment, we are living in should be preserved, cultivated and will also be the foundation for further [indiscernible]. In the case of 20 Minutes, the quality initiatives are really important because 20 Minutes, being the most influential, the most important medium of Switzerland, has a big responsibility for our society. And through these initiatives, we want to live up to that responsibility.

Now to sum up, and maybe that's kind of the common thread of what I have been saying is Switzerland, as you know, is a small country, but it is a super attractive market. And being a small country, we have, in all we do, always been very concerned about having #1 positions. And either we reach this #1 position through organic development, and if not, then we are committed to consolidating the market to get there. We think that for our success, it is really important in that small, but super attractive market to have #1 positions, and that is what we are striving for.

Before I now hand it over to Sandro Macciacchini, and a short comment on our reorganization of the group structure that we have announced on Monday. It is not a major reorganization. It's rather a fine-tuning, and the idea behind it was simply to reduce redundancies and interfaces. And we do that through the consolidation of all the operational group functions under the responsibility of Sandro Macciacchini as the group COO. And secondly, we wanted to put more emphasis on communication and sustainability because we are convinced that these are fields of growing importance, and therefore, should be integrated at the highest management level. And thirdly, we see a central role for the group development because -- and I think the latest movements have already shown that. Besides operational excellence, which, of course, remains ambition, we are convinced that the value creation in our group goes also increasingly through strategic moves. And in order to be able to develop these moves and to drive them dynamically ahead, we wanted to give group development this prominent position. That was it from my side. I will come back at the end and now hand over to Sandro Macciacchini. Thank you for your interest.

Sandro Macciacchini
Head of Finance & Human Resources and Member of the Management Board

Advantage being here is to be able to put off the mask. The disadvantage is to do so. Can everybody hear me? Hello. Also, warm welcome from my side. As Pietro has already pointed out, our group has undergone a massive transformation since our IPO in the year 2000. The year 2000 was also my first year at TX Group or Tamedia then as a legal council. In 2008, I was appointed as CFO and as Pietro already has mentioned, next year will be my first year as COO, being responsible for finance, HR, IT, and legal compliance, and Wolf-Gerrit Benkendorff will take over as CFO.

I would like to underline the aforementioned transformation during the last decade with some more figures. In 2000, and that's the column on the left side, around 2/3 of our revenue came from advertising. 20 years later, as shown on the right side, advertising contributed around 30%, or if you add revenue from commercialization in business, of Goldbach Media, this amounts to 37% of our total revenue. Subscription revenue from our paid media grew drawing this time from 20% to 26%. The underlying offer, of course, shifted and is still shifting from print to digital. I will come back to that in a minute.

What changed also fundamentally during these years was the revenue contribution of the digital classifieds and market prices. Over the last 20 years, we were able to build up a third pillar as Pietro has already mentioned, mainly through acquisitions, which, today, are reported in the [indiscernible] markets and in addition, as ventures in the segment group and benefits. What might be even more important than the diversification is digitalization of our business. Starting again from the left side, in the year 2000, around 2% of our revenue was digital. 2 decades later, our digital office contributed 56% to our revenues. The figures below the pie on the right side, give you more details of the digitalization of our publishing revenue. Regarding 20 Minutes, and Pietro, as already mentioned, around 2/3 of its revenue was digital advertising revenue in 2020. As for Tamedia, the digital share is substantially lower, around 7% in 2020, combining subscription and digital advertising. At first sight, this might be a surprisingly low figure, but I would like to emphasize what Pietro also already has said that we earn good money also with our printed offers and every customer who buys a print subscription is a welcome customer, and the same is true for every customer who pays for a printed ad. We aim to keep the decline in print low and to push further growth of the digital subscriptions.

Let's move from revenue to profitability. Despite the fundamental transformation of our business during the last 20 years, we were able to maintain a high EBITDA margin of more than 18% on average. This figure was even higher during the last 10 years with around 20% and also more stable, thanks to the aforementioned diversification and digitalization of our business. This allowed us also to distribute a fairly stable dividend as shown on bottom of the chart of around CHF 3 on average during the last 20 years.

In the last decade, the average dividend was around CHF 4 if you include the COVID year 2020 and CH 4.5 excluding the last year. At this stage, I would like to explain you more in detail what we see as our most relevant key performance indicators on top of the well-known EBITDA and the cash flow from operating activities.

These KPIs are the EBIT before PPA and the EBIT adjusted, which are income statement related and shown on the left side of the chart and the free cash flow before M&A, which is cash flow statement related. Starting again from the left, the EBIT before PPA is defined as EBITDA less [indiscernible] depreciation and amortization of property, plant and equipment, excluding amortization resulting from business combinations and impairments. In other words, amortizations resulting from M&A activities are not included in this KPI. These amortizations are based on purchase price allocation for each acquisition. That's why we named it EBIT before PPA.

To give you an example, included in our EBIT before PPA is the amortization of our [indiscernible] building here at our headquarter in Zürich where we are right now. Not included in contrast is, for example, the amortization of the allocated purchase price for our 50% stake in JobCLOUD. The EBIT adjusted then as a second relevant KPI is calculated from the EBIT before PPA simply by eliminating one-off effects. On the left side to the right side, we define free cash flow before M&A as cash flow from operating activities, less investments in property, plant and equipment and intangible assets, in other words, less CapEx. Not included in this KPI are, therefore, M&A activities. That's why we call it free cash flow before R&D. To use the same example as before, investment in our building here in Zurich East was included in free cash flow before M&A, but not the purchase price for our 50% stake in Drop Cloud as an example.

The reason, and that's the whole point of it, we think that these KPIs are relevant is that they are, from our point of view, the best indicators for the future organic profit contribution.

This can be further explained with the next chart. The 2 green lines at the top of this chart show you the EBIT before PPA and the free cash flow before M&A in the last 5 years. As you can see, these lines are pretty close. The gray and the black lines at the bottom of this chart show the amortization resulting from business combinations and impairments. When you deduct these amortizations and impairments from the EBIT before PPA, you'll get the EBIT as you know it. And this is the gray line in the middle. And as it is obvious, the EBIT is quite lower than the free cash flow before M&A, and therefore, as I mentioned it already from our point of view, less relevant than the EBIT before PPA.

To round up the picture, let me show you the development of the free cash flow before and after acquisitions. As you can see, the free cash flow before M&A, that's the green line, was quite stable during the last decade. In contrast, the free cash flow after M&A, this gray line, was, that's not surprising, much more volatile because this includes investments and divestments in participations. What this chart also shows is that we saw a more negative trend in the free cash flow before M&A in the last years. This was mainly due to lower profitability in the paid media segment. On top of that, in 2020, the figures were, of course, heavily impacted due to COVID.

Due to substantial cost measurements, especially in media and on group level, and thanks to -- and under the condition of an ongoing recovery of the economic environment, we expect again a positive trend for the future. To underline this, I would like to give you some more details about the performance of our 4 segments in the first half of 2021, as already reported.

As you can see, by end of June, every business segment contributed to our profitability on EBITDA and EBIT adjusted level. The only exception is the segment group in ventures. Here included are our investments mainly in the growth of Doodle, and our overhead costs, which are not allocated to the other segments. On a group level, our EBIT before PPA amounted by the end of June to CHF 48 million, and our free cash flow before M&A to CHF 49 million. These figures, again, illustrate the likeness of these 2 KPIs.

To conclude, a short look at our balance sheet. By the end of June 2021, the equity ratio stood at 75%. Net liquidity amounted to CHF 194 million as of the reporting date. By the end of 2021, net liquidity will be substantially higher also due to the cash inflow of CHF 135 million from General Atlantic, which equals to 50% of the price for 10% of the shares of Swiss Media Marketplace. Thanks for your attention, then I would like to hand over to Michi Frank, CEO of Goldbach.

Michi Frank
Chief Executive Officer

Okay. Now it's okay. Thank you so much. Also a big hello from my side, Michi Frank, CEO of Goldbach Media since 2014. I am looking for my CV, and I worked now in the last 40 years in this media business here in Switzerland, starting for the old economy in publishing by [indiscernible] in '83. And after that, in '94, it was the first building [indiscernible] together for [indiscernible] for the last year. And the last 20 years, I work still here now for Goldbach. That's my small introduction. And I think it's really [indiscernible] work. I believe in sale, I believe, totally in this business, in the business case that we have, the 360 case from our side, and I really show something about these charts what I have here. Let me show -- sorry, my glasses in my [indiscernible], I must have the glasses for the key points. Just so small, also about Goldbach. what's Goldbach.

