



**2023**

ANNUAL REPORT  
SWISS TXT CORP.



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# CHAIRMAN'S FOREWORD

**For four years, SWISS TXT has been the national centre of excellence for ICT, Digital, Distribution and Accessibility Services for SRG SSR. During the 2023 financial year, our focus was on this strategic direction. Research and innovation projects also ensured further technological development of the company. At the end of the financial year, SWISS TXT celebrated its 40th anniversary.**

## **Stable and reliable ICT services for SRG SSR**

During the 2023 financial year, our parent company SRG acknowledged the strategic importance of its subsidiary SWISS TXT. As the national centre of excellence and service provider of ICT, Digital and Distribution Services, SWISS TXT safeguards the national infrastructure and services provided to SRG and its five Enterprise Units across four linguistic regions. This enables SRG to fulfil its programme mandate at all times through programme output across all linguistic regions. The survey carried

out among internal (SRG) customers showed that satisfaction with the services and support provided continues to grow.

The core networks between the locations of Lausanne and Geneva were redesigned and are at the implementation planning stage. We are thus moving closer to achieving RTS's goal of being able to work and produce programmes at two different locations using a single network, despite latency. At the same time, the Journey to the Cloud continues for SRF with New Horizon, in the municipality of Herdern. The size of the "On Premise" infrastructure was reduced by 25% at the data centre in Herdern thanks to the migration of SRF Solutions to the public cloud.

In the cybersecurity area, significant progress could be achieved regarding risk minimisation. This topic affects all employees across the entire company and requires a high degree of discipline, interdisciplinary coordination and prioritisation work.

### Expansion in the Accessibility Services area

The demand for accessible media solutions is still on the rise. SWISS TXT has successfully introduced to the market the services of SILAS (a web platform for bilateral communication in sign language between companies and people with sensory disabilities) and LiveAccess (live text translation). SWISS TXT is active in the community of sensory-impaired persons and among other things, participated as a project partner in the E-Accessibility Days and in the CAS "Speech-to-Text Interpreting in Multilingual Settings" course held at the ZHAW University.

### Cutting-edge technology

To the seven research and innovation projects already being implemented, in 2023 we added the flagship European initiative TEMS (Trusted European Media Data Space) for the development of a robust data ecosystem for the media sector. TEMS is a project that is being promoted by 43 organisations from the media and technology sector, the objective of which is to develop and implement a shared media data room throughout Europe. In addition, SWISS TXT won first prize at the SRG Hackdays with "Donate a Sign".

### A future with a past

40 years after the foundation of SWISS TXT (formerly Schweizerische Teletext AG), the company continues to be at the top of its game in technological terms. Digitalisation and accessibility to digital media are woven into the company's DNA, after 40 years of successful business activity. The company is actively involved in all aspects of this: from the development of resilient systems for SRG's critical infrastructure, to a high degree of expertise in the cloud environment, to the use of AI tools for



corporate processes and innovative services for sensory-impaired persons. However, the success of a company depends first and foremost on its employees. The employee survey conducted in the autumn yielded very positive results. 81% of employees would recommend SWISS TXT as an employer.

I would like to thank all our employees, team leaders and SWISS TXT's Executive Board wholeheartedly for their dedication, their commitment and their tireless drive for innovation, and I look forward to an exciting and challenging future.

Marco Derighetti  
Chairman of the Board of Directors  
SWISS TXT CORP.

A handwritten signature in black ink that reads "M. Derighetti".

# FACTS & FIGURES

**ANNUAL REVENUE**  
CHF 67.7 MILLION

**PROFIT**  
CHF 0.3 MILLION

**FOUNDED**  
23 DECEMBER 1983

**OWNER**  
SRG SSR\*

## SUBTITLING FOR SRG

GERMAN-SPEAKING SWITZERLAND: **20'218** hours of subtitles, or **82.1%** of SRG's total programme output

FRENCH-SPEAKING SWITZERLAND: **14'502** hours of subtitles, or **86.7%** of SRG's total programme output

ITALIAN-SPEAKING SWITZERLAND: **14'294** hours of subtitles, or **84.0%** of SRG's total programme output



(239 FTE)

**313**  
STAFF



FROM

**22**  
COUNTRIES

INCLUDING

**8**  
TRAINEES

LANGUAGES

**DE**  
**FR**  
**IT**  
**RM**  
**EN**

**63%**  
MEN

**37%**  
WOMEN

AVERAGE AGE

**41**  
YEARS

## LOCATIONS



HAUPTSITZ  
SIÈGE PRINCIPAL  
\* SEDE CENTRALE  
HEAD OFFICE

\*Schweizerische Radio- und Fernsehgesellschaft (Swiss Broadcasting Corporation)

# HIGHLIGHTS 2023



## Lausanne Campus: Core Network

The connection between the locations of Lausanne and Geneva was redesigned and is in the implementation planning stage. We are thus moving closer to achieving RTS's goal of being able to work and produce programmes at two locations based on a single network, despite latency.



## Cooperation with ZHAW: CAS Speech-to-Text Interpreting

Until now, it was only available in Germany and Austria, but now it can finally be offered in Switzerland too: The CAS course "Speech-to-Text Interpreting in Multilingual Settings" was held at the ZHAW University for the first time on 17 March 2023 – SWISS TXT is a cooperation partner.



