Financial Report

www.apgsga.ch

Contents

Consolidated financial statements

Explanation of financial terms

EBITDA Earnings before interest, taxes, depreciation of tangible assets, and amortization of intangible assets

EBIT Earnings before interest and taxes

Consolidated balance sheet

Assets

in CHF 1 000	Notes	31.12.2023	31.12.2022
Buildings and land		**25 120**	25 878
Advertising plant		**17 082**	19 998
Other property, plant, and equipment		**3 711**	3 647
Property, plant, and equipment	3	**45 913**	49 523
Deferred tax assets	21	**1 813**	1 803
Other financial investments		**5 910**	6 322
Financial investments	4	**7 723**	8 125
Goodwill		**9 709**	10 366
Contractual advertising rights		**10 899**	12 451
Intangible fixed assets	5	**20 608**	22 817
Non-current assets		**74 244**	80 465
Inventories	6	**5 116**	4 695
Trade accounts receivable	7	**40 197**	36 505
Other accounts receivable	8	**9 461**	8 537
Deferred expenses and accrued income		**10 489**	5 893
Cash and cash equivalents	9	**51 603**	53 311
Current assets		**116 866**	108 941
Total		**191 110**	189 406

Shareholders’ equity and liabilities

in CHF 1 000	Notes	31.12.2023	31.12.2022
Share capital		**7 800**	7 800
Capital reserves, premiums		**13 028**	13 034
Treasury shares		**−864**	−894
Translation differences		**−5 374**	−4 109
Retained earnings		**69 268**	75 393
Shareholders’ equity	10	**83 858**	91 224
Other non-current liabilities		**167**	266
Provisions	11	**3 804**	5 198
Deferred tax liabilities	21	**2 657**	2 873
Non-current liabilities		**6 628**	8 337
Trade accounts payable		**15 595**	10 659
Taxes payable		**4 338**	3 347
Other accounts payable	13	**31 636**	28 519
Accrued liabilities and deferred income	14	**47 849**	46 593
Provisions	11	**1 206**	727
Current liabilities		**100 624**	89 845
Liabilities		**107 252**	98 182
Total		**191 110**	189 406

Consolidated income statement

in CHF 1 000	Notes	2023	2022
Advertising revenue	25	**325 632**	310 600
Real estate revenue	17	**1 828**	1 889
Other operating income	18	**1 298**	1 644
Operating income		**328 758**	314 133
Fees and commissions		**−196 826**	−190 380
Personnel expenses	19	**−57 968**	−53 104
Operating and administrative costs		**−31 984**	−30 439
Operating result before depreciation and amortization (EBITDA)		**41 980**	40 210
Depreciation of tangible assets	3	**−8 488**	−9 136
Amortization of intangible assets	5	**−1 046**	−1 044
Amortization of goodwill	5	**−657**	−658
Operating result (EBIT)		**31 789**	29 372
Financial result	20	**99**	−278
Ordinary result before income tax		**31 888**	29 094
Income tax	21	**−5 073**	−5 702
Consolidated net income		**26 815**	23 392
Basic and diluted earnings per share, in CHF	22	**8.95**	7.81

Consolidated statement of changes in equity

in CHF 1 000	Share capital	Capital reserves premiums	Treasury shares	Translation differences	Retained earnings	Shareholders' equity
as of January 1, 2022	7 800	13 060	−918	−3 169	84 954	**101 727**
Consolidated net income					23 392	**23 392**
Translation differences				−940		**−940**
Distributions					−32 953	**−32 953**
Purchase of treasury shares			−693			**−693**
Sale of treasury shares		−20	717			**697**
Equity transaction costs		−6				**−6**
as of December 31, 2022	7 800	13 034	−894	−4 109	75 393	**91 224**
Consolidated net income					26 815	**26 815**
Translation differences				−1 265		**−1 265**
Distributions					−32 940	**−32 940**
Purchase of treasury shares			−563			**−563**
Sale of treasury shares		4	593			**597**
Equity transaction costs		−10				**−10**
as of December 31, 2023	7 800	13 028	−864	−5 374	69 268	**83 858**

Consolidated statement of cash flows

in CHF 1 000	Notes	2023	2022
Consolidated net income		**26 815**	23 392
Depreciation and amortization		**10 191**	10 838
Changes in provisions		**−861**	−588
Changes in deferred taxes	21	**−187**	69
Financial result with no cash impact		**107**	114
Gain/loss from sale of non-current assets		**−1 254**	−1 643
Change in inventories		**−452**	−239
Change in accounts receivable		**−4 110**	1 546
Change in deferred expenses and accrued income		**−5 694**	−1 023
Change in accounts payable and taxes payable		**9 130**	5 037
Change in accrued liabilities and deferred income		**1 357**	−19 248
Cash flow from operating activities		**35 042**	18 255
Capital expenditures in property, plant, and equipment	3	**−5 055**	−5 380
Capital expenditures in intangible assets	5	**−27**	−169
Capital expenditures in investments in subsidiaries			−635
Sale of property, plant, and equipment		**1 365**	1 786
Sale of other financial investments			121
Net cash used in investing activities		**−3 717**	−4 277
Purchase of treasury shares		**−563**	−693
Sale of treasury shares		**587**	691
Dividends to APG SGA SA shareholders		**−32 948**	−32 953
Net cash used in financing activities		**−32 924**	−32 955
Currency translation effect on cash and cash equivalents		**−109**	−74
Change in cash and cash equivalents		**−1 708**	−19 051
Cash and cash equivalents as at January 1	9	**53 311**	72 362
Cash and cash equivalents as at December 31	9	**51 603**	53 311

Notes to the consolidated financial statements

1 Business activity

The APG SGA Group is active in all domains of Out of Home advertising. As a media company, we transport advertising messages into the public and private areas with posters, screens and related media as promotions and mobile advertising. This media performance is generated in streets, city centers, pedestrian zones, railway stations, shopping centers, airports, tourist resorts, and on the outside and inside of public transport vehicles. The Group is active in the Swiss market and in Serbia. Business operations are based on long-term concession agreements with public-sector and private partners. APG SGA SA is the parent company. It is a Swiss Stock Exchange (SIX)-listed company headquartered on Carrefour de Rive 1, 1207 Geneva (Switzerland).