Goldbach is a leading advertising sales house, the leading advertising house in Switzerland. It was founded in 83 from a local radio station, Radio Z. Some of you know it. Until this time, it was really the staff who build it. And in -- in '93 was the first window with RTL TV station we started. And also in this time, from 2000, 2001, we built offices in Germany and also in Austria. Still today, we have that. And then some of you I know from the time from 2007, and Goldbach goes public until 2018. A big point for us was really in 2018 with the merger with Tamedia and also taking over from Neo advertising.

Thanks 2020, Goldbach is a sales company, a sales house from TX and also [indiscernible] inventory. That's the idea that we really have [indiscernible]. With the idea what we have really that we culminated, we aggregated, and we think with this content, what we have here in Switzerland, that was also Pietro said, we are absolutely in the right way to go in the next future. That's some information about Goldbach in the first time. That you see now what we are doing and the products from Goldbach and also the reach a part of the Swiss population. We have a high market share in the TV with 50%. There is gaming with the official [indiscernible] stuff on the other side. In online, we have reach with 97%. More than 150 website publisher works gather with us here in our network in Switzerland. That's a high, high season for us, but that's the [indiscernible]. [indiscernible] the Googles and Facebooks and Amazon of this world, it's outside the SCO that your business is not in here.

In the radio business, with 40% market share, we are a broker for the national for the national ads, it means the local ads they have their own sales houses, the local stations in [indiscernible] and we are the broker for the national part. Also with 9% in print, it's a really important stuff that we heard from Sandro and also for Pietro in this combination, what we see for the future is important for us. And the new business and volumes, thanks to 2018 out of home, it near advertising. We have data market share of 5%, but we see there that the biggest growth for us, and I will show you this in the next 2 parts that I have.

I have 3 ideas, 3 new things from our side from Goldbach, one of them we announced yesterday and have also, today, some discussion about that, what's the idea there? We are looking now and we are starting now for a sales service platform to provide access to all media, to all our owned media, but also for third party media where we are the sales house, but we are also really open, and that's the important [indiscernible] ambition to build a unique platform, that means open for the future. It means it's open for everybody. We start now. We go in the front. We are looking for that, but we are really open minded because we are totally sure that we must be relevant here in Switzerland, not just the Goldbach states, also for the market. That's 1 of the ideas that we have.

And we have a lot of discussions with our customers [indiscernible] but they won't. And then the next thing is that the [indiscernible] create integral marketing solution. As a platform for all media means all of the 360 IP that we have that accomodate [indiscernible] on the out-of-home business. The convenience of that is really a standard products, available in a self-service end-to-end system. That's the story of the other big player and players have, and now we are investing a lot of money in them and also in people, start to search a lot of people for this business. And we are totally sure that we can aggregate that together with our group content apps what we have. And that must be really offering for the SME business and also for the large advertiser and also for our agency. The measurement of that, it's really, really important. We work on them hard because we must bring these some IPs from the 1 ad to the other ad together from 1 voice to the customer, and that's really important. And that's the aggregation with the addressable stuff what we are looking for.

It must be simple. That's the story, but what I tell you, it must be simple for the sales, but also on the consulting business and the supporting with a small dashboard and the clients can work with them and can integrate all the 360 IDs what we have for the future. That's 1 of our new IDs starting with them in 2020.

The second one I want to show you, some of you heard about them, that's the business, the replay adds special in TV business. And you see there on the left side is the #1, the today business. There is the broadcast that produce some, I don't know, 3 plus [indiscernible]. The program comes in, and the ad starts after the program and the program comes then. That's the old system, where we [indiscernible] the money. And now with all the time shift to viewing what we have we a lot in [indiscernible] viewing. We have a new ID, is the set-top boxes with the new PCs and the system of the [indiscernible] with the new ID to replay ad. It means that exclusively, that's extremely important, but the second in print is really it's unskippable. That's a new [indiscernible] who comes in. That's a high attention. Why? Because you must look at it. It's not skipable and user-friendly because it's [indiscernible]. And the important step for us, for our business is the additional reach. It means we have the linear TV with reach what we have and on top we get now this new reach.

It's still we start June '22, and we are really, really [indiscernible] -- it's not a revolution, that's a wrong word, but it's really 1 thing, Europe's first because we can do that still together.

Okay. And the last what I have bring you, I told you about the [indiscernible] business. Neo Advertising is a pioneer in digital out-of-home solution. It's the third biggest, but we believe totally in the growth in this business. Why? Because we win, in '21, some new ads, new inventories, special [indiscernible] all the buses, tram stations. That's 1 of the important, I come back later on them also called [indiscernible]. And it is a combination, we see that we have the growth for the ads for the future. And we have a total different view. We had also a discussion with some of you before the meeting. The idea is that we are not like the other players in the market. We believe also in the out of home business that comes to digitalization, especially by [indiscernible]. We started now with the old analog steps go to the digital, with the content special from [indiscernible], and this combination, if the ad goes, new products out, and that's totally different because the other guys are just looking and focused on outperforming digital out-of-home business. We are focused on this ID to culminate all this stuff together. And I think that could be a right way for us. And the last chart from my side that we see what I mean is [indiscernible] tech business. It's an example of delivering data from [indiscernible] through this combination. The usage for the [indiscernible] inventory. You see, on the left side, 2 points, the Waserstrasse and ETH/ Universitatsspital. It's culminated with data from 20 Minutes and Tamedia users generate unique profiling for each VBZ station. It means, I don't know. The [indiscernible] is a special one. You have not the same people in the morning or at 12 o'clock or 3 o'clock. And you can generate it now with the data, especially on these people with the [indiscernible] server, programmatic in all these new measuring stuff that we have in the products actually 20 Minutes and also with [indiscernible]. That's our 3 new points from our side, once more, I believe, totally in this business. I believe also that we have there a new path to go forward and together to be relevant and also these investments what we have.

So question I can give you answers after. Thank you so much. I give the word to Wolf, our new CFO.

Wolf-Gerrit Benkendorff

Good afternoon. My name is Wolf Benkendorf. I have been the Head of Finance and Controlling for the last 2 years at TX Group. And I tell you, it's not an easy slot having the presentation -- having the presentation right behind me, and right before coffee break. So -- and even with a more technical part, but I will try to do my best here. I will start off with some information that is already communicated, the new structure of the ownership of SMG. Gilles will give you more details on that later. I will start with that slide because this will heavily impact our future external reporting, and I will give you more details about that on the following slides. Here on this slide, you see an extract of the TX Group's annual report 2020.

We report segments in Note 2. And in Note 2, we give information about the key financial indicators, EBITDA, EBIT before PPA that was just explained by Sandro Macciacchini, and EBIT. And in addition to that, we disclose information for material associated companies. That was here in karriere.at in Note 8, and we disclose additional information for significant noncontrolling interest companies like JobCloud in Note 30.

As you can see, the additional disclosure in the 2 notes is limited to some values from the balance sheet and from the cash flow statement and for the profit and loss statement, it is limited to revenues, earnings before tax and net income.

If we look at the composition of the TX Markets segment in the future, you will see in the table above, that was the composition that we had up until the first half of '21 and TX Market segment basically comprised of JobCloud as a fully consolidated unit. We had karriere.at as an associated company, and we have the units that now have been deconsolidated and brought into the joint venture SMG.

If you look at the table below, then you see what will change in the future, the new TX Markets segment will basically comprise only on 1 fully consolidated unit and 2 associated companies. Therefore, key financial information for JobCloud will be freely available and can be directly obtained from the TX market segment report in the future. Because of that, we decided that we will, in the future, disclose additional information in Note 30 for JobCloud, the mentioned KPIs and explained KPIs from [indiscernible], this will be additional EBITDA, EBIT before PPA and because this information is already available from the segment report.

We will disclose the same information for karriere.at and SMG. So in the future, we will also see, in Note 8, EBIT before PPA, EBITDA and EBIT for the associated companies. Especially for SMG, it is important to deliver this information because of the high valuation of SMG. We expect a significant purchase price allocation, resulting in high amortization in the coming years.

This will have a strong impact on the PAT of the SMG associated company, and therefore, it is very important to explain to you what the real performance of the associated company is, and therefore, we decided to disclose additional information here. Now I will guide you through the main changes of our balance sheet and, in the first column, you can see the main figures from the balance sheet from the half year closing '21. In the second column, you see the effect of the deconsolidation of Homegate, Ricardo, Tutti and Carforyou on our balance sheet. The third column is reflecting the equity investment of TX Group in the new company, SMG, CHF 1.1 million reflects 41% ownership of SMG, and this will increase our equity by CHF 775 million, this being CHF 1.1 billion, the equity investment, minus CHF 332 million because of the deconsolidation of the units that now are being part of the joint venture.