## Life cycle of the national infrastructure platforms

The Journey to the Cloud continues for SRF with New Horizon in the municipality of Herdern. The size of the On-premise infrastructure was reduced by 25% in the Herdern data centre, thanks to the migration of SRF Solutions to the Public Cloud. SWISS TXT is thus paving the way for efficiency gains.



## 30'000 attacks repelled every day on SRG's infrastructure

The team from SWISS TXT's Security & Network department repels around 30'000 attacks per day (predominantly phishing emails as well as intrusion detection/prevention) from outside of our infrastructure. A multi-level security architecture and many highly-qualified employees are deployed for this on a daily basis.



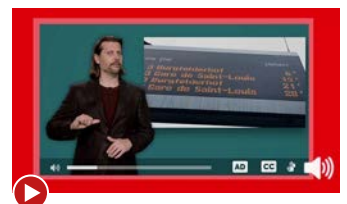
## Video: SRG centre of excellence for Infrastructure, Digital and Distribution services

For four years, SWISS TXT has been the national centre of excellence of SRG for Infrastructure, Digital and Distribution services. Watch the video to find out more about our strategic focus and our services.



## The challenge: to make a video that has already been produced accessible

The Office for the Rights of People with Disabilities for the Canton of Basel City asked disabled people to talk about their challenges in everyday life and made a video about this. The goal: This video should be accessible to everyone. SWISS TXT was commissioned to make the video accessible.





**SWISS Tech Xperience Trail**

What does SWISS TXT actually do? How does respeaking work? What is behind the workplace, security, the network, and so on? Around 50 employees from SRF and General Management found out more about SWISS TXT by participating in a sort of 'scavenger hunt' in Zurich.



**First LiveAccess event in Ticino**

On Saturday 30 September, a training course on the topic of cochlear implants took place in Bellinzona, organised by the ATiDU, a local organisation for hearing-impaired persons. The organisation asked us for a live-access service, as this was the only option for several hearing-impaired persons to participate in the conference. We gladly accepted the invitation and put in the work associated with this.



**SWISS TXT as project partner for TEMS (Trusted European Media Data Space)**

After more than two years of preparatory work, the TEMS (Trusted European Media Data Space) consortium officially announced its launch as part of a European flagship initiative for the creation of a robust data ecosystem for the media sector. TEMS is a project promoted by 43 organisations from the media and technology sector – which in turn represent hundreds of stakeholders from the culture and creative sector from 14 countries – the objective of which is to develop and implement a shared media data room across all of Europe.



**Hackdays SRG: the winning project by SWISS TXT**

The SRG Hackdays took place on 5 and 6 September 2023 at the SRF in Zurich. SWISS TXT Innovation and Accessibility Services entered the competition with two challenges. The "Donate a Sign" challenge won first prize.



**E-Accessibility Day 2023**

Once again this year, we enjoyed a number of fascinating presentations on the subject of "digital accessibility". This specialist conference informed and raised awareness among experts in the field, politicians, people affected and other interested parties. Thanks to SWISS TXT's LiveAccess platform, the audience was able to follow all of the presentations live in their own language. The talks were translated live into German, French, Italian, sign language and other languages, and spectators could also read along, thanks to the subtitles.



**Anniversary – 40 Years of SWISS TXT**

SWISS TXT was founded on 23 December 1983 as Schweizerische Teletext AG. A few weeks later (in 1984), the TELETEXT service was put into operation on SF DRS. Since our founding, the way in which information is distributed and media is consumed has been revolutionised. We have always been at the forefront of technological progress and today, our clear focus is on Accessibility Services and the ICT centre of excellence for SRG.





# ACCESSIBILITY SERVICES

## Services for SRG

Over the past year, SWISS TXT has subtitled 49'014 hours of programmes in all three linguistic regions. This corresponds to a share of 84.0% and an increase of 4.7% in the services compared to the previous year. In linear television, there are only a few remaining programmes that are not subtitled, as the share is estimated conservatively. For web-only content too, we achieved a considerable increase in the service. Our long-term goal is to be able to offer all of our content with subtitles by 2027, as was set out in the agreement with the associations for sensory-impaired persons. We carried out several analyses using the NER model for the purpose of quality assurance, and were able to ascertain that our subtitles are very good.

SWISS TXT regularly delivers content in sign language, which has been created by deaf interpreters. Deaf viewers particularly appreciate it when content is interpreted by native sign language interpreters. In the audio description area too, we were able to increase further the services provided to SRG. There was a decrease in the subtitling services for Play Suisse, as Play Suisse has now transitioned to normal operations following the creation of a foundation.

Alongside ongoing operations, we are preparing for technologies that will enable greater automation. For example, subtitles for the Romansch Telesguard news programme are now translated into Italian automatically and then post-edited. We continue to monitor technological developments and integrate these into our processes and systems.

## Market activities

For speech-to-text interpreting, we had to accept a decrease in turnover. This was because a number of students with high sales figures had to end their studies early. They could not be replaced in a hurry. Once again in 2023, the "LiveAccess" platform has been continuously expanded – now offering, among other things, the option of interpreting live streams remotely into sign language (online PiP option). The platform can increasingly be utilised to meet the most diverse requirements of events and live streams, both in intralingual and interlingual terms.