2 Key reporting and valuation principles of the APG SGA Group

General fundamentals and reporting standards
The consolidated financial statements of the APG SGA Group have been prepared in accordance with Swiss Corporation Law and Accounting as well as the complete set of Accounting and Reporting Recommendations ARR (Swiss GAAP ARR). The Board of Directors approved the consolidated financial statements on February 23, 2024. The Annual General Meeting on April 25, 2024, will be asked to approve the consolidated financial statements.

The consolidated figures comprise the financial statements of the individual companies, which have been prepared according to uniform accounting and reporting guidelines. The consolidated financial statements have been prepared on a historical cost basis, with the exception of marketable securities and investments of less than 20%, which are valued at fair value.

Scope and method of consolidation
The consolidated financial statements integrate the financial statements of APG SGA SA and of the Group’s domestic and foreign companies. An overview of the principal Group companies is provided in note 25 of this report. Companies acquired are consolidated from the date on which control is obtained, while companies sold are excluded from the scope of consolidation as of the date on which control is given up, with any gain or loss recognized in the income statement. The acquired assets and liabilities are revalued and integrated according to the acquisition method.

The *full consolidation* method is applied to all companies in which the Group directly or indirectly exerts management control. All assets, liabilities and equity, as well as revenues and expenses of the consolidated companies, are fully recognized. Minority interests are presented as a separate component of the Group's equity and income. Intercompany transactions within the scope of consolidation and resulting receivables or payables are completely eliminated. Intercompany transactions and gains are eliminated in full.

Capital consolidation is based on the acquisition method, whereby the acquisition cost of an acquired company is eliminated at the time of acquisition against the fair value of net assets acquired, determined in accordance with uniform accounting principles.

Goodwill arising on business combinations represents the excess of the cost of acquisition over the Group's interest in the fair value of the recognized assets and liabilities at the date of acquisition. Goodwill from acquisition is capitalized at the date of acquisition and amortized. Contractual advertising rights acquired through business combinations as part of the purchase price allocation are part of the capitalized goodwill.

Investments between 20% and 50% are recognized in the consolidated financial statements according to the *equity method*, provided the Group has significant influence. In this case, the Group's percentage shares in the net assets are posted in the balance sheet under *Investments in joint ventures* and the respective share in profit or loss in the income statement under *Result from joint ventures*. Recorded losses arising from impairment are presented under *Income from joint ventures* in the income statement.

Investments of less than 20% are treated as investments at fair value and are not consolidated. They are presented in the consolidated balance sheet as *Other financial investments*. No such investments exist.

Critical accounting assumptions and estimates in the application of financial reporting standards
Financial reporting requires management estimates and assumptions that influence reported assets, liabilities, contingent liabilities and contingent assets as at the closing date, as well as income and expenses for the reporting period. These judgments, assumptions and estimates are made on the basis of information available or situations existing at the financial statement preparation date, which could prove to be different from reality in the future.

Foreign currency transactions
Translation for consolidation purposes: The financial statements of foreign Group companies are prepared in local currencies. For the purpose of consolidation, the local financial statements are translated into Swiss francs (CHF), which is the Group's presentation currency. The principal exchange rates used to translate foreign currencies in our Group were as follows:

Exchange rates	**Assets and liabilities**		**Income, expenses**	
	Year-end exchange rate		**Average exchange rate**	
in CHF	**December 31, 2023**	**December 31, 2022**	**2023**	**2022**
1 RSD	**0.007924**	0.008439	**0.008287**	0.008559

For the purpose of presenting consolidated financial statements, assets and liabilities for each balance sheet are translated at the closing rate at the balance sheet date, while income statements, cash flow statements and other movements are translated at average exchange rates for the year.

Exchange rate differences arising from the translation of balance sheets and income statements of foreign Group companies are taken directly to equity (currency translation differences) and not recognized in the income statement.

Translation of balances and transactions in the accounts of subsidiaries
In preparing the financial statements of the individual Group companies, assets and liabilities denominated in foreign currencies are translated at the closing exchange rates. Exchange differences resulting from the settlement of foreign currency transactions and from the translation of assets and liabilities denominated in foreign currencies are recognized as foreign exchange gains or losses in the income statement.

Current / non-current classification
With the exception of deferred tax assets and liabilities, which are classified as non-current, assets and liabilities are classified as current when their recoverability or payment is expected no later than 12 months after the year-end closing date.

Segment reporting
The Group manages its business primarily on the basis of country responsibilities (segments). Added value is created locally by the acquisition, sale, and management of advertising spaces. The nature of the business and the legal framework are country-specific. APG SGA disclaims the disclosure of segment results. Our direct competitors in Switzerland and Serbia do not publish segment results. Would APG SGA publish segment results, it would lead to considerable competitive disadvantages for our group, due to minor diversification abroad. Segment sales revenue by geographical region are disclosed in note 25.

Accounting principles
The following accounting principles were applied:

Cash and cash equivalents
Cash and equivalents containing cash, current postal and bank account receivables, and short-term deposits are held with first-class financial institutions. Short-term deposits have a maturity of up to three months. They are stated at nominal value.

Marketable securities
Securities are initially recognized at cost including transaction costs. All purchases and sales are recognized on the trade date. Securities are subsequently remeasured to their current fair value at each balance sheet date with unrealized gains and losses recognized in the income statement as financial result and classified as current assets. Foreign exchange gains and losses on securities are also recognized in the income statement.

Accounts receivable
Short-term accounts receivable are stated at nominal value less allowance for bad debts. The allowance for bad debts is calculated based on past experience and maturity structure as well as identifiable solvency risks.

The amount of the allowance is presented separately. It represents the difference between the receivable's carrying amount and its current estimated recoverable amount. When receivables are no longer collectible, they are written off against the allowance for bad debts. Changes in the carrying amount of the allowance and income from recoveries of receivables previously written off are recognized in operating and administrative costs in the income statement.

Inventories
Inventories mainly reflect electronic advertising media, in kit form or partially assembled, for planned installation projects as well as replacement equipment for existing electronic advertising media installationens. In the same way, parts necessary for the maintenance of installed street furniture or billboards, in kit form or partially assembled are also reflected.