Step 4 is the sale of 10% of our equity share to General Atlantic, half of that being paid by cash, the other half granted as a vendor loan. This will lead to an increase in the balance sheet of the TX Group and also, of course, in an increase of the equity ratio of the balance sheet.

To sum up, the 3 key messages of my presentation, first, once again, is, we will deliver additional information about the financial performance of JobCloud, karriere.at and SMG compared to the reporting that we did in the past. We expect heavy impact because of the amortization of the purchase price allocation from SMG. So we expect that the result in the coming years will not be that positive that you might have been expecting. And last point is that our equity will increase by CHF 775 million because of the SMG transaction.

Thank you.

Ursula Nötzli

Thank you. I think we have been very good with regards to timing, which gives you the opportunity to have an additional coffee, and we will continue at 3:30 with the presentation of Oli and Chile. Thank you.

[Break]

Ursula Nötzli

Good. Thank you. And I think we are ready to continue. And I'd like to hand over the word to Gilles Despas, who is the CEO of SMG Swiss Marketplace Group. Please, Gilles.

Gilles Despas

Thank you, Ursula. Good afternoon, everybody. I hope you had a good break. I have the pleasure today to introduce you to a new company that has actually 25 years of existence, at least from the 2 parts that we have brought together. Swiss Marketplace Group, SMG is the name of this new company that has been introduced before by Pietro Supino.

Myself, a few words. I've been the CEO of Scout24 Switzerland for 3.5 years, which is 1 of the 2 parts that have been brought together into SMG. And before that, I have about 20 years of experience in e-commerce businesses, primarily in online, travel at international level.

So let me introduce you a bit more about SMG. So the group is really the true Swiss champion in the field of classified end market places. You will see that, you will recognize the brand when I'm coming to that. And we have 4 pillars, which are real estate, which is the biggest part of our business; mobility; we have also generalists classified businesses and marketplaces; and we also have a fourth pillar that is more a growth business in financing and insurance industry.

In the first 3 pillars, where we have our biggest businesses, we have a clear leading position, especially through the combination of the 2 businesses from TX Markets and from Scout24 Switzerland, we have created as an absolute champion in this area in this market.

What is the vision for Swiss marketplace Group? It's the vision of the marketplace. We are bringing consumers and customers together in the marketplace where they can actually be matched and create transactions. We are also, and that's very important, one of Switzerland's leading digital companies.

We have 900 employees across the world, not only in Switzerland, a big portion in Switzerland, but not only. And we have a lot of multinational experts in our company. We see that, 40 nationalities. And we are already, from the past, attracting a lot of talent that we believe that will be even more attractive for international talents, especially in Europe, to join us and be part of this story.

What are we doing? We're actually simplifying people's life. We are digitizing industries. And our goal is, of course, to drive the success of our customers, be it, the real estate agencies, the car dealers and all the other partners that we have on our platforms.

We are definitely a pioneer in the Swiss market. All the brands that you will see on the screen are there for more than 20 years. They are very successful, and they have been at the very beginning of Internet in this country. They are also famous for digital innovation. There are a lot of products that are launched every year on all our platforms and especially, you will see during the COVID period.

And one thing that we are very much proud of whether the employees, the shareholders of this company, is the fact that this is a real consumer-facing Swiss champion. And there are not so many. There are quite a few, but not so many that are really under radar at European level. And by merging, we are actually putting a consumer-facing company on the radar among digital companies in Europe.

So we have a very good portfolio. And we are covering the life cycle of the Swiss people, Swiss citizens and people living in Switzerland, in very important areas. The first one is housing and living. There, on our platform, you know you can find the apartment, the home, you want to rent or you want to buy or you want to sell and all the services around.

We have also various composition in mobility, especially independent mobility around the car. And we also have a very strong position in general classifieds for all these goods that -- either goods that people want to sell or to buy and want to go away from buying new goods, which is a strong trend that is going to pick up in the coming years, as we know.

And of course, we are also putting a lot of effort to increase our presence in the financing and insurance sector, especially on the digital side of it. And this is an extension also of our other platforms; mobility, where you need financing; or housing and living where you also need financing or insurances.

We have merged assets that you recognize now from both sides. You see the assets coming from the TX Markets side and from the Scout24 Switzerland side. So let's start with real estate. The big -- 2 biggest assets in terms of reach, in terms of audience and in terms of revenue are Homegate and ImmoScout, but there are also a lot of other brands in this portfolio that are bringing us additional reach and additional solutions for our customers, that's ImmoStreet, home.ch, Acheter-Louer, very strong in France.

And on the Scout side, there are 2 companies, we will deep dive into it, that are actually helping us going into the value chain that is very important for the development of our business model.

In automotive and mobility, AutoScout, I think everybody knows us -- platform as well as Car For You that has been growing very fast in the last 3 years. These 2 brands have been competitors for the last few years, now they are in the same portfolio. And that's definitely the best portfolio you can imagine of in mobility.

General classifieds, I would say with Ricardo, Tutti and Anibis, we are covering not only all Switzerland, but we are also covering different business models. And we are covering all the needs from Swiss people who want to get rid of idle goods, and all these platforms are very famous and bring millions of visitors every month, you will see some of the numbers.

And the new kid on the block for 2 years now is Finance Scout. It's a comparison platform, it's an aggregator platform, that is primarily an extension of our -- the services and -- the financial services that the other platforms need. So if you need a mortgage, if you need a consumer finance, if you need a car insurance, if you need a home insurance, this is the platform where you will find the offers that you need.

The assets that we have are also very complementary in terms of geographic coverage of the market and very complementary in terms of business model as well. Two examples. In real estates, the strong hold of Homegate has always been this city, so Zurich and the region and the Canton, but also Eastern Switzerland by extension, whereas ImmoScout has been always super strong on [indiscernible]. And the combination, of course, of these 2 brands that are nationally known creates a total champion in terms of real estate.

The other example is in terms of marketplaces and this time in terms of business model. Ricardo is a transactional marketplace. You can actually buy the goods by just clicking on the button like on an e-commerce company, you can also make an option; whereas at Tutti and Anibis, you can list the objects that you want to sell and you will receive offers and you can negotiate with the buyer and viewers, of course. And that's more the freemium model. And all these brands are actually giving every one of us, every Swiss resident, the possibility to sell and get rid of their used goods.

Together, a few figures to share with you. The one that impresses me the most is in the country of 8 million inhabitants, there are 80 million visits a month on our platforms. And I bet that in this room, everyone is on one of our platform or more every month and -- hopefully on more. And that's the basis of this combined business, and it's a very, very strong bond. Creating a brand, creating such a traffic in a country like Switzerland is a strength. We know how to do it, and also we have done it. This is the basis for further growth. And that gives us the possibility to really scale our business further.

We have more than 3 million new listings per month. We know there is a lot of rotation on our platform. And that is putting together the attractiveness of our platform because people are coming back to see new things, be it new goods and Ricardo or new apartments on Homegate or new cars on AutoScout.

And the group has now together more than 900 people, 40 different nationalities, as I was saying before. We have 13 locations, and we have around 200 colleagues that are outside Switzerland. They are in Serbia, they are in Vietnam and they're in India. So we are used to work actually internationally, and this is a strength to attract talent as well because nowadays people working in digital companies want to have this international flare. Our focus is on the Swiss market when it comes to consumers and customers. But definitely, when it comes to attracting employees and talents, our focus is definitely global.

Who are we playing with? So it's -- we are definitely the local champion. It doesn't mean that there is no competition. Of course, the global tech companies, Facebook, Google, who are taking big share, especially in the advertising segment, we know that. Of course, they are active in this country, but probably less when it comes to marketplaces in other markets, they are, as you know, always focusing on the bigger markets and that's something that is at our advantage.

And of course, we have to make sure that the big international classified marketplaces around us, especially in Europe, are not looking too much at this market. That's an advantage also to with this local champion on the Swiss market for 2 reasons. The first one is Switzerland is never on the priority list for entering a market for these big European players. They look at bigger markets, and they have to prove that they can enter big markets to their shareholders. And therefore, we are not time-wise always top of the list, sometimes they even don't plan it.

And the second reason is because we are now in such a position, like ours, they will think twice before they enter this market because that will be very difficult to create audience and introduce new business models on this market, that is a big, big advantage for us on the Swiss market compared to other marketplaces in other markets, which have a lot more competition.