**CORE MISSION OF SUBTITLING**

<b>BROADCAST</b>		<b>HOURS</b>	<b>% OF TOTAL output</b>	<b>+/- (%)</b>
SRF 1		6'474	80.9	4.5
SRF zwei		6'795	81.5	3.4
SRF info		6'949	83.9	3.9
<b>SRF TOTAL</b>		<b>20'218</b>	<b>82.1</b>	<b>3.9</b>
RTS Un		7'470	90.7	11.3
RTS Deux		7'032	82.9	1.1
<b>RTS TOTAL</b>		<b>14'502</b>	<b>86.7</b>	<b>6.1</b>
RSI LA 1		7'493	88.8	3.6
RSI LA 2		6'801	79.3	5.6
<b>RSI TOTAL</b>		<b>14'294</b>	<b>84.0</b>	<b>4.6</b>
<b>TOTAL HOURS ACROSS SWITZERLAND</b>		<b>49'014</b>	<b>84.0</b>	<b>4.7</b>

**OTHER SERVICES FOR SRG**

	<b>SRF</b>	<b>+/-</b>	<b>RTS</b>	<b>+/-</b>	<b>RSI</b>	<b>+/-</b>	<b>CH</b>	<b>+/-</b>
Audio description	85	9	123	1	90	10	298	20
Subtitling web-only	61	22	191	56			252	78
Subtitling 3sat	88	-4					88	-4
Play Suisse							1'782	-282
Translation into sign language	21		3		3		27	

Data in hours



# COMPANY

## STAFF DEVELOPMENT

TOTAL NUMBER OF EMPLOYEES: DECEMBER 2022 COMPARED TO DECEMBER 2023 (NOMINAL FIGURES)

	2023 NUMBER	%	FTE*	2022 NUMBER	%	FTE
<b>STAFF</b>	<b>313</b>		<b>239</b>	<b>292</b>		<b>224</b>
- Women	116	37		108	37	
- Men	197	63		184	63	
<b>DIVISIONS</b>						
- Management & Services	26	8	20	26	9	20
- Customer & Service Management	47	15	44	43	15	39
- Service Operation	92	29	89	87	30	85
- Cloud Brokerage Services	6	2	5	6	2	5
- Accessibility Services	134	43	73	123	42	67
- IT trainees & apprentices	8	3	8	7	2	7
	<b>313</b>			<b>292</b>		

FTE = full-time equivalent, converted to 100% of full-time hours, incl. 8 trainees/apprentices

## TOTAL NUMBER OF EMPLOYEES IN THE REGIONS AS AT THE END OF 2023

LOCATION	NUMBER OF STAFF	FULL-TIME EQUIVALENT (FTE)
Bern	18	17
Biel	71	60
Comano	30	19
Geneva	40	21
Lausanne	8	7
Zurich	146	114

## FULL-TIME EQUIVALENT (FTE) ANALYSIS

The total number of employees has increased on the previous year by 15 FTE and corresponded to 239 full-time staff as at the end of the year (+6.7% FTE). The increase in full-time equivalents can be attributed mainly to the expansion of the resources required in the areas of Service Operation (Cybersecurity) and Accessibility Services (Business Development and IT Technology).

## CULTURAL AND STAFF DEVELOPMENT

In the autumn of 2023, we carried out a company-wide employee survey. This showed that the managers are doing a very good job and there is mutual appreciation between them and the persons they manage. All managers underwent training in the areas of protection of personal integrity and awareness of bias, in order to be able to understand fully the important issues of diversity and inclusion, as well as the mental health of employees. The focus continues to be on the subjects of feedback and dialogue. The cultural initiatives implemented in recent years have had a satisfactory effect. The results of the survey show that the majority of employees are very satisfied with SWISS TXT as an employer.

In 2023 once again we made targeted investments in training and further education of our employees. Among other things, e-learning modules in the fields of data protection, security and compliance were provided for all employees. On average, a total of 2.1 training days per employee were recorded (cf. Ø activity level).

The gender distribution remained the same compared to the previous year. 14% of the total workforce hold a managerial role. The proportion of women in managerial roles (Collective Employment Agreements and contracts for managers) was 31% (33% in the previous year). We continue to support part-time roles in all areas of the business, in order to promote a healthy work-life balance and meet the needs of our employees. In the reporting year, the number of part-time employees was 51% (54% in the previous year).