Property, plant and equipment

Property, plant and equipment are presented on the balance sheet at historical cost less accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset or, for most of the advertising plant and the electronic advertising plant, over the average duration of the contracts, and in no case over more than 12 resp. 8 years. The following useful lives are applied to depreciation calculations:

- Buildings (without land) 20–40 years
- Advertising plant 8–12 years
- Electronic advertising plant 2–8 years
- Fittings, equipment, furniture 4–10 years
- Information technology 3–6 years
- Vehicles 4–6 years

Gains from the sale of property, plant, and equipment are recognized in the income statement in other operating income. Losses from the sale of property, plant, and equipment are recognized in operating and administrative costs. Assets with minor values are expensed directly in the income statement. Land is not depreciated, but value-adjusted, if necessary.

Assets subject to a finance lease agreement are capitalized and depreciated over the contractual terms.

Financial investments

Financial investments mainly comprise loans and long-term receivables to third parties as well as employer conbribution reserve in the pension plan. Loans and receivables are stated at nominal values less valuation adjustments. Pension assets are stated at their nominal value.

Intangible assets

Intangible assets include contractual advertising rights and goodwill. Intangible assets are recognized if they are clearly identifiable and the costs reliably determinable, and if they bring a measurable benefit to the company over the course of several years. Intangible assets are valued at purchase cost less amortization and any necessary impairment.

Amortization is calculated on a straight-line basis. Contractual advertising rights are amortized over a period of up to 25 years or the shorter contractual period. Goodwill from acquisitions is amortized over up to 20 years.

Impairment of non-current assets

At every balance sheet date an assessment is made for non-current assets (in particular property, plant, equipment, intangible fixed assets including goodwill and financial assets) whether indicators for an impairment exist. If indicators for a continuous impairment exist, the recoverable amount of the asset is determined. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use. When the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized separately in the income statement.

Treasury shares and share based payments

Treasury shares are recognized at their acquisition cost and deducted from shareholders' equity. Gains or losses on disposals are directly recorded in equity within capital reserves. Share based payments are measured at the grant date and recognized as personnel expenses in the case of remuneration for employees or as operating and administration costs in the case of remuneration for members of the Board of Directors. Share based payments from the Employee Stock Ownership Plan are measured at the date of purchase and recognized as personnel expenses.

Liabilities

Current liabilities include such with maturities up to 12 months, as well as accrued liabilities and deferred income. Liabilities are recognized at nominal values.

Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Pension benefit obligations

Pension benefit obligations of Group companies are recognized in the consolidated financial statements according to legal regulations and local rules of the respective countries. The actual economic impact of pension schemes for a Group company is calculated as at balance sheet date. An economic benefit is recorded, if it will be used for future pension contributions made by the company. An economic obligation is recognized if the requirements to record a provision are met. Unrestricted employer contribution reserves are capitalized as an asset.

The Swiss subsidiaries of the Group have a common legally independent pension plan financed by employer and employee contributions. The economic impact of a funding surplus or deficit of this pension plan, the change in employer contribution reserves and the contributions accrued for the period are charged to income as personnel expenses. The calculation of a funding surplus or deficit is made based on the annual financial statements of the pension plan prepared in accordance with Swiss GAAP ARR 26.

Apart from legally stipulated benefit plans, there are no other pension plans for subsidiaries in foreign countries. Their economic impact is measured according to the valuation methods applied locally.

Advertising revenue

Advertising revenue mainly consists of sales of advertising spaces and related services charged to customers such as printing and production costs. Whereas sales from related services are less than 5% of total advertising revenue. It is recorded net of discounts and excluding VAT. Sales of advertising spaces are accrued on a straight-line basis over the running period of the advertising campaign. Related services are recognized in the period in which they are rendered.

Fees and commissions

Fees and commissions contain concession fees and rental costs, commissions payable to advertising agencies, contributions in kind in the form of billposting services rendered to concession partners, and poster production costs. Variable fees are calculated according to the accrued revenues, while fixed fees are expensed in the period the related services are rendered.

Income taxes
Current income tax is calculated on taxable profits for the year and recognized on an accrual basis. Current income tax relating to items recognized directly in equity is recognized in equity and not in the income statement. Deferred income tax results from temporary valuation differences in Swiss GAAP ARR and fiscal accounting. Deferred tax is calculated using local tax rates that have been enacted by the balance sheet date. Effects from tax loss carryforwards are not capitalized pursuant to the recognition option under Swiss GAAP ARR, regardless of whether they are estimated by the company to be usable or not.

Transactions with related parties
Related parties include the principal shareholders of APG SGA SA, the members of the Board of Directors, and of the Executive Board.

Earnings per share
Earnings per share are calculated by dividing net income by the weighted average number of shares outstanding. The average number of shares outstanding does not include treasury shares.

Change in the scope of consolidation
In 2023 the scope of consolidation did not change. Neither in previous year.

3 Property, plant and equipment

in CHF 1 000	Buildings Land	Advertising plant	Fittings Equipment Furniture	IT	Vehicles	Total
At cost						
as at January 1, 2022	102 568	87 306	6 232	6 140	7 888	**210 134**
Additions	117	3 762	325	834	342	**5 380**
Disposals		−1 627	−18	−311	−624	**−2 580**
Reclassification		10		−10		
Translation differences		−585	−6	−19	−1	**−611**
as at December 31, 2022	102 685	88 866	6 533	6 634	7 605	**212 323**
Additions	592	2 737	324	327	1 297	**5 277**
Disposals	−10	−2 647	−411	−212	−1 122	**−4 402**
Translation differences		−845	−9	−26	−6	**−886**
as at December 31, 2023	103 267	88 111	6 437	6 723	7 774	**212 312**
Accumulated depreciation						
as at January 1, 2022	−75 156	−64 953	−5 380	−4 920	−6 090	**−156 499**
Additions	−1 651	−5 779	−286	−637	−783	**−9 136**
Disposals		1 489	18	311	620	**2 438**
Reclassification		−10		10		
Translation differences		385	5	6	1	**397**
as at December 31, 2022	−76 807	−68 868	−5 643	−5 230	−6 252	**−162 800**
Additions	−1 350	−5 291	−273	−739	−835	**−8 488**
Disposals	10	2 556	411	207	1 108	**4 292**
Translation differences		574	8	13	2	**597**
as at December 31, 2023	−78 147	−71 029	−5 497	−5 749	−5 977	**−166 399**
Net book value						
as at December 31, 2022	25 878	19 998	890	1 404	1 353	**49 523**
as at December 31, 2023	25 120	17 082	940	974	1 797	**45 913**

The buildings are used predominantly for operating purposes. The Group did not enter into any finance lease agreements (prior year: none).