Now to give you some perspective, yes, we are the true champion on the European market. It doesn't mean we are just aiming at being active on the Swiss market or our vision is only limited to the Swiss market. What we want to be is one of the most attractive classified and marketplaces group in Europe. And by combining our forces, we are already in the top 10.

And actually, of course, there are 4 big players that you see on the left-hand side of the graph. But you see also that by joining forces, we are definitely a comparable size with players that you know about and that are very, very famous in our space. And therefore, we are not only an attractive proposition for Swiss investors, we definitely want to play in a bigger -- in a big pot.

Let me deep dive into our assets. First of all, on the left-hand side, you see Homegate and ImmoScout. You know this platform, it's our marketplaces for real estate where you can rent, where you can buy, where you can sell your apartment or house. There are also a lot of other services that we are providing on these platforms.

By extension, you can find mortgages, for example, which are actually provided by FinanceScout. We play the ecosystem very actively. And you can also get the listing from -- and the offers from real estate agencies, but you can also list your own property for rent or for buy directly at -- as a private owner.

This is the numbers, 8 million monthly visits at Homegate; 7 million at ImmoScout, combined 15 million, that is definitely a great asset. Now on the right-hand side, you see 2 of these assets that are very important for us to go into the value chain and really work more closely with the industry, especially real estate brokers and real estate agencies, that's Casasoft and Iazi. Casasoft is a real estate software for real estate agents, especially in the brokerage sector. And it is #1 in Switzerland in terms of number of customers, so real estate agencies that are using this software, and that gives us a lot of proximity to the real estate agents who are selling properties on this market.

And Iazi is #1 in this market for real estate valuation. They provide this valuation primarily to banks for the banks to be able to provide mortgages to end consumers. So this is very, very close to the reality of this business. We have a lot of information about real estate transactions. So true value of properties, not only estimated values of properties. And this information Iazi has for the last 20 years, covering the entire market.

Let's move to mobility and finance and insurance. So AutoScout and Car For You. AutoScout, you know, classified car and motor bike platform. We have MotoScout24 as well. It is the #1 also for motorcycle, a lot in this country. And we also have Car For You. You see, of course, AutoScout is the main brand since Car For You has been growing only recently.

What is very interesting here is AutoScout is a traditional classified platform with subscription model, very strong and resistant business model, especially during COVID and especially during a period where there are less cars to sell. So actually, AutoScout has been doing well during COVID. Car For you has been very smartly moving to a transactional model, which is a great experience for SMG and working very closely with the car dealerships to be able to sell cars on a performance basis.

FinanceScout, it's an online comparison and broker for finance and insurance services. I listed the services before. So once again, home insurance, car insurance, consumer finance and mortgages. With a big focus online, there are other players in that field that have very, very heavy costs, especially in retail. We bet that there will be a switch. There is a switch in this market as well for buying financial services and insurances online, and that is happening.

This is still a growth business. It exists for 2 years. Now we know from our partners, insurance partners, bank partners, that we are definitely taking market share from the incumbents without sitting in the midst.

And the last one is Ricardo, Tutti, Anibis, general classified. This is an incredible audience and reach source for us. Combined, you see it's more than 50 million visits per month. Why is that? Because it covers the entire spectrum of goods. And also there is a structural growth trends in this market, particularly for buying and selling idle goods.

It is part of the circular economy. It is part of being sustainable, and this is a major trend rather than buying cheap Chinese goods that actually struggle to come here. This is the best way to support our planet when it comes to e-commerce.

The business models are different, Ricardo is transactional, whereas Tutti and Anibis are more free general classified platform with some advertising revenue, but also listing revenues, and we will see how these models develop.

A few examples of new features or services we have been offering especially during COVID because it has also been challenging us on how to do our business. Before people are going to the car dealership to test the car. Wanted -- for every apartment they wanted to rent, wanted to show it, to visit in person. Well, that has changed, and that will require a lot of innovation on our side, which we did under time pressure.

A few example. Homegate has been creating solutions so that you can actually visit an apartment, selling home remotely so that you save your time, you protect your health and how many apartments have we been all visiting and, at first glance, we realize that actually it's not the one.

The same way, AutoScout has been innovating by providing subscription models. So you -- on AutoScout, you don't have to buy the car automatically if you are searching for a car. Now we are actually aggregating the offers from car subscription platforms, so that you have the entire spectrum of offers, whether it's by cash, with financing or rent.

The same way, Ricardo and Anibis, during COVID needed to provide additional services in terms of delivery. Why? Because people didn't want to have too much contact when it comes to C2C selling and buying. And therefore, it was important that our customers and consumers on our platform have the possibility to sell, let's say, their phone and then to ship it either.

Well, the pandemic has done as well as accelerated digital consumption in general. It has also increased the focus on sustainability. You see here a few results of some surveys that are showing us that we are actually active in the right sector and then that we can actually combine growth and sustainability.

And that's probably a very attractive proposition compared to pure e-commerce platforms because we are actually contributing to the local economy to getting rid of all these idle goods that are in our garage. And that is something that is not only important lesson for consumers nowadays, but also for our employees. They want to contribute and not only by having a business impact.

The other opportunity we have is the expansion along the value chain. So we are coming from -- on the left-hand side, the classic classified business model, which is you pay for listing your apartment or your car on one of our platforms. And we're providing return leads. And that's where the customer experience stops. The car dealer talks directly to the potential buyer of the car, but we don't know exactly what is happening there.

We have been already evolving by also offering the advertising revenues. They are very interesting for us, but they are definitely a minority of our revenue. We don't want to be depending on this revenue, even if they are very interesting to catch.

The direction we are taking is definitely going more into the match and then transactional. And it can be depending on the product and depending on the platform. Ricardo is already there. It's a transaction. I can buy -- or this phone directly on Ricardo. But the -- for all our platform, the goal is to get even closer to the transaction, always helping real estate agency car dealers to do their job in a more digital way by providing additional services, so that their costs go down and their efficiency goes up. And that's what they are expecting from us, and that is what we are providing.

But on the same side, the consumer want more and more to consume digitally, and they don't want to go necessarily to the car dealership anymore to test the car and negotiate the price. They want to do that digitally, and we are going to provide these services.

One thing also that with 80 million of monthly visits we have is an access to consumer data and to customer data that is just amazing. And it is important that we use that -- this data, especially to the benefit of our customers by providing them a lot more insights about what sells and doesn't sell, but also to the consumers, you and me, so that they get a lot more personalized offer on our platform.

One size fits all is not necessarily what the customers want. They want the more personalized. If you are searching for electronics several times on Ricardo, you want probably to continue seeing electronics and not systematically other products, and we have to be developing these services a lot more.

Now 1 thing that is very important for the success of SMG is that we are and remain an attractive employer. That's already the case. I shared a few numbers about the international creativity of our employees. With this size with the capacity to have impact on the Swiss market, we are even more attractive employer now. And this is essential because we are a digital company.

Our company is people. That's it. And their creativity and their dedication is what is going to make the difference. And we are in the market, not only in Switzerland, but also in being digital, that is very, very competitive, including with this big office of Google around the corner. And it is essential that we offer a very attractive proposition to employees, whether they are Swiss residents or not, so that we can actually attract the best ones because they will actually make the difference.

So we believe the 4 shareholders actually decided to bring their assets together and continue investing in these companies. I believe that it is very attractive investment. And I'm absolutely convinced as a CEO of this company that we have a wonderful growth potential, both in terms of revenues, but also in terms of profits and it is our task to actually deliver on that.

And that's why I believe that this was the best move. This merger was the best move that could happen to all these assets. Now we have the size, we have the scale and the position to actually continue being successful on the Swiss market.

What is our road map? And that will be the last information for today. We just closed not even a month ago. So this company is really new. It's 3.5 weeks old. Before that, all these companies were actually competing with one another.

Our goal is in 2022 to become 1 company. There is a lot to do, from financial systems to culture to organization. And we are focusing next year on that. It doesn't mean that we are not going to continue doing our job towards customers and consumers, we do.

It is essential that we set ourselves right for the future and next year we'll be focusing a lot on that. But after that, our focus will be on growth, '22 to '24. And we want to really release this potential that we have. And it has been announced by our shareholders already, you know it, there is a wish to go public in 3 to 4 years. And of course, this is close enough, but long enough. In the meantime, we have a lot of work to do.

That's it for today. Thank you very much. And I hand over to Olivier.