## AGE STRUCTURE AS AT 31/12/2023

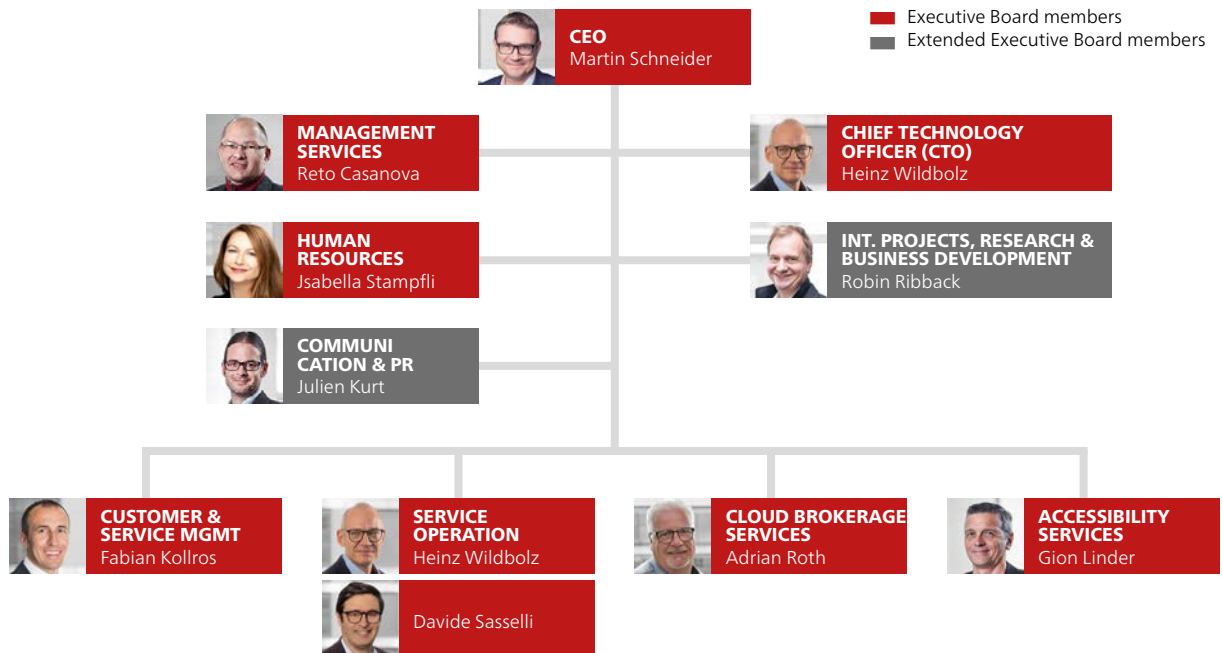
AGE	NUMBER OF STAFF	%
Under 20	4	1
20 – 29	64	20
30 – 39	81	26
40 – 49	79	25
50 – 59	63	20
Over 60	22	7

The average age is 41 years.

## IN 2023, SWISS TXT CORP. EMPLOYED STAFF FROM 22 DIFFERENT COUNTRIES



## ORGANIGRAM



## CORPORATE BODIES

### BOARD OF DIRECTORS

<b>CHAIRMAN</b>	Marco Derighetti	Director of Operations, SRG SSR
<b>MEMBERS</b>	Daniel Benninger	Entrepreneur, Consultant and Academic ( <i>external</i> )
	Larissa M. Bieler	Director and Editor-in-Chief, SWI swissinfo.ch
	Paolo Di Casola	Head of Technology & Structure, RSI
	Christoph Gebel	Head of the Production & Technology Department, SRF
	Severine Schori-Vogt	Head of Staff, Development and Services, SRG

### EXECUTIVE BOARD

<b>DIRECTORATE MEMBERS</b>	Martin Schneider	CEO
	Reto Casanova	Head of Management Services
	Fabian Kollros	Head of Customer & Service Management
	Gion Linder	Head of Accessibility Services
	Adrian Roth	Head of Cloud Brokerage Services
	Isabella Stampfli	Head of Human Resources
	Heinz Wildbolz	Co-head of Service Operation & CTO
	Davide Sasselli	Co-head of Service Operation

### AUDITORS

BDO AG

Information correct as at: 31/12/2023



# FINANCIAL STATEMENTS

## THE BUSINESS AT A GLANCE

At the end of the 2023 financial year, the company recorded profits of CHF 0.3 million. This meant that annual profits were roughly CHF 0.15 million lower than in the previous year.

In the year just ended, SWISS TXT generated operating revenue of CHF 67.7 million, which was an increase of around CHF 3.7 million (or 5.7%) compared to the previous year.

This increase in revenue was achieved mainly through the services and projects for SRG's essential technical provision.

Operating expenses were CHF 68.2 million, an increase of around CHF 4.1 million (or 6.4%) over the previous year.

This increase in expenditure came primarily from expenditure on materials and external services on one hand – mainly external services for SRG's essential technical provision – and on the other hand, from expenditure on staffing – due to an increase in staff numbers and salary measures.

Depreciations fell by around CHF 0.5 million (or 7.6%) compared to the previous year.

The innovation projects "Easier" (signing app), "5G Mediahub" (streaming & player) and "MediaVerse" (accessibility API & multilingual subtitling), as part of the EU "Horizon2020" development programme, and project "IICT" (solutions for audiovisual content) supported by the Swiss Innovation Agency, "Innosuisse", generated an additional CHF 0.7 million as a result of ancillary business.

Overall, the company result is marginally below that of the previous year.