Capital expenditures in intangible assets with cash effect amounted to CHF 5,055,000 (PY CHF 5,380,000). The deviation from the above mentioned figures relates to capital expenditures not yet paid.

4 Financial investments

in CHF 1 000	December 31, 2023	December 31, 2022
Deferred tax assets	**1 813**	1 803
Loans	**3 101**	3 532
Bad debt allowance on loans and long-term receivables	**−119**	−126
Employer contribution reserve (see note 11)	**2 785**	2 785
Long-term securities	**143**	131
Total	**7 723**	8 125

5 Intangible fixed assets

in CHF 1 000	Goodwill	Contractual advertising rights	Total
At cost			
as at January 1, 2022	117 991	17 780	**135 771**
Additions		79	**79**
Translation differences		−687	**−687**
as at December 31, 2022	117 991	17 172	**135 163**
Additions		190	**190**
Translation differences		−975	**−975**
as at December 31, 2023	117 991	16 387	**134 378**
Accumulated amortization			
as at January 1, 2022	−106 967	−3 824	**−110 791**
Additions	−658	−1 044	**−1 702**
Translation differences		147	**147**
as at December 31, 2022	−107 625	−4 721	**−112 346**
Additions	−657	−1 046	**−1 703**
Translation differences		279	**279**
as at December 31, 2023	−108 282	−5 488	**−113 770**
Net book value			
as at December 31, 2022	10 366	12 451	**22 817**
as at December 31, 2023	9 709	10 899	**20 608**

Capital expenditures in intangible assets with cash effect amounted to CHF 27,000 (PY CHF 169,000). The deviation from the above mentioned figures relates to investments in Serbia, which were contractually recorded and settled in different years.

6 Inventories

in CHF 1 000	December 31, 2023	December 31, 2022
Electronic advertising media material	**3 396**	2 762
Other advertising media material	**1 720**	1 933
Total	**5 116**	4 695

7 Trade accounts receivable

in CHF 1 000	December 31, 2023	December 31, 2022
Trade accounts receivable	**42 869**	39 369
Bad debt allowance	**−2 672**	−2 864
Total	**40 197**	36 505

Change in bad debt allowance of trade accounts receivable

in CHF 1 000	2023	2022
as at January 1	**−2 864**	−2 810
Addition	**−62**	−716
Utilization	**117**	566
Translation differences	**137**	96
as at December 31	**−2 672**	−2 864

8 Other accounts receivable

in CHF 1 000	December 31, 2023	December 31, 2022
Tax refund claims	**174**	121
VAT receivable	**37**	83
Prepayments to suppliers	**7 575**	6 670
Personnel and social benefits	**1 245**	1 193
Receivables from loans to third parties	**360**	309
Short-term receivables from sale of business activities	**932**	1 122
Other	**115**	261
Bad debt allowance	**−977**	−1 222
Total	**9 461**	8 537

Change in bad debt allowance of other accounts receivable

in CHF 1 000	2023	2022
as at January 1	**−1 222**	−1 500
Utilization	**51**	
Reversal	**190**	272
Translation differences	**4**	6
as at December 31	**−977**	−1 222

9 Cash and cash equivalents

in CHF 1 000	December 31, 2023	December 31, 2022
Cash, postal and bank account balances	**24 603**	28 820
Time deposits	**27 000**	24 491
Total	**51 603**	53 311

The consolidated statement of cash flows, cash and cash equivalents comprise the accounts listed above.

10 Shareholders' equity

The share capital of CHF 7,800,000 is composed of 3,000,000 registered shares with a par value of CHF 2.60.

Information on the purchase and sale of treasury shares

2022		Quantity	Average price in CHF
as at January 1, 2022		4 935	
1st quarter	Additions		
	Disposals	−183	193.65
2nd quarter	Additions	1 010	183.72
	Disposals	−3 142	181.28
3rd quarter	Additions	1 110	179.57
	Disposals		
4th quarter	Additions	1 900	161.95
	Disposals	−557	154.31
as at December 31, 2022		5 073	

2023		Quantity	Average price in CHF
as at January 1, 2023		5 073	
1st quarter	Additions	10	173.50
	Disposals	−278	166.36
2nd quarter	Additions	2 050	187.78
	Disposals	−2 900	186.64
3rd quarter	Additions	954	184.34
	Disposals		
4th quarter	Additions		
	Disposals	−30	174.00
as at December 31, 2023		4 879	

As at December 31, 2023, treasury shares accounted for 0.2% of the share capital (PY 0.2%).

The Swiss Pension Plan of APG SGA Group holds 15,256 APG SGA shares as at December 31, 2023 (PY 15,256). The shares held by related parties are disclosed in the notes to the financial statements of APG SGA SA.

The amount of not distributable reserves and retained earnings amounts to CHF 8,772,000 (PY CHF 8,776,000).

The General Meeting of April 27, 2023, decided to pay a dividend of CHF 11.00 per share.

In 2022 a dividend of CHF 11.00 per share was paid out.

11 Provisions

in CHF 1 000	Pension plan	Dismantling obligations	Other	2023 Total	Pension plan	Dismantling obligations	Other	2022 Total
as at January 1	1 056	2 385	2 484	**5 925**	1 584	2 492	2 501	**6 577**
Addition	2		250	**252**			132	**132**
Utilization	−261		−182	**−443**	−320	−99	−106	**−525**
Reversal	−39	−107	−574	**−720**	−208		−37	**−245**
Translation differences		−2	−2	**−4**		−8	−6	**−14**
as at December 31	758	2 276	1 976	**5 010**	1 056	2 385	2 484	**5 925**
Thereof current	206		1 000	**1 206**	334		393	**727**
Thereof non-current	552	2 276	976	**3 804**	722	2 385	2 091	**5 198**

Provision for pension plan covers contributions for protection of vested rights of employees in relation to the change from a defined benefit plan to a defined contribution plan according to Swiss pension law as of January 1, 2013. The reversal of provision for pension plan is due to early resignations and early retirements of employees. Provision for dismantling obligations covers the cost to dismantle the installed advertising media after the contract expires. Other includes provisions incentive plans and taxes.