Olivier Rihs
CEO of Tamedia's Classifieds & Marketplaces Business Segment

Thank you, Gilles. Thank you very much. So good evening, everyone, from my side. I'm Olivier Rihs, I'm Chairman of JobCloud. I have been 2002 till 2018, the CEO of Scout24, and I hand over to Gilles. And after 3 years break of this fantastic business of marketplaces and classified, I come back as the CEO of TX Markets. And I'm very happy now to be able to join and to help, to support Gilles to form this great company we saw. It's incredible story, and wish you good luck, and have a lot of fun, Gilles.

So -- but let's go back to JobCloud and on the business of JobCloud. The job business is linked to the Swiss economy, it's clear. If you look at the numbers and the number of listings on the platform during the last years, we see the massive drop in '20. But the massive drop even if it's 20% or less listings in '20, this business and also the Swiss economy is very resilient.

And even if we had the CV crisis, the business of JobCloud was very performing and then it is still a high-margin business. But why? As Michi said before with Goldbach, as Gill said, for SMG, it's very important to be relevant to be the clear #1, to be the clear leader in your business in your industry.

And this is definitely the case at JobCloud. And I just want to show how this business recovered this year. If you look at the number of order intakes, so the number of listings paid by the and the companies, we have a massive plus of 34% this year.

If you look at the number of new customers, we had 36% new customers, and it shows that if we have the relevance, if you have the reach, if you have the right tools and also the innovative product that companies now understand that they also need to use those tools.

And something also very, very important is the last number, the 50%-plus. This is the number of applicants, so people seeking or applying for jobs that are listed on the portal. And it shows also that if you are relevant, the people knows that the first place and the only place to come and to look for a new job is on the platform of -- on the different platform of JobCloud.

So these are very healthy numbers. And of course, we are the clear champion here, the local champion in Switzerland, but we have also competitors and the competitors are also big companies, worldwide companies like Indeed. This is the first competitor here in Switzerland, but we are still 3x, I'd say, more relevant than them. So we bring 3x more leads and more applicants than Indeed, and we show here on this graphic that we were able to strengthen our position during the pandemic.

So it shows that through our reach and performance and through the innovation of the product I will show during this presentation, we were able really to motivate and to be the #1 address for jobs in Switzerland.

the people know that's the first place and the only place to come and to look for a new job is on the platform of -- on the different platform of JobCloud. So these are very healthy numbers. And of course, we are the clear champion here, the local champion in Switzerland, but we have also competitor and the competitors are also big companies, worldwide companies like Indeed. This is the first competition here in Switzerland, but we are still 3x, I'd say, more relevant than them. So we bring 3x more leads and more applicants than indeed, we shock on this traffic that we were able to strengthen our position during the pandemic. So it shows that through our reach and performance and through the innovation of the product, I would show during this presentation, we were able really to motivate and to be the #1 address for jobs in Switzerland.

We have also big [indiscernible] like Facebook also. Facebook also provides spaces for jobs. We have Google for jobs also in Switzerland. We cooperate with them. So it's not done. If you're lucky #1, you still have to be -- to innovate and to be relevant. So if you look at our ecosystem, so as we -- as you know, we are a JV, the joint venture 50-50 with Karriere. And we collaborate already since 2012. So it's not a new thing. So we have a great collaboration. We work very well together. And we were able also to build this ecosystem.

So we have participation, as already mentioned by Bob before, at Karriere.at #1 top board in Austria. We have a 49% stake. The other 51% are hold by the founders still. And as the Karriere.at has the same market position than we have here in Switzerland. And they also have reached bottleneck JOBS.AT. They have recruited a software company like eRecruiter. We use this technology also at JobCloud. Then [indiscernible] is a mobile-first portal above all for blue-collar jobs. And gronda is a specialist for Gastronomy and Hotels. So this is the ecosystem also there in Austria. So it's also the same market position, clear #1, and they did a really great job this year.

On the other hand, from our side, we have a 12% stake at Firstbird. This is the employee refill platform. And it's available, a very important part also of the innovation and technology for all the programmatic job advertising, and Joveo is above all in the U.S. very, very strong, but also now in Europe, and we help them to implement this technology on different job works in Europe. So overall, we are really consistent. We have, let's say, a very strong core business with our main platform. And we also drive innovation and new product and services through the different participation we have in our ecosystem.

If you look now at the business. 75% plus is still the core business is classified. So the income from selling media services coming from the 3 very strong portal in Switzerland, so jobs.ch, is the German part of Switzerland, jobup is the French part of Switzerland and the jobscout as an overall brand for the whole country. So this is still the core business. And we have now, through innovation and new business model, the programmatic part. And there, you pay for what you receive. So the paper performance model -- and it's also very, very important because Indeed is in this case, and we also need from our side to bring the same services and products also at JobCloud in Switzerland.

Then the digital recruiting. Digital recruiting is -- so we bring the funnel, we bring in the applicants, we bring them the employees. We selected them, okay? And then we also help the companies to match from what they are looking for and the applicants together. So it's an additional services. It's a transactional business. And yes, it's -- we began 1 year ago, and we are very happy about the first step and about the first result. And yes, we will continue through to develop this business case. And the others, more technology part, SaaS model probably in the DACH region through JoinVision. And this is also part of this second system. It's not the core, but it's very important to have always to be in front of technology and new disrupting models.

Good. Let's have a deep dive on so how it works. And this is a very basic things, the classified business. So you have a company, opening account in JobCloud, posting listings, getting the applicants, and we help through our platform and our software to, let's say, to adapt the processes and to have a very clearly lean process in order to recruit as good and as fast as possible. So this is the core business, and it's still very important, and it's still with the growth potential from [what] I will show it after that on the potential where we focus on.

Then we have the second business, and this is where we are investing. This is the paper performance model. And how it works. So we get not only the applicants and the job seekers, the active seekers or the passive seekers, but all the seekers around the world, and through this distribution model. And well, the company are able to decide how much they want to pay and how much is the budget, and they bring the budget into the system, and they get very -- as fast as possible and as good as possible, the right match between the people they are looking for, and then the applicants. This is a very important part because the matching of, let's say, the seekers and the jobs that the companies are looking for is very, very important to -- in order to make the recruitment more efficient for the companies.

Then we have the dedicated SME offered. And I would like here to point it out, so we have in Switzerland, about 90% of the large enterprise under contract. So it's a fantastic market share. We have about 70%, 75% of the medial enterprises, but there is still a lot of potential for small enterprise, and we see here the market penetration. And we focused on this because in Switzerland, we have about 400,000 small enterprises. And we address them at the moment, and this is where we had the biggest growth at the moment. And -- but also a good news during the last quarter, we had also good growth in large enterprises. The large enterprises in Switzerland are still confident. Even if we have still in a pandemic now, they are very confident and they are looking for term.

Just to make something also very, very important is that the next 10 years, we will need about 500,000 specialists because the daily mover generation is going into [pension]. And those 500,000 specialists that Switzerland will need -- we have to find them. And of course, we want to play a very important role there. And that's why we see also there a very strong growth potential for us. On the right-hand side, if you look at the transactional model, Spotted, the extension of -- along the balance chain. This is a clear, let's say, also focus from our side in order to help also with a strong team to source the right candidates and to bring them through to the companies.

Good. And last, but not least, the Spotted, to explain how it works. You see here -- sorry, we're not on the right, see the right through. Sorry about that. Yes? Okay? Good something missing. The JobCloud.ai, what is this? The JobCloud.ai is the tool that it provides to the small enterprises in order to book themselves, and to help to recruit as good and as fast as possible. And this is very important because if you are in the processes of the other companies, if they use the tool every day or every month or if they need someone, so you are relevant and you are top of mind for that. And this is what we developed in during the past weeks and months in order to make the recruitment for small and medium enterprises as easy as possible.

And again, last but not least, I want to say to explain the Spotted business. If you look at the product, you have first the research through [indiscernible] intelligence. So we look at millions of CVs and we have the records of all the CVs we received during the last years, but also we have the opportunity to look at, let's say, the candidates around the world. And then after that, we connect the people, the employee of the potential new employee to the companies. So -- and through these services, something that we, let's say, of course, we can add more values to the customers, and we go always further into the transaction.

So these are the main focus and then the main activities of JobCloud. And let's see, give some insights on the company itself. We have a very strong management team, a very experienced management team and the CEO, Davide Villa is a fantastic innovator also. He drive this innovation and also the transformation of JobCloud. And it's also very important to have a very great company with great values. And something that also is very important. We have now several activities in order to get the best employee to get the best talent in order to drive this company to the next chapter and to the next growth chapter.

And you see here some impressions of the company, of the new offices here in Zurich and while, of course, we have another 100% of the people in the offices, but all people getting there are very happy about the atmosphere and it's also a very important part of the spirit, and the values that JobCloud wants to have it in the future.