**BALANCE SHEET AS AT 31 DECEMBER 2023**

<b>ASSETS</b>			
<i>Amount in CHF</i>	<b>APPENDIX</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3.1	1'800'028	8'599'084
Trade receivables	3.2		
Third parties		1'306'590	1'270'241
- Del credere		-186'561	-178'053
Stakeholders		1'336'904	4'150'315
Other short-term receivables	3.2	806'899	555'339
Deferred expenses	3.3	10'234'318	8'333'565
Third parties		10'019'562	8'178'648
Stakeholders		214'756	154'917
<b>TOTAL CURRENT ASSETS</b>		<b>15'298'178</b>	<b>22'730'491</b>
in % of total assets		38%	53%
<b>FIXED ASSETS</b>	3.4		
Property, plant and equipment			
Means of production		21'253'709	18'572'579
Other fixed assets		12'055	16'878
Assets under construction		3'591'365	1'955'285
Intangible assets		274'107	17'907
<b>TOTAL FIXED ASSETS</b>		<b>25'131'236</b>	<b>20'562'649</b>
in % of total assets		62%	47%
<b>TOTAL ASSETS</b>		<b>40'429'414</b>	<b>43'293'140</b>

**BALANCE SHEET AS AT 31 DECEMBER 2023**

<b>LIABILITIES AND EQUITY</b>			
<i>Amount in CHF</i>	<b>APPENDIX</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
<b>SHORT-TERM LIABILITIES</b>			
Trade payables	3.5		
Third parties		3'169'204	5'677'897
Stakeholders		268'531	546'000
Other short-term liabilities	3.5		
Third parties		1'074'366	1'117'907
Deferred income	3.6	2'924'180	3'344'636
Third parties		2'914'102	3'294'560
Stakeholders		10'078	50'077
<b>TOTAL SHORT-TERM LIABILITIES</b>		<b>7'436'281</b>	<b>10'686'442</b>
in % of total assets		18%	25%
<b>LONG-TERM LIABILITIES</b>			
Long-term financial obligations parties		21'000'000	21'000'000
Provisions/accruals (long-term)	3.7	760'179	715'434
<b>TOTAL LONG-TERM LIABILITIES</b>		<b>21'760'179</b>	<b>21'715'434</b>
in % of total assets		54%	50%
<b>TOTAL LIABILITIES</b>		<b>29'196'460</b>	<b>32'401'876</b>
in % of total assets		72%	75%
<b>EQUITY</b>	3.8		
Share capital		1'000'000	1'000'000
Statutory reserves		1'000'000	1'000'000
Voluntary reserves		9'232'954	8'891'264
Profit brought forward		764	158
Net income		341'690	490'606
Net profit		342'454	490'764
Retained earnings		8'890'500	8'400'500
<b>TOTAL EQUITY</b>		<b>11'232'954</b>	<b>10'891'264</b>
in % of total assets		28%	25%
<b>TOTAL LIABILITIES</b>		<b>40'429'414</b>	<b>43'293'140</b>



**INCOME STATEMENT 2023**

<i>Amount in CHF</i>	<b>APPENDIX</b>	<b>2023</b>	<b>2022</b>
<b>PRODUCTION INCOME STATEMENT (TOTAL COST METHOD)</b>			
Net sales revenues	3.9	67'698'211	64'043'125
Cost of materials and services	3.10	25'085'051	21'910'085
Staff expenses	3.11	33'197'355	30'021'014
Other operating expenses	3.12	3'063'432	4'934'524
<b>EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION, AND AMORTISATION (EBITDA)</b>		<b>6'352'373</b>	<b>7'177'502</b>
Depreciation and value adjustments for fixed assets	3.13	6'377'039	6'897'885
<b>EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>		<b>-24'666</b>	<b>279'617</b>
Financial expenses	3.14	439'142	281'018
Financial income		202'800	127'447
<b>EARNINGS BEFORE TAX (EBT)</b>		<b>-261'008</b>	<b>126'046</b>
Non-operating revenues	3.15	696'048	498'832
Extraordinary, non-recurring and off-period expenses	3.16	11'878	1'968
<b>ANNUAL RESULT BEFORE TAX</b>		<b>423'162</b>	<b>622'910</b>
Direct taxes		81'472	132'304
<b>NET INCOME</b>		<b>341'690</b>	<b>490'606</b>

**CASH FLOW STATEMENT 2023**

<i>Amount in CHF</i>	<b>2023</b>	<b>2022</b>
Net income	341'690	490'606
Depreciation / value impairment of fixed assets	6'388'917	6'899'853
Other transactions not significant for funding	44'745	-271'498
Changes to short-term receivables	2'534'010	-782'926
Changes to prepaid expenses/accrued income	-1'900'753	-1'578'435
Changes to short-term liabilities	-2'829'704	3'757'802
Changes to deferred income	-420'456	95'755
<b>OPERATING CASH FLOW</b>	<b>4'158'449</b>	<b>8'611'157</b>
Investments in property, plant and other equipment	-10'957'505	-5'980'835
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-10'957'505</b>	<b>-5'980'835</b>
Changes to long-term liabilities	0	0
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>0</b>	<b>0</b>
<b>CHANGE IN NET CASH AND CASH EQUIVALENTS</b>	<b>-6'799'056</b>	<b>2'630'322</b>
as at 1 January	8'599'084	5'968'762
as at 31 December	1'800'028	8'599'084
<b>CHANGE IN NET CASH AND CASH EQUIVALENTS</b>	<b>-6'799'056</b>	<b>2'630'322</b>

**APPENDIX AS AT 31 DECEMBER 2023****1. PRINCIPLES**

The 2023 annual financial statements for SWISS TXT Corp., formerly Schweizerische Teletext AG, with registered office in Biel, were prepared according to the provisions of the Swiss Accounting Law (art. 957–963b, valid from 1 January 2013).