12 Employee benefits

Employer contribution reserve

in CHF 1 000	2023	2022
Nominal and book value as at January 1	**2 785**	2 785
Usage		
Nominal and book value as at December 31	**2 785**	2 785

Employer contribution reserve is presented under *Other financial investments* in the consolidated balance sheet. Changes are recognized under personnel expenses.

Economic benefit/obligation and pension costs	Funding surplus/deficit according to Swiss GAAP ARR 26	Economic impact Group		Change to prior year or charge to income current year	Contri- butions for the period	Pension costs in personnel expenses	
in CHF 1 000	31.12.2023	31.12.2023	31.12.2023			2023	2022
Pension plans without funding surplus/deficit						5 576	5 089
Pension plans with funding surplus							
Pension plans with funding deficit							
Total						5 576	5 089

Summary of pension costs

in CHF 1 000	2023	2022
Contributions to pension plan expensed at Group companies	**5 576**	5 089
Contributions and changes in employer contribution reserve	**5 576**	5 089
Increase/reduction economic benefit Group from excess coverage		
Reduction/increase economic obligation Group from insufficient coverage		
Total change in economic impact from excess/insufficient coverage		
Pension costs included in personnel expenses for the period	**5 576**	5 089

13 Other accounts payable

in CHF 1 000	December 31, 2023	December 31, 2022
Prepayments by customers	**20 809**	20 268
VAT owed	**3 576**	3 168
Personnel and social benefits	**178**	556
Other	**7 073**	4 527
Total	**31 636**	28 519

Other include one-off liabilities from an infrastructure project in the amount of CHF 4 million in the reporting year.

14 Accrued liabilities and deferred income

Accrued liabilities and deferred income mainly comprise accrued rental fees and commissions, as well as deferred advertising revenue.

15 Off-balance-sheet commitments

The following off-balance-sheet commitments exist:
There were no unrecognized guarantee obligations to third parties and no pledged or assigned assets with reservation of ownership.

Commitments relating to lease, rent and minimum franchise payments given in the ordinary course of business:

In the ordinary course of business, our company has entered into the following agreements, primarily:
- contracts with cities, airports and transport companies, which entitle us to operate their advertising business and collect the related revenues, in return for payment of fees comprising a fixed portion or guaranteed minimum amounts
- rental agreements for billboard locations on private property
- rental agreements for office premises

At the balance sheet date the above mentioned commitments were as follows:

in CHF million	December 31, 2023	December 31, 2022
Up to one year	**127.0**	122.3
More than 1 year until 5 years	**406.7**	421.3
More than 5 years	**21.6**	87.5
Total	**555.3**	631.1

16 Business acquisitions and disposals

No business acquisition took place in 2023 (Previous year none).

17 Real estate revenue

The space rented to third parties is 10,884 m² or 38.3% of the entire useful area (PY 10,695 m² or 37.6%).

18 Other operating income

in CHF 1 000	2023	2022
Net gains from sale of other property, plant, and equipment	**1 298**	1 644
Total other operating income	**1 298**	1 644

19 Personnel expenses

in CHF 1 000	2023	2022
Wages and salaries	**−47 174**	−42 827
Ordinary pension costs	**−5 576**	−5 089
Social security and retirement benefits	**−4 277**	−4 007
Other personnel expenses	**−941**	−1 181
Total personnel expenses	**−57 968**	−53 104

The APG SGA Group employs a total number of 490 persons (PY 481), thereof 442 (PY 438) in Switzerland and 48 (PY 43) in Serbia, calculated on the basis of full-time equivalents 100%.

The increase of personnel expenses is primarily driven by higher number of staff, salary increase, higher variable salaries, and short-time work compensation in the previous year.

20 Financial result

in CHF 1 000	2023	2022
Interest earnings	**353**	90
Other financial income	**3**	1
Result from marketable securities	**12**	
Total financial income	**368**	91
Foreign exchange translation differences	**−206**	−178
Bank expenses	**−29**	−142
Interest expenses	**−6**	−31
Result from marketable securities		−15
Other financial expenses	**−28**	−3
Total financial expenses	**−269**	−369
Total financial result	**99**	−278

21 Income tax

Taxes paid and expensed are composed of the following items:

in CHF 1 000	2023	2022
Current income tax expense	**−5 260**	−5 632
Deferred tax income / (expense)	**187**	−70
Total	**−5 073**	−5 702

2023	Tax rate	Amount in CHF 1 000
Weighted average applied tax rate	15.9%	5 073
Use of not capitalized tax loss carryforward		
Actual tax rate	15.9%	5 073

2022	Tax rate	Amount in CHF 1 000
Weighted average applied tax rate	19.6%	5 702
Use of not capitalized tax loss carryforward		
Actual tax rate	19.6%	5 702

In the reporting year, accrued liabilities for previous years amounting to CHF 649,000 that were no longer required were reversed. This resulted in a lower tax rate.

The total amount of not capitalized deferred tax asset relating to tax loss carryforwards amounts to CHF 0 (PY CHF 0). For calculation of deferred taxes, an average tax rate of 18.4% (previous year 18.4%) was applied.

22 Earnings per share

Earnings per share are calculated as follows:

	2023	2022
Net income, in CHF 1 000	**26 815**	23 392
Weighted average number of shares	**2 995 339**	2 995 974
Basic and diluted earnings per share, in CHF	**8.95**	7.81

APG SGA SA has no instruments with a dilutive effect on earnings per share.

23 Transactions with related parties

Our Group had transactions with the following related parties:
- JCDecaux Group, a principal shareholder
- Interplakat AG, Bern, owned by the Scheidegger family
- Members of the Board of Directors
- Members of the Executive Board

The tables below show the amounts with each party:

JCDecaux Group, in CHF 1 000	2023	2022
Sales to related party	**4 823**	3 634
Purchases from related party	**501**	321
Receivables as at 31 December toward related party	**1 283**	594
Payables as at 31 December toward related party	**130**	101

Interplakat AG, in CHF 1 000	2023	2022
Sales to related party	**168**	194
Purchases from related party	**1 864**	1 865
Receivables as at 31 December toward related party	**155**	152
Payables as at 31 December toward related party	**103**	51

Sales to JCDecaux Group relate mostly to advertising revenue and purchases to capital expenditures in advertsing plant. Sales to Interplakat AG relate to advertising revenue and purchases to fees and commissions.