Well, that's from my side, and now I hand over to -- for -- to -- who's the next?

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

Okay. Thank you, Olivier. So we come to the end of our presentations. I hope that they have been of interest to you, and we'll now have some time for questions. But before that, we would like to wrap up. And first, I would like to thank Ursula and Sandro for the initiative of having this Investors Day with you.

I think since Ursula has joined us, we are on a steep learning curve. She has already pointed out that our share price has shown a nice development in the right direction. So I hope really that so far, this event has been up to your expectations. I was told that the idea came up in a lunch, you have Ursula and Sandro at the beginning of Ursula's time with us. And I hope that you agree that they should have lunch more often together. Also was really happy that my colleagues could present to you various aspects of what we do. And I hope after having heard both that you understand why I [indiscernible] CFO after having heard Michi, Gilles and Olivier, I hope that you understand why they have really nice dreams, and it is fantastic to work with such colleagues, and they are really in a very, very privileged situation in terms of the positions on which we can build our future.

And as I have already said, if there is 1 obsession we have then is that we want to be #1 in the activities we are in, and that is -- relate to the fact that Switzerland is a super-attractive market, but it's a small market. And the conclusion for us is that we want to be mainly in this super attractive market. We have some activities abroad, Luxembourg, in Austria, in Germany, to be active globally. But in terms of revenues, this is the minor part of our business, and will be -- maybe a topic for a future Investor Day. We mainly concentrate on Switzerland because it is super attractive. But because it is small, we find it important to be in #1 positions. If we cannot get there through our own work organically, then we think about consolidation. If we can consolidate through acquisition, if it is viable and feasible, we'll do it. If not, we are also prepared to step back and to become an [active] shareholder of something bigger that we could not have done at all. So that's our philosophy how we look at our activities and how we approach business.

Then I'm really glad that this year, so far, we have had a pleasing stock performance, after many years that have been disappointing, I must say. And I want to underline that it is really our ambition to be successful also at stock exchange. I think it's important for our reputation. I think it's important for our employees, gives them security. It makes them feel to be working at the right place. But I would also want to say it is not our goal to have like a short-term share appreciation. It'd be nice to see what we have experience this year, but we are in for the long term. So we really want to see the share appreciate sustainably, and growing value sustainably over the next years. That's our ambition.

And the way I look at the -- our company is that at the value of our group is the sum of its parts. And also in the sense of the recap. I have now put in order of value, the various parts of that company. I think that the SNG that you have learned more about through drill promises a really huge value. And as you have seen from the transaction that we have concluded with General Atlantic, it has already an important value that JobCloud is certainly a very valuable company with a lot of more value to be created. Then they have a lot of pro forma cash on our books, as you know. The real estate, as I have already mentioned, is an important value. It's to be unlocked because most of it is at the time being occupied by creating the facilities. But if you have a longer-term horizon, 10 years plus, you can well imagine that there is a potential to unlock value in that information from prints to digital, also regarding our real estate holdings.

And then [indiscernible] 3 core activities that are going through a transformation. That are facing really huge challenges. And through operational excellence, through the willingness to invest in the transformation and also through the willingness to engage in cost management, we are very confident that we can develop these companies to have a great future as they have had a great past. And they are not only valuable in itself as businesses, but they are also drivers for the further development of our overall portfolio as they have been in the past.

So to sum up, what they want to do is we want to optimize the sum of the parts and to develop strategic options for our shareholders. But we think more broadly than that -- and are committed to all our stakeholders. We remain committed to the quality of the journalism they provide and to contributing to a free and democratic society where people can form their own opinions and make their choices. And this is something that is really very, very important to us. Over all the activities we are engaged in, Gilles has mentioned the same aspect for the marketplace think in a modern world, we have to be aware that consumers, employees and the whole society cares about meaningfulness of connectivity. And for that reason, and out of our own conviction, we really put a lot of emphasis on that. And we feel in a very privileged situation in the sense that our businesses bring this meaningfulness intrinsically with them.

That's not true for all businesses in the world. And it's true that in the media business, we have been facing up to here more challenges than some other businesses. That's one side of the coin. But the other side of the coin is that we are in a much better position looking ahead to really capitalize on the meaningfulness of what we do, and we executed well. And if we use the strong positions we have to build on, then I'm convinced that we will be able to achieve the ambition of creating further value with our group.

Finally, and that will also add to the implementation of these zones, and I hope the realization of our ambitions. We have structure of the group in a way that allows bold moves. One, we have seen this year. We have further ideas that we are developing. And we have a very strong balance sheet that also allows us to invest when the right opportunities come up at the right price, and promising the right return on investment.

So I thank you very much again for being here for your interest, and I hand over to Ursula, and then we all will be here for questions and discussion.

Ursula Nötzli

Thank you, Pietro. Yes. Thank you. So yes, as Pietro already had said, obviously, our liquidity is at the moment very high, and we are sure we will have some good ideas how to invest it. It is our focus to grow and to create value, and all quarter information you will receive going forward. In addition, and I'm sure you have all read that this morning, our Board of Directors has intention to pay a special dividend. It will be CHF [4.20] per share over a period of 3 years. And this is actually exactly summing up to cash inflow we have received from selling the 10% stake to General Atlantic of the SMG Swiss Marketplace Group.

Now we will come to the Q&A. Before we start, I would like to introduce additional senior managers from us. I start right here, Andreas Schaffner. He is one of the co-CEOs of Tamedia. And then Marco Boselli. He is the other co-CEO of Tamedia. Right next to him, Marcel Kohler. He is responsible for 20 Minutes. And also Sam Hügli, who is currently leading the group by technology and ventures, and is also the Chairman of Zattoo and Doodle.
They are obviously also here to answer your question. And the young man just coming in there is actually responsible for the group development and the M&A, and obviously very important expertise in our company [Daniel] [indiscernible].

Question and Answer

Ursula Nötzli

I have actually just received one question already per mail, which I will start with, and I will answer it right away myself.

It's actually coming from Zurcher Kantonalbank. And [Manuel Pecos] is asking, could you give an outlook with regard to ESG reporting? Currently, there is almost no ESG covering in your report. Can we expect a bigger focus in the future on that topic?

And yes, as you probably have seen with the announcement beginning of the week, I will be Chief Sustainability Officer as the beginning of the new year. And obviously, we will also work on an ESG reporting going forward. There is actually a lot of very nice substance already in the whole company, especially also when it comes to our special role as a publisher. And we will definitely structure this and also integrate it in our annual report going forward.

Then I would like to open the floor. Yes. Please speak in the mic so the ones on the stream also can hear it.

Unknown Attendee

I would have first -- a few questions on [indiscernible] on the Swiss market basis. Can you give us an idea about the market shares you have in each vertical?

Gilles Despas

Yes. So it's difficult to define the market share in our space. It depends on the market that you are addressing. If you are just talking about the classified marketplace segments. We have very high market shares, but we are not communicating for the time being. But we don't consider that we are only in that space. We consider that the market is much bigger. It is belonging to the segment of advertising. In that segment, we are, of course, in competition with other players, including the international ones. And we consider even a bigger market, which is the transactional market in the industry that we are acting is, in which case, that gives us a wonderful opportunity to grow as well.

But the short answer to your question is we have a very strong position for starters for this company to be able to expand into the direction of transactions.

Unknown Attendee

And so you were talking about growing these businesses over the next few years. And maybe you can give us a little bit more detail -- you mentioned now transactions, you mentioned it before, too. But I think that will take a little bit take a long time, and that the market shares are already high, probably further consolidation of similar players. It's not really on the agenda, but maybe expansion into other verticals or internationally. I don't know. Maybe you can talk a little bit about this growth phase, and your priorities there?

Gilles Despas

Absolutely. As you have seen, our road map is next year, very much focused on organizing ourselves for this future across phase that is coming afterwards. We believe that even focusing on the Swiss market, we have a potential for growth -- sustainable growth over the next few years before the IPO that we wish to deliver on, but also after the IPO. And for us, growth is double-digit growth on the revenue line. And of course, improvement on the bottom line EBITDA level in the same period.

Unknown Attendee

I would like to come to the planned IPO. I mean most likely, we'll keep quite a significant stake if you took the IPO, I would say. However, why do you want to wait 3 to 4 years? I mean there are several elements here. Of course, if you create growth, there is a higher value to be realized. That's clear. On the other hand, you need favorable market conditions. And it's hard to imagine that they get much more favorable than they are now. So who knows what is in 4 years? You can create great growth. But if the multiples collapse, you should have done it earlier. Also, 3 to 4 years doesn't -- in my eyes, doesn't give the organization a lot of pressure. It's 3 to 4 years, create a little bit of growth, and then we see what happens. I mean you should go a bit faster here, isn't it?