**2. ACCOUNTING PRINCIPLES***2.1 CONVERSION OF FOREIGN CURRENCIES*

The annual financial statements were calculated in the local currency, the Swiss Franc (CHF). Foreign exchange valuation at the end of the year was based on the exchange rate on the reporting date of 31/12/2023. Exchange rate gains and losses arising from transactions in foreign currencies are recorded as affecting net income.

*2.2 ACCOUNTING AND VALUATION PRINCIPLES*

For SWISS TXT Corp.'s annual financial statements, assets were generally valued as acquisition or production costs. This corresponds to the principle of individual valuation of assets and liabilities. The existence of asset impairment indicators is assessed at each reporting date. If a value impairment exists, the book value is reduced to the recoverable value and this affects the result for the period. If, at a later point in time, the reason for the value impairment is (partially) removed, an appreciation is recorded as affecting net income.

*2.3 RECEIVABLES*

Receivables include all unmet claims against third parties and are recorded at their nominal value less any value adjustments. After deducting individual value adjustments, the remaining reserve is calculated with a fixed allowance of 2% for general credit and interest risks.

*2.4 FIXED ASSETS / INTANGIBLE ASSETS*

The valuation of fixed assets / intangible assets is based on acquisition and production costs less any depreciation and value adjustments deemed commercially necessary. The assets under construction include accumulated, capitalised project costs. Uncapitalised expenses and any interest costs are charged to the income statement as appropriate to the period. Assets worth less than CHF 10'000 are not capitalised. Instead, they are charged directly to the income statement at the time of acquisition.

Depreciation is calculated based on the acquisition or production value. All assets are depreciated on a linear basis over the estimated useful life of the asset (3 to 10 years). The first depreciation takes place from commissioning, completion or the date of transfer of ownership in proportion to the useful life of the asset.

### 2.5 PROVISIONS FOR LIABILITIES AND CHARGES

Provisions for liabilities and charges are made based on probable obligations arising from an event in the past, whose amount and/or maturity is uncertain, but can be estimated. These obligations create a liability. Provisions should not be used for the impairment of assets. The obligating event in the past must have taken place before the reporting date. The provisions for liabilities and charges correspond to actual obligations on the reporting date.

## 3. EXPLANATORY NOTES FOR THE BALANCE SHEET AND INCOME STATEMENT

### 3.1 CASH AND CASH EQUIVALENTS

Cash and cash equivalents amounted to CHF 1.8 million at the end of the year, representing a decrease of 79.1% against the previous year.

### 3.2 RECEIVABLES

Trade receivables showed a net decrease as at the reporting date. The main reason for this are the lower receivables against subsidiaries at the end of the year.

### 3.3 PRE-PAID EXPENSES/ACCRUED INCOME

Pre-paid expenses and accrued income increased by around CHF 1.9 million compared to the previous year.

## 3.4 FIXED ASSETS

As at the end of 2023, total fixed assets amounted to CHF 25.1 million. This represents an increase of around CHF 4.6 million compared to the previous year. In the 2023 financial year, SWISS TXT ar-

anged investments in fixed and intangible assets worth around CHF 11.0 million, including CHF 7.3 million for construction of the new data centre in Herdern.

STATEMENT OF FIXED ASSETS 2023					
ACQUISITION VALUE	AS AT 1/1	RECLASSIFI- CATIONS	ADDITIONS	DISPOSALS	AS AT 31/12
<b>PROPERTY, PLANT AND EQUIP- MENT</b>					
Pre-payments / advance payments					
Assets under construction	1'955'285	-2'172'525	3'808'605		3'591'365
Land and property	801'838				801'838
Means of production	40'219'890	2'172'525	6'860'366	-152'190	49'100'592
IT					
Other fixed assets	657'301				657'301
<b>TOTAL FIXED ASSETS</b>	<b>43'634'315</b>		<b>10'668'971</b>	<b>-152'190</b>	<b>54'151'096</b>
<b>INTANGIBLE ASSETS</b>					
Licences/rights	141'731				141'731
Software ownership	1'307'515		288'534	-187'360	1'408'690
<b>TOTAL INTANGIBLE ASSETS</b>	<b>1'449'247</b>		<b>288'534</b>	<b>-187'360</b>	<b>1'550'421</b>
<b>TOTAL FIXED ASSETS</b>	<b>45'083'561</b>		<b>10'957'506</b>	<b>-339'550</b>	<b>55'701'517</b>