The information required by Art. 734d (transparency requirements) of the Swiss Code of Obligations is disclosed in the notes to the financial statements of APG SGA SA (see page 38).

24 Share based payments

As part of variable remuneration a certain number of treasury shares are allocated to employees. These shares are blocked for 3 years and cannot be sold during this period. The table below shows the amount included in personnel expenses and the number of allocated shares:

	2023	2022
Amount in CHF 1 000 included in personnel expenses	**298**	270
Number of allocated shares	**1 597**	1 496

As part of variable remuneration for the Board of Directors a certain number of treasury shares are allocated. These shares are blocked for 3 years and cannot be sold during this period. The table below shows the amount included in operating and administrative costs and the number of allocated shares:

	2023	2022
Amount in CHF 1 000 included in operating and administrative costs	**200**	199
Number of allocated shares	**1 070**	1 104

APG SGA has an Employee Stock Ownership Plan. It entitles employees to obtain a certain number of treasury shares for a special price with a discount of 25%. The purchase is limited to 10% of the previous year's remuneration. The shares are blocked for 5 years and cannot be sold during this period. The table below shows the discount included in personnel expenses and the number of shares purchased by employees:

	2023	2022
Amount in CHF 1 000 included in personnel expenses	**64**	115
Number of shares purchased by employees	**541**	1 282

25 Segment information by regions

in CHF 1 000	2023	2022
Advertising revenue Switzerland	**311 292**	297 175
Advertising revenue Serbia	**14 340**	13 425
Total advertising revenue	**325 632**	310 600

26 Investments of APG SGA Group

Company, headquarters	Share capital in local currency		Consolidation method	Share of capital in %
Switzerland				
Allgemeine Plakatgesellschaft AG, Zurich	CHF	9 400 000.00	F	100.00
Swissplakat AG, Hünenberg	CHF	200 000.00	F	100.00
Swiss Poster Research Plus AG, Zurich	CHF	100 000.00	F	100.00
Visiorama AG, Zurich	CHF	100 000.00	F	100.00
Serbia				
Alma Quattro d.o.o., Belgrade	RSD	83 271 117.25	F	100.00

F = Full consolidation

27 Events after the closing date

These financial statements consider events after the closing date until February 23, 2024.

APG SGA SA

Geneva

Report of the statutory auditor
to the General Meeting
on the consolidated financial statements 2023

Report of the statutory auditor

to the General Meeting of APG SGA SA

Geneva

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of APG SGA SA and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, and the consolidated income statement, the consolidated statement of changes in equity, the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 5 to 26) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

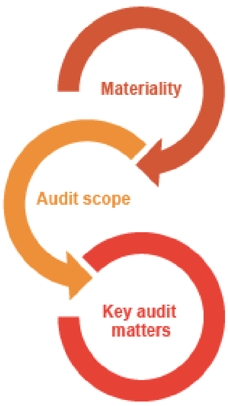
Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor’s responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview



Overall Group materiality: CHF 1'590'000

We concluded audit work at two reporting units in Switzerland. Our audit scope addressed 97% of the Group's revenue and 82% of the Group's profit before tax.

As key audit matter the following area of focus has been identified:

Accruals and deferrals for revenues, fees and commissions

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, 8050 Zürich, Switzerland
Telefon: +41 58 792 44 00, www.pwc.ch

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	CHF 1'590'000
Benchmark applied	Profit before tax
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured, and it is a generally accepted benchmark

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accruals and deferrals for revenues, fees and commissions

Key audit matter	How our audit addressed the key audit matter
As described in the accounting policies, the group recognizes advertising revenues over the period in which the advertising campaign runs. The corresponding fees and commissions are recorded based on recognized revenues and taking into consideration fixed and/or variable terms of the agreements. We focused on this area due to the complexity of the calculation and since the accrued revenue, fees and commissions amount to CHF 10.5 million (assets) and CHF 47.9 million (liabilities). The group's IT system calculates, controls, and recognizes such entries based on the manual inputs of the underlying contracts and agreements. The group is addressing the risk for erroneous manual data input with an embedded process including both manual and automated controls.	We assessed the design and the implementation of the Internal Control System (ICS) and the corresponding key controls regarding the calculation of accruals and deferrals. Our testing included the following procedures: • We tested the IT General Controls of the IT systems used for the calculation, controlling and recognition of accruals and deferrals for revenues, fees and commissions. • On a sample basis we tested key manual and automated controls around the fees and commissions settings and calculation of fees and commissions notes. This included system rules to calculate fees and commissions and controls around the contract information input in the system. • On a sample basis we tested key manual and automated controls around the revenue recognition settings and calculation of revenue. • On a sample basis we tested the input factors of the calculation determining the accrual for partners by agreeing them to the underlying agreements. • We tested a sample of revenue transactions, particularly around the period end by agreeing transactions to the progress of the advertising campaign to ensure revenues, fees and commissions are calculated correctly. The combination of the tests of controls and the substantive testing we carried out and described above gave us sufficient audit comfort to address the risks over accruals and deferrals.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor’s reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

St. Räbsamen K. Baumgartner

Stefan Räbsamen	Kerstin Baumgartner
Licensed audit expert Auditor in charge	Licensed audit expert

Zürich, 23 February 2024

Financial statements of APG SGA SA

Balance sheet

Assets

in CHF 1 000	Notes	31.12.2023	31.12.2022
Cash and cash equivalents		**2 121**	325
Accounts receivable from third parties		**48**	48
Accounts receivable from Group companies		**2 745**	4 110
Deferred expenses and accrued income		**50**	31
Current assets		**4 964**	4 514
Loans to Group comanies		**14 000**	18 000
Loans to third parties		**2 982**	3 151
Investments	2.1	**123 970**	123 970
Non-current assets		**140 952**	145 121
Total		**145 916**	149 635

Shareholders’ equity and liabilities

in CHF 1 000		31.12.2023	31.12.2022
Trade accounts payable to third parties		**418**	273
Other accounts payable		**115**	219
Accrued liabilities and deferred income		**2 805**	1 861
Short-term provisions		**962**	
Current liabilities		**4 300**	2 353
Long-term provisions		**642**	2 258
Long-term liabilities		**642**	2 258
Liabilities		**4 942**	4 611
Share capital		**7 800**	7 800
Legal capital reserves		**5 632**	5 632
Legal retained earnings		**13 118**	13 118
Free reserve from retained earnings		**1 903**	1 903
Retained earnings		**84 525**	97 406
Net annual profit		**28 860**	20 059
Treasury shares	2.2	**−864**	−894
Shareholders' equity		**140 974**	145 024
Total		**145 916**	149 635