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

I think that's a question for the Shell. Yes. It's an interesting question, maybe an anecdote. We have, of course, the last -- over the last year has been asking ourselves many times, would it be the moment now to exit the classified businesses given the incredible value that has been created. And we have been asking ourselves that question 6 years ago. We have been asking that question 4 years ago and 2 years ago, and there have been advocates every time we were saying, now it's the moment to realize the value and to exit. And I'm really glad that we haven't because the value has continued to grow, and we are convinced that there is a huge growth opportunity in these businesses.

And we are in the business of building businesses. We are not speculating with these businesses. We don't exclude to exit when the moment comes, and we are pragmatic. For example, [indiscernible] Group have sold 10% to General Atlantic. Now I did that -- already proposed that because I thought it was important to bring in a 4th partner with an expertise and also pushing us to excellence and towards an IPO at the right moment of time. But I was not happy to sell now at that price that we have sold. We have done it because we want to build something bigger. And I can assure you that the shareholders will look very precisely at the development of the company, and will make sure that the value that can be created, will be created. And then ultimately, we think that we should go public, not so much because we want them to sell and realize this asset because we think they can continue to grow in the long term, but for another reason.

I think it's important as we are in such a strong dominant position in Switzerland, you always have the risk of being complacent, and we want to be among the best international. We want really to be in the Olympic Games with these classified businesses. And the Olympic Games is in the end of the day at the stock exchange for these businesses, and that is the reason why we strive for that IPO. And at that point of time, then of course, each shareholder will decide for himself, whether or not to divest more than is necessary to make the IPO happening, and also whether maybe to distribute the remaining shares to its shareholders or not. That is a question that we believe open for the future. And we are convinced that the IPO is an important step stone to materialize our ambition, but we are also convinced that it will be the completely wrong moment in time now to sell shares of a company that promises such a fantastic growth.

Unknown Attendee

Okay. Fair enough. Second question, you talked about redevelopment of real estate. What -- well, could you elaborate a bit? I mean what kind of redevelopments have you in mind? And what is the time frame here? And yes...

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

Yes. So our real estate holdings are basically these premises where we are now that we use for our own businesses. We have a business complex in Berne. And then we have 3 premises that are used for printing: 1 in Zurich, 1 in Berne, and 1 in [Laussane]. One in Zurich is a very important piece of land next to Seal City. And where I see this development potential is on the printing premises. As I said before, if you have a time horizon of 10 years plus, it's easy to imagine that printing volumes will be less. I personally remain convinced that there will always be printed media, but it will be much less than today and probably printed on other technologies. Andreas can elaborate much better than myself on that one, but that will free up step-by-step spaces in our printing premises to be redeveloped. And in the case of all the 3 sites, these redevelopments will also demand, I think, lengthy planning procedures: [indiscernible], whatever is applied in [indiscernible] from Zurich.

So it's not something you can do from 1 day to the other. But as we have still an ongoing reality with the printing facilities, I think we should now begin with these planning procedures. So that with a time horizon of maybe 10 years, not in all sides, but intendant. And we'll be able to then really unlock that value that is there. And it's an interesting asset, I think, of the industrial transformation we are in.

Unknown Attendee

Yes. Hello, I would also have some question on the joint venture of the sizes of the [PE] contributions, we know more or less the sales and also the EBIT. And from the ringside are they similar? Can you give any indication on this? And then maybe a second one, you see a very nice growth potential, double- digit, you mentioned. What I also could expect that you have a tremendous synergy potential if you would maybe also elaborate on this one.

Sandro Macciacchini
Head of Finance & Human Resources and Member of the Management Board

So for the time being, we are not communicating any financial numbers. We have some homework to do before. We will be more precise about the figures in the future. Unfortunately, we are not in that situation right now. Having said that, yes, there are some cost synergies, of course, in this case, you have seen the combination of assets. Automatically, it gives a lot of opportunities on that side as well, which we will be figuring out in 2022.

Unknown Attendee

Maybe an add on the dividend. So I understood it correctly. You have the special dividend and then you have a regular dividend on top. And this would be, let's say, with a payout ratio similar used to have in the past, which is which was I remember correctly, 30% to 40%.

Ursula Nötzli

Well, the new thing here with this regular dividend, it will be based on the free cash flow going forward.

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

Well, it is complicated. So the communication we made is about this special dividend over 3 years, and we have not now made any announcement regarding the regular dividend in the past, the guidance was 35% to 45% of the net profit. But what also has happened over the last years is that the consolidated net profit deviated more and more from the share that belongs to us because 2 of the main profit drivers are companies that we consolidate, but don't fully own, namely JobCloud, but also in the case of Goldbach, the profit driver of Goldbach is Goldbach Media. And Goldbach Media is a joint venture with [Airtel], and ProSieben. And for that reason, this 35% to 45% guidance has become kind of more and more out of place, and we want in the future to rely on the free cash flow of the shareholders when calculating the dividend. And we haven't made any announcement in that regard.

Neither that we would deviate from the past nor how exactly it will be in the future. The announcement is that there is a minimum dividend, which is this special dividend and that the regular dividend will be based on the free cash flow.

Unknown Attendee

I have another one for [Shell]. You mentioned one of the drivers is a sustainable behavior of your customers buying more quality instead of cheap Chinese stuff that will play very well into the shared economy that something you think about adding a platform like [indiscernible] or something?

Unknown Executive

So definitely, it's on the list, especially for our general classified platforms that is a development that is matching very well our business model, and that is starting to pick up in Switzerland. And therefore, the answer is yes.

Unknown Attendee

Yes. I have a question with regards to General Atlantic. And I would like to know why you specifically choose General Atlantic as an additional shareholder, meaning what kind of specific know-how do they bring in? And how much influence do they have with this 10% shareholding? And what kind of KPIs we reached before you with IPO the business?

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

So I answer backwards. We haven't defined any specific KPI in terms of them triggering the IPO. We have the ambition of doing an IPO, and we are very confident that it will be justified by a number of KPIs. Generally, we believe much more in a holistic view of the business than on single KPIs. The influence of General Atlantic is asymmetric to their capital investment. We have shareholdings of 31% or [takes], 29.5% for Ringier and for Mobiliar, and 10% for General Atlantic, but each of the 4 shareholders have 25% of the voting rights. And that's on purpose because we wanted to avoid that 2 shareholders could control the company. That was also helpful in terms of competition law, but it was not driven by that. It was driven by the wish that this should be really a joint venture of equal partners that is not controlled through capital. And we thought that the General Atlantic with whom each of us has had contact before would fit in really nicely in that combination of shareholders and bring expertise.

As you might know, they have been invested in Axel-Springer classified businesses at the time under the Chairmanship of Lothar Lanz, whom we have also chosen as the Chairman of our joint venture, now the former CFO of Axel-Springer. But they have a long history of investments in classified businesses. And really a lot of expertise, both in terms of hard numbers and financial KPIs, but also in terms of business concepts in terms of designing employee participation plans in terms of choosing management. And they have also played a really important role on the way to agreeing the joint venture. And since then, as kind of a moderator because the other parties to the joint venture are also competitors in other fields of business and have a friendly relationship, but also a relationship of rivalry. That's normal, and I think that's healthy. But for me, it has always been important to construct the joint venture in a way that whenever we would have different opinions or tensions, there would be forces at the table that will help to solve them and to create a common understanding in the common interest. And all these are reasons why we have chosen General Atlantic. And I think all of us are really very impressed by the professionalism of the people who work with us on the case and also by their human qualities.

Unknown Attendee

Two add-on questions to the dividend. First, based on cash flow, will it be cash flow before acquisitions, on which the dividend is based on?

Sandro Macciacchini
Head of Finance & Human Resources and Member of the Management Board

In principle, yes, but also in respect to the liquidity needs. And so, in general its no.

Unknown Attendee

I guess you can give us a normalized free cash flow expectation for '22 right now. What you probably I can tell us is whether or not JV will pay out some money to you or whether all the money we will stay inside the JV and invest that will be invested in the further growth for the acquisitions and stuff. So that -- the question is, will your free cash flow drop significantly because all these classifieds have been heavily cash generated over the past few years.