VALUE ADJUSTMENTS	AS AT 1/1	RECLASSIFI- CATIONS	ADDITIONS	DISPOSALS	AS AT 31/12	BOOK VALUE 31/12
<b>PROPERTY, PLANT AND EQUIP- MENT</b>						
Pre-payments / advance payments						
Assets under construction						3'591'365
Land and property	801'838				801'838	
Means of production	21'647'311		6'339'882	-140'312	27'846'882	21'253'710
IT						
Other fixed assets	640'423		4'823		645'246	12'055
<b>TOTAL FIXED ASSETS</b>	<b>23'089'572</b>		<b>6'344'705</b>	<b>-140'312</b>	<b>29'293'966</b>	<b>24'857'130</b>
<b>INTANGIBLE ASSETS</b>						
Licences/rights	107'025				107'025	34'706
Software ownership	1'324'315		32'335	-187'360	1'169'290	239'400
<b>TOTAL INTANGIBLE ASSETS</b>	<b>1'431'340</b>		<b>32'335</b>	<b>-187'360</b>	<b>1'276'315</b>	<b>274'106</b>
<b>TOTAL FIXED ASSETS</b>	<b>24'520'912</b>		<b>6'377'040</b>	<b>-327'672</b>	<b>30'570'281</b>	
<b>TOTAL BOOK VALUES</b>	<b>20'562'649</b>		<b>4'580'466</b>	<b>-11'878</b>	<b>25'131'236</b>	

### 3.5 LIABILITIES

The liabilities include all unmet claims against third parties and stakeholders. They are recognised at nominal value. By the end of the year, they were around CHF 2.8 million lower compared to the previous year.

### 3.6 DEFERRED INCOME

Deferred income was around CHF 2.9 million, roughly 12.6% lower than the previous year.

### 3.7 LONG-TERM PROVISIONS FOR LIABILITIES AND CHARGES

The other provisions for liabilities and charges are composed of provision for restructuring, training for managers and the long-term account (LTA). These increased by around 6.3% compared to the previous year.

<b>STATEMENT OF LONG-TERM PROVISIONS FOR LIABILITIES AND CHARGES</b>				
<i>Amount in CHF</i>	<b>PROVISION FOR PENSIONS LIABILITIES</b>	<b>PROVISION FOR RESTRUCTURING</b>	<b>OTHER PROVISIONS</b>	<b>TOTAL</b>
Book value as at 01/01/2023		8'000	707'434	715'434
Creation			44'745	44'745
Use				
Dispersals				
Reallocations short/long-term				
<b>BOOK VALUE AS AT 31/12/2023</b>		<b>8'000</b>	<b>752'179</b>	<b>760'179</b>

### 3.8 SHAREHOLDERS' EQUITY

Shareholders' equity increased to approximately CHF 11.2 million thanks to the use of profits from the previous year and profits made in 2023. As at the end of 2023, the share of equity amounted to approximately 28%.

EQUITY STATEMENT					
<i>Amount in CHF</i>	CAPITAL STOCK	RETAINED EARNINGS	PROFIT BROUGHT FORWARD	PROFIT PERFORMANCE	TOTAL SHAREHOLDERS' EQUITY
<b>BALANCE ON 01 JANUARY 2022</b>	<b>1'000'000</b>	<b>8'862'500</b>	<b>191</b>	<b>537'967</b>	<b>10'400'658</b>
Reclassification of 2021 profit		538'000	-33	-537'967	
Dividends					
Company result				490'606	490'606
<b>BALANCE ON 31 DECEMBER 2022</b>	<b>1'000'000</b>	<b>9'400'500</b>	<b>158</b>	<b>490'606</b>	<b>10'891'264</b>
Reclassification of 2022 profit		490'000	606	-490'606	
Change in retained earnings					
Company result				341'690	341'690
<b>BALANCE ON 31 DECEMBER 2023</b>	<b>1'000'000</b>	<b>9'890'500</b>	<b>764</b>	<b>341'690</b>	<b>11'232'954</b>

### 3.9 NET SALES REVENUES

Net operating profit grew in the 2023 financial year by around CHF 3.7 million. This represents a 5.7% increase compared to the previous year. The main drivers of growth were additional sales in IT services, predominantly in the areas of IT security, network and platform.

Amount in CHF	2023	2022
Gross service revenues	67'693'818	64'020'076
Revenue reductions	4'393	23'049
<b>NET SERVICE REVENUES</b>	<b>67'698'211</b>	<b>64'043'125</b>

### 3.10 COST OF MATERIALS AND SERVICES

Expenditure on goods and services rose by around CHF 3.2 million, or 14.5%, compared to the previous year. This was due, on the one hand, to cost shifts from rental costs in connection with the Herdern Data Centre project (maintenance expenditure) (see point 12, Other operating expenses), and on the other hand, higher costs for external support in IT Security Services.

Amount in CHF	2023	2022
Material costs	8'464'905	6'660'508
Third-party services costs	16'620'146	15'249'577
<b>COST OF MATERIALS AND SERVICES</b>	<b>25'085'051</b>	<b>21'910'085</b>

### 3.11 STAFF EXPENSES

Staff expenses increased by CHF 3.2 million, or 10.6%, compared to the previous year. The average full-time equivalents changed compared to the previous year from 220.8 to 234.7 (+6.3%). In addition, extraordinary salary measures were implemented, which led to additional costs.

Amount in CHF	2023	2022
Wages and salaries	26'491'269	23'895'705
Social security and allowances	2'740'992	2'492'354
Employee benefits institution	2'988'863	2'947'652
Other staff expenses	976'231	685'302
<b>STAFF EXPENSES</b>	<b>33'197'355</b>	<b>30'021'014</b>

### 3.12 OTHER OPERATING EXPENSES

Other operating expenses were approximately CHF 1.9 million lower than in the previous year. The main reason for this were cost shifts in connection with the implementation of the Herdern Data Centre project (cf. point 10, Cost of materials and services).