Income statement

in CHF 1 000	Notes	2023	2022
Net income from investments	2.3	**30 337**	20 542
Other revenue		**3 699**	3 803
Personnel expenses		**−3 858**	−2 993
Administrative costs		**−1 501**	−1 189
Earnings before extraordinary items, interests and taxes		**28 677**	20 163
Financial expenses	2.4	**−236**	−206
Financial income	2.5	**491**	283
Earnings before extraordinary items and taxes		**28 932**	20 240
Prior-period income	2.6	**131**	136
Earnings before taxes		**29 063**	20 376
Taxes		**−203**	−317
Net annual profit		**28 860**	20 059

Notes to the financial statements

The financial statements of APG SGA SA, Geneva have been prepared in accordance with the legal provisions of Swiss Corporation Law. They complement the consolidated financial statements prepared pursuant to Swiss GAAP ARR. The consolidated financial statements reflect the financial status of the Group as a whole, whereas the financial statements of APG SGA SA refer only to the parent company. The reference base for the dividend proposal by the board of directors are the financial statements of APG SGA SA.

1 Valuation principles applied in the financial statements

Cash and cash equivalents
Cash and cash equivalents are held with financial institutions. They are stated at nominal value.

Accounts receivables and loans
Accounts receivables and loans are stated at nominal value less allowance for bad debts. The allowance for bad debts is calculated based on identifiable solvency risks.

Investments
Investments are valued at historical costs less any necessary impairment.

Accounts payable
Accounts payable are stated at nominal value.

Provisions
Provisions are recognized when the company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Net income from investments
Net income from investments contains dividends received from subsidiaries as well as gains from the sale of investments and impairment of investments.

Financial expenses
Financial expenses include interests payable, bank expenses, losses from the sale of treasury shares and foreign currency translation losses.

Financial income
Financial income contains interest income and gains from the sale of treasury shares as well as gains from currency translation.

Foreign currency translation
For assets and liabilities in Euro the following exchange rates were applied:

As at December 31, 2023:	CHF/EUR 0.9281
As at December 31, 2022:	CHF/EUR 0.9839

2 Explanation and break down of positions

The number of employees based on full-time equivalent was not more than 10 in average of prior year.

2.1 Investments

The following investments are held directly by APG SGA SA:

Company, headquarters	as at December 31, 2023		as at December 31, 2022	
	Shares in %	Votes in %	Shares in %	Votes in %
Allgemeine Plakatgesellschaft AG, Zurich	100%	100%	100%	100%
Swissplakat AG, Hünenberg	100%	100%	100%	100%
Visiorama AG, Zurich	100%	100%	100%	100%
Alma Quattro d.o.o., Belgrade (Serbia)	100%	100%	100%	100%

2.2 Treasury shares

The following treasury shares are held by the company:

As at December 31, 2023: 4 879 shares
As at December 31, 2022: 5 073 shares

The following treasury shares were purchased by the company:

	No of shares	Transaction value (in CHF 1 000)
During financial year 2023	3 014	563
During financial year 2022	4 020	693

The following treasury shares were sold by the company:

	No of shares	Transaction value (in CHF 1 000)
During financial year 2023	3 208	593
During financial year 2022	3 882	691

As part of variable remuneration a certain number of treasury shares are allocated to the members of the Executive Board and members of the Board of Directors. These shares are blocked for 3 years and cannot be sold during this period. Further the company has an Employee Stock Ownership Plan. It entitles employees to obtain a certain number of shares for a special price with a discount of 25%. The purchase is limited to 10% of the previous year's remuneration. The shares are blocked for 5 years and cannot be sold during this period.

The following treasury shares were allocated to related parties:

	Financial year 2023		Financial year 2022	
	No of shares	Value (CHF 1 000)	No of shares	Value (CHF 1 000)
Board of Directors/Executive Board	2 797	520	3 063	556
Other employees	411	73	819	135

2.3 Net income from Investments

in CHF 1 000	2023	2022
Income from dividends	**30 337**	20 542
Total net income from investments	**30 337**	20 542

2.4 Financial expenses

in CHF 1 000	2023	2022
Bank expenses	**−6**	−7
Loss from sale of treasury shares	**−6**	−26
Interest expenses		−1
Foreign exchange translation losses	**−224**	−172
Total financial expenses	**−236**	−206

2.5 Financial income

in CHF 1 000	2023	2022
Interest income	**491**	283
Gain from sale of treasury shares		
Total financial income	**491**	283

2.6 Prior-period income

in CHF 1 000	2023	2022
Gain from recovery of previous losses on accounts receivable	**131**	136
Total prior-period income	**131**	136

3 Accounts payable to pension plan

As at December 31, 2023, the company had payables to its pension plan in the amount of CHF 42,000 (PY CHF 44,000).

4 Guarantee obligations

The company has guarantee obligations in favor of its subsidiaries in a total amount of CHF 15,000,000 (PY CHF 15,000,000).

5 Excess reserves

In financial year 2023, excess reserves have not been released (PY no excess reserves released).

6 Ownership of shares by the members of the Board of Directors and of the Executive Board

Name	Function	Shares as at December 31, 2023	Shares as at December 31, 2022
Daniel Hofer	Chairman	4 591	4 056
Xavier Le Clef	Vice Chairman	759 194	759 419 [1]
Stéphane Prigent	Member		900 531 [2]
David Bourg	Member	900 000 [2]	
Markus Scheidegger	Member	98 751	98 644 [3]
Maya Bundt	Member	531	424
Jolanda Grob	Member	306	199
Markus Ehrle	Chief Executive Officer	4 110	3 491
Beat Hermann	Chief Financial Officer	4 672	4 132
Beat Holenstein	Head of Marketing & Partner Market	1 138	1 042
Christian Gotter	Head of Logistics & Operations	867	703
Andy Bürki	Head of Advertising Market	493	335
Claudia Fischbacher	Head of Human Resources	0	
Dominik Franke	Head of Information Technology	114	
Total		1 774 767	1 772 976

[1] Of which 758,888 Pargesa Asset Management S.A., Luxembourg / Stichting Administratiekantoor Bierlaire, Rotterdam (NL).
[2] Of which 900,000 JCDecaux SA
[3] Including Polymedia Holding AG and Andreas Scheidegger

The APG SGA Group has no stock options program.