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

I don't think that it will drop significantly because of that because, in fact, the free cash flow from the businesses that we have now brought in the joint venture has not been that high, especially not compared to the valuation that underlies the transaction. And we don't have a kind of a pre-fixed idea whether the cash flow generated in the joint venture will be distributed or not. But clearly, what is not needed for investments will be distributed will -- the joint venture is definitely not meant to be a kind of a cash box. But as has been said, it is, first of all, a growth case and secondly, there are cost synergies that we want to realize next year. And as principally, these cash generating, I don't envisage a lot of capital investment in that joint venture. So bottom line, we expect a cash outflow from that joint venture in the years to the IPO already.

Unknown Attendee

Yes. I would have a corporate governance question. I appreciate all of the efforts that you have done today and last year in order to show us and explain what businesses you're in. The main driver, though, for external shareholders that do invest in TX Group is basically a derivation of free float of liquidity of investability. And there, I have a lack -- or I do not understand the future strategy of your family that controls the company. That could basically have an influence on the free float on the liquidity either via going private or by increasing that share.

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

So my family has been committed to that enterprise for more than 100 years. And we have done the public listing 20 years ago out of the conviction that for media company, it is healthy to be public. Also, out of the conviction that this would help growth. And in fact, it has both the transaction at the time with [indiscernible] in Berne, and with [indiscernible] in the French part of Switzerland were partly financed through our own shares, and also the takeover bid on PubliGroupe at the time in the last step was supported by the possibility of adding our own equity to the table, and that, I think, was what then in the end, brought Swiss come to the table to find an agreement. So we did that public listing in the interest of the company and also in the interest of the family in the sense that it created the possibility for such family shareholders who wanted to sell their shares to do it at fair conditions. But it hasn't changed the fact that the family is very committed to this company and also very happy with the development and also bullish on the further development. And there is at that point of time, no plan either to go private nor to -- nor for family shareholders, to my knowledge, to sell larger amounts of shares on the market.

Unknown Attendee

And you just mentioned that there has been good examples in the Swiss history of companies like [indiscernible], for instance, that gave up by selling too cheaply parts of their fortune, and therefore, allowing them a further development of the stock price. So that may be something that you should more consider to the one without leaving the other.

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

Yes. And I mean, it's kind of an ambitious circle, the problem of our low free float, low valuation and we haven't found a way out of it. In the case of Berne, we increased free float through the transaction and that I have always thought would be the most elegant way to do it in the interest of the company. I think this will be more difficult on this -- on the base of the diversified portfolio we have now than it has been in the past and we were more kind of a pure play. Because whatever acquisition you do, it will not be the same mix of assets that we have in our company. So I think that possibility is less feasible looking ahead, but it is certainly a concern how to increase the free float.

Now I'm speaking as the Chairman of the company, and I would like to achieve this. But of course, I cannot argue vis-a-vis my family that they should sell shares of such a great company. So it's a tick really.

Unknown Attendee

I actually have a question, but why we are at corporate governance, allow me please a polite recommendation. If I look at the composition of the Board, and I note that you have a former CFO and former CEO, you yourself as the acting CEO are also present in the Board. I think to help you [indiscernible], one of the first steps that you could really implement is to form a very independent Board of Directors, and with people that aren't tied either to the family or for business positions within the group.

And going to my question, and I was wondering what has been the reasons that JobCloud has not been put into the joint venture? And by not doing so, what could be potential synergies that are being missed between SMG and JobCloud, please.

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

It's a very good question, which, of course, we have discussed many times. The main reason why we have not done it is because one of the shareholders, Mobiliar was invested in those assets that are now part of Swiss Marketplace Group, but not in JobCloud. And they didn't have the vision, the intention to invest in JobCloud or to be diluted by combining it. Then it is also true that the synergies would be very limited between the drop business and these other businesses. And also, JobCloud has international positions, owns 49% of Karriere.at in Austria, which is in a similar position as JobCloud in Switzerland with maybe even a bigger growth potential because the Austrian market is lagging in the transformation behind the Swiss market, and we have a shareholder agreement that allows us to eventually take over Karriere.at. And then that would probably look a bit strange. In 1 vertical, you have an activity abroad and in all the others not. So for the time being, the Swiss Marketplace Group is really fully concentrated on the Swiss market when it comes to our consumers and business customers, whilst with JobCloud, we have an international position already. And these are reasons why it has been structured that way.

But having said that, when then it will come to the IPO, I think the question can be reassessed. But it would more be, I think, at that time, the question of whether it makes the story more around for investors, and whether it will add to the critical mass for really being internationally in the top league. What would remain would be the anomaly that in 1 business, we had a very strong position outside of Switzerland, whilst all the others are focused on Switzerland. But it has been a question that we have been discussing among now partners many times in depth, and it's a very good question.

Unknown Attendee

I have another question on the growth strategy of the classified [indiscernible] joint venture. And are you also looking at larger deals? And if so, will that more be financed through debt, or will there be equity raises? And if so, what is the cut?

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

That's the question regarding SMG or -- I wasn't sure.

Michi Frank
Chief Executive Officer

You have seen we just found the company, putting together 17 brands and to be groups for that call, I think we have a lot to do on realizing the synergies that are ahead of us and creating this growth in all 4 verticals. So that will be our focus. But having said that, we are opportunistic. I know our shareholders are also very opportunistic. And therefore, we are not excluding that, if the right opportunity arises, we would definitely discuss.

Unknown Attendee

Smaller question. Half of the price from General Atlantic was -- you granted by loan. Could you share the conditions of the loan?

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

Can we?

Sandro Macciacchini
Head of Finance & Human Resources and Member of the Management Board

As much as we have already disclosed, I mean we have an interest, and they are secured by the 10%.

Pietro P. Supino
Chairman, CEO, Member of Management Board & Publisher

The positive interest maybe.

Unknown Attendee

I would have one for Michi. I really thought it is quite interesting what you did at the data from the TX Group and the profiling of all the stations you have here in [indiscernible]. Do you think you were able to offer better price due to that because you think you can more target to sell -- generate more revenues than the other players do? And if so, is that applicable for all Switzerland and can we expect you to win through that because of that more lots in the future?

Michi Frank
Chief Executive Officer

Thank you for this question. Absolutely. That's the idea that we start now here with that target group that we have. And for sure, yes, we are looking for these prices, but it's always a discussion about reach, how many reach, how many shares you have in this quarter. And I think that's the big question about the price. And you have just 500 people, but the right people with the right point, the client pays more for that.

And on the other side, you have the bigger reach. I don't know 5000 people. That's all the price. That's a discussion around them. And we won't start now with [indiscernible] also the other IG Group and that we have. And this combination, what I told you before, with this 360, combinate with other medias like 20 Minutes or Tages-Anzeiger. And it could be different in this target.

Unknown Attendee

Can I still ask a question concerning the market development with Neo, with [indiscernible] and with Clear Channel? How do you see the market evolving over the next 5 to 10 years? I mean Neo is the runner up. Normally, we see these contracts with bigger CDs last 4, 5, to 7 years, then they are renewed. So very often, it's a matter of pricing and the willingness to take lower margins in order to grow market share. Can you describe there the dynamics that you envisage?

Michi Frank
Chief Executive Officer

Yes. It's really a story for us for growing. Now you saw it. Its Neon is #3 position. But I think after '22, when we have the next Investor Day here, I'm hopeful that we can show you the better IDs for us because once more, but I told you, I think with our concept -- we are totally a different concept to the others. We have a 360 concept. We combinate the media also on our new platform, and that's our ready what we have, and that's a growth story what we are looking for.

And the second is really that we go from the old analog steps to the digital. It means it goes in with the ad servers. It goes in with all the really great content that we have, and that's one of the biggest assets of the TX have here in Switzerland. And that's also to the international players. We have content. And now we started the new plans. And for this combination, we're hopeful when I have the discussion with the Chairman. Yes, the group absolutely.

Unknown Attendee

That should expect you to have a far bigger market share in 5 years' time with an even bigger profitability because of the bundle and the one-stop shop content that you offer. Is that correct?

Michi Frank
Chief Executive Officer

Yes.

Unknown Attendee

It's not just a matter of price.

Michi Frank
Chief Executive Officer

No. Absolutely no It's really look, I totally believe in this 360 because that's the thing what we have. We have local content here in Switzerland. And when we bring this content together with all other things, and that was also the [indiscernible] for new platform. It's open. It's not just the Goldbach and TX. It's really open stuff to have the discussion with the other players here in the market.

Ursula Nötzli
Good. I think we are finished. Is there another urgent question? If not, we would like to go over to the [indiscernible]. It will be in the next room. And obviously, as requested by the Federal Council, we need to sit down to consume. And please feel free to ask also the other senior managers who will attend your question. Thank you very much.