Amount in CHF	2023	2022
Office space costs	1'786'509	3'561'901
Maintenance, repairs, replacements and vehicle costs	12'683	1'263
Insurance premiums and duties	46'839	54'450
Administrative and IT costs	899'449	1'024'971
Advertising and marketing costs	317'952	291'940
<b>OTHER OPERATING EXPENSES</b>	<b>3'063'432</b>	<b>4'934'524</b>

### 3.13 DEPRECIATIONS

Depreciations amounted to approximately CHF 6.4 million. This represented a decrease of CHF 0.5 million, or 7.6%, compared to the previous year.



### 3.14 FINANCIAL EXPENDITURE

The group loan led to interest expenditure of approximately CHF 0.4 million following market-based adjustment of the interest rate.

### 3.15 NON-OPERATING REVENUES

The three innovation projects "Easier" (signing app), "5G Mediahub" (streaming & player) and "MediaVerse" (accessibility API & multilingual subtitling), formed part of the EU's "Horizon2020" development programme in 2023. All projects forming part of the EU development programme will last around 3 years. The projects have been developed together with international partners. A 4-year project called "IICT" (Inclusive Information and Communication Technologies, meaning solutions for audiovisual content) is under way with the support of the Swiss Innovation Agency, "Innosuisse". SWISS TXT's share of revenue for 2023 amounted to approximately CHF 0.7 million.

### 3.16 EXTRAORDINARY, NON-RECURRING AND OFF-PERIOD EXPENSES

This item covers the scrapping of equipment that is no longer required.

## 4. OTHER DATA

### 4.1 LIABILITIES TOWARDS THE EMPLOYEE BENEFITS INSTITUTION

As of the reporting date there was an outstanding pension fund liability of approximately CHF 0.4 million. This liability was settled with the first payment run of 2024.

Amount in CHF	2023	2022
<b>LIABILITIES TOWARDS THE PENSION FUND</b>	<b>422'326</b>	<b>365'597</b>

### 4.2 NUMBER OF FULL-TIME POSITIONS

The annual average number of full-time positions increased by 6.3% compared to 2022, from 220.8 to 234.7.

### 4.3 LEASING OBLIGATIONS / LONG-TERM RENTAL AND FRAMEWORK AGREEMENTS

As at 31 December 2023, obligations from leases and long-term rental and framework agreements amounted to CHF 16.1 million.

### 4.4 RISK ASSESSMENT

At its meeting of 9 November 2023, SWISS TXT's Board of Directors undertook an adequate risk assessment, and took all necessary action on the basis of this assessment to ensure that the risk of any errors in the accounts was low.

### 4.5 EVENTS AFTER THE REPORTING DATE

Between the reporting date and 7 March 2024, when the Board of Directors signed off the annual financial statements, no significant events took place that might adversely affect the representative nature of the 2023 financial statements and/or that would have needed to be disclosed in the present report.

### 4.6 REMUNERATION OF THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

In 2023, six non-executive members of the Board of Directors received remuneration amounting to approximately CHF 0.1 million.

Total annual remuneration for the members of the Executive Board amounted to approximately CHF 2.1 million. This figure includes basic salaries, performance-related pay, payment for ancillary services and employer contributions to social security.

**APPLICATION REGARDING THE APPROPRIATION OF NET INCOME**

<i>Amount in CHF</i>	<b>31/12/2023</b>	<b>31/12/2022</b>
Profit brought forward from previous year	764	158
Annual result after tax	341'690	490'606
<b>NET PROFIT</b>	<b>342'454</b>	<b>490'764</b>
Dividends	0	0
Allocation to the statutory reserve	0	0
Allocation to the voluntary reserve	-342'000	-490'000
<b>PROFIT BROUGHT FORWARD TO NEW ACCOUNT</b>	<b>454</b>	<b>764</b>

**AUDIT REPORT**

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**STATUTORY AUDITOR'S REPORT**

To the general meeting of SWISS TXT AG, Biel/Bienne

**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of SWISS TXT AG (the Company) - which comprise the balance sheet as at December 31, 2023, and the income statement and the cash flow statement for the year then ended, and notes to the financial statements.

In our opinion the financial statements (pages 15 to 26) comply with Swiss law and the articles of incorporation.

**Basis for Opinion**

We conducted our audit in accordance with Swiss law and Swiss Standards on Audits of Financial Statements (SA-CH). Our responsibilities under those 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, 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.

**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 and our auditor's report 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.

**Responsibilities of the board of directors for the Financial Statements**

The board of directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law, 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.

BDO Ltd, a limited company under Swiss law, incorporated in Zurich, forms part of the international BDO Network of independent member firms.



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#### 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 Swiss Standards on Audits of Financial Statements 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 the auditor's responsibilities for the audit of the financial statements is located at EXPERTSuisse's website at: <https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits>. This description forms part of our auditor's report.

#### Report on Other Legal and Regulatory Requirements

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

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.

Bern, March 9, 2023

BDO Ltd

Fabian Mollet  
Auditor in charge  
Licensed audit expert

Laurence Gilliéron  
Licensed audit expert

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