7 Significant shareholders[1]

	Shares as reported as at December 31, 2023	in %	Shares as reported as at December 31, 2022	in %
JCDecaux SE, Neuilly-sur-Seine (FR)[2]	900 000	30.00 [4]	900 000	30.00 [4]
Pargesa Asset Management S.A., Luxembourg (LU) / Stichting Administratiekantoor Bierlaire, Breda (NL)[3]	758 888	25.30 [4]	758 888	25.30 [4]
Pictet Asset Management SA, Geneva (CH)	160 620	5.35 [4]	149 650	4.99 [4]
Polymedia Holding AG, Markus and Andreas Scheidegger, Bern (CH)	98 751	3.29 [4]	98 644	3.29 [4]

[1] 3% or more of shares, in the form of stocks or rights to purchase and/or sell stocks. The information is derived from announcements made by shareholders pursuant to Art. 120 et seq. Financial Market Infrastructure Act (FMIA) as of December 31, 2023 subject to the availability of other information.
All published notifications can be found at https://www.six-exchange-regulation.com/de/home/publications/significant-shareholders.html

[2] JCDecaux SE, rue Soyer 17, 92200 Neuilly-sur-Seine (FR), is controlled by JCDecaux Holding, rue Soyer 17, 92200 Neuilly-sur-Seine (FR), whose shareholders are
- Members of the Decaux family: Jean-François Decaux, London (GB), Jean-Charles Decaux, Neuilly-sur-Seine (FR), Jean-Sébastien Decaux, Milan (IT), Jean-Pierre Decaux, Paris (FR), and Danielle Decaux ,Neuilly-sur-Seine (FR)
- JFD Investissements, Luxembourg (LU), and JFD Participations, Luxembourg (LU), companies under the direct control of Jean-François Decaux
- Open 3 Investimenti, Uccle (BE), a company under the direct control of Jean-Sébastien Decaux

[3] The beneficial owner is Stichting Administratiekantoor Bierlaire, Breda (NL). For detailed information on the relationship between Stichting Administratiekantoor Bierlaire and Pargesa Asset Management see: https://apgsga.ch/controlling.structure.

[4] Number of shares according to stock register as of December 31, 2023 and December 31, 2022

8 Events after the closing date

None.

Proposal of the Board of Directors

The Board of Directors proposes to the Annual General Meeting on April 25, 2024:

1. to carry forward the profit brought forward of CHF 113,384,350, composed of CHF 28,859,876 in net annual profit plus a profit brought forward of CHF 84,524,474 and
2. to distribute a dividend of CHF 33,000,000 (CHF 11.00 gross per share for 3,000,000 shares) out of the retained earnings.

If this proposal is approved, the per-share dividend of CHF 11.00 gross or CHF 7.15 net will be paid to the shareholders as of May 3, 2024, at the addresses on record. No dividends are paid on treasury shares.

APG SGA SA

Geneva

Report of the statutory auditor
to the General Meeting
on the financial statements 2023

pwc

Report of the statutory auditor

to the General Meeting of APG SGA SA

Geneva

Report on the audit of the financial statements

Opinion

We have audited the financial statements of APG SGA SA (the Company), which comprise the balance sheet as at 31 December 2023, and the income statement, the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 32 to 40) comply with Swiss law and the Company's articles of incorporation.

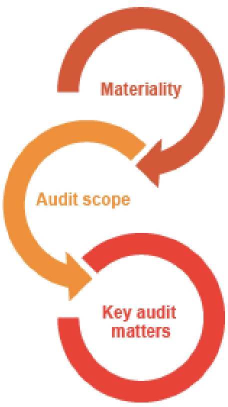
Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview



Overall materiality: CHF 1'450'000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matter the following area of focus has been identified:

Valuation of investments

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, 8050 Zürich, Switzerland
Telefon: +41 58 792 44 00, www.pwc.ch

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing, and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 1'450'000
Benchmark applied	Total Assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because the entity holds mainly investments in subsidiaries and provides financing to them. In addition, total assets are a generally accepted benchmark with regard to materiality considerations in holding companies.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investments

Key audit matter	How our audit addressed the key audit matter
In accordance with the accounting policies, investments are valued at historical cost less any impairments. The investments directly held by the company are described in note 2.1 of the notes to the financial statements. The carrying amount of investments as per 31 December 2023 is CHF 124 million. We focused on this area due to the significance of the investments' value on total assets.	We tested the recoverability of the investments by performing the following procedures: • We reviewed management's assessment for each individual investment. • We assessed the impairment test at an individual investment level and discussed the assumptions made with management. The impairment test was assessed in respect of sensitivity of the underlying assumptions, the underlying substance of the investment and the profitability in the past. Based on the procedures described above, we consider management's assessment of the recoverability of investments reasonable.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report, and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Stefan Räbsamen	Kerstin Baumgartner
Licensed audit expert Auditor in charge	Licensed audit expert

Zürich, 23 February 2024

Agenda

Publication of the annual report
March 14, 2024

General Meeting
April 25, 2024, Geneva

Announcement of semi-annual results 2024
July 26, 2024

Contacts

Markus Ehrle, Chief Executive Officer
T +41 58 220 71 73

Nico Benz-Müller, Chief Financial Officer
T +41 58 220 77 46

This is the original version, which was approved
by the Board of Directors on February 23, 2024

www.apgsga.ch
APG|SGA SA
Carrefour de Rive 1
CH-1207 Genève
investors@apgsga.ch

APG|SGA AG is Switzerland's leading Out of Home Media company. Listed on the SIX Swiss Exchange, APG|SGA covers all aspects of Out of Home Media: on streets and squares, in railway stations, at airports, in shopping centres, in the mountains as well as in and on means of transport – from poster campaigns with the widest coverage and large formats to state-of-the-art digital advertising spaces, special advertising formats and mobile advertising. When communicating with customers, the authorities and the advertising industry, APG|SGA represents sustainability and innovation, aiming to inspire people with the very best communication solutions in public spaces.