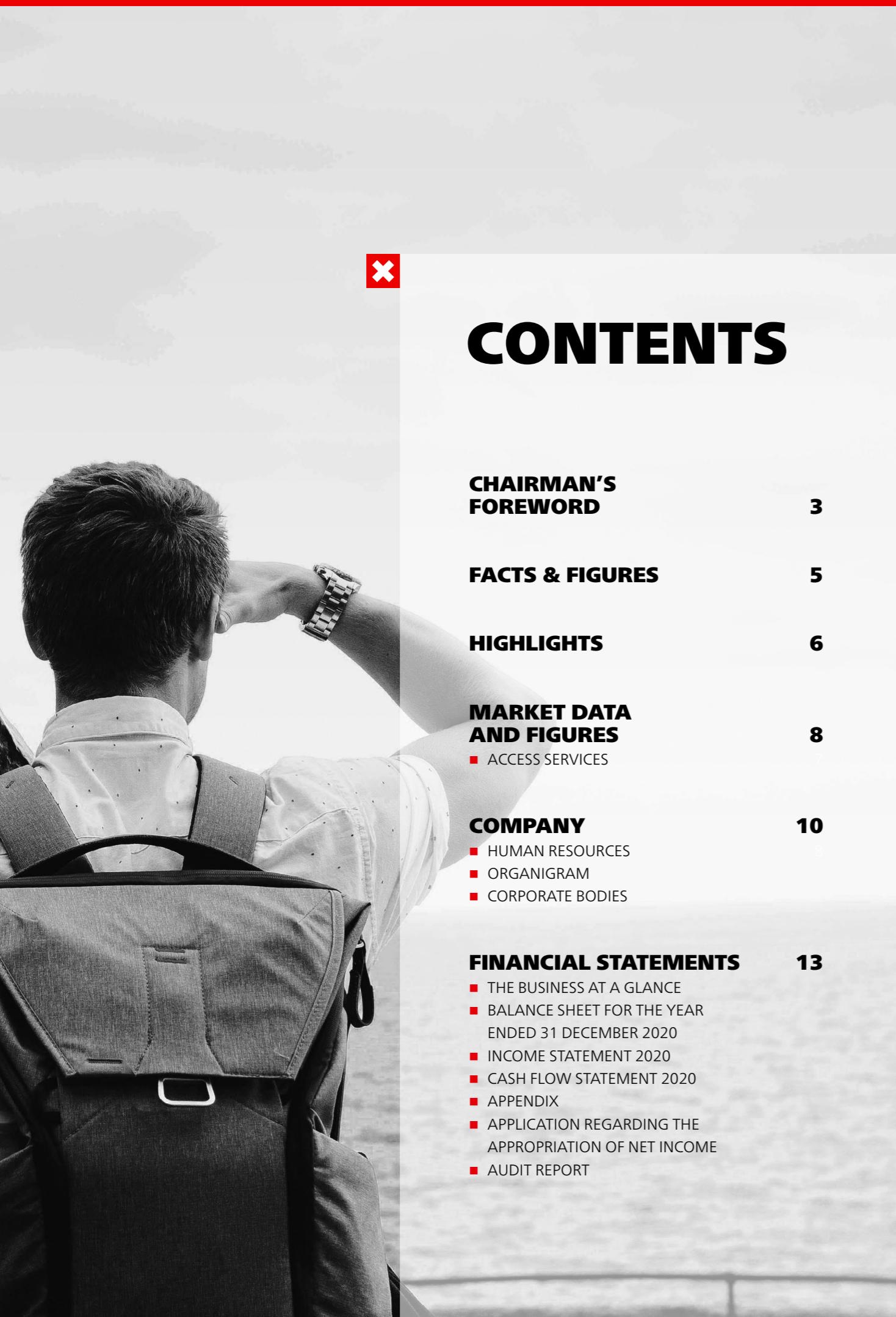




SWISS TXT

2020

ANNUAL REPORT
SWISS TXT CORP.



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CHAIRMAN'S FOREWORD

The 2020 financial year was especially challenging for SWISS TXT Corp. Completing our merger at the same time as dealing with a variety of complex projects and providing stable, high-performance IT infrastructure for our parent company SRG SSR, all in the middle of the COVID-19 pandemic, represented an extraordinary challenge for the newly-merged SWISS TXT and all its staff. We can be very proud of what we have achieved together over the past year. We recorded a slight increase in profit, which rose to CHF 0.43 million.

SWISS TXT has also been operating as SRG's new centre of excellence for infrastructure, digital, distribution and access services since 1 January 2020. As part of the merger we completed this year, all SRG's previous national services have been transferred to SWISS TXT. This move will help us to expand and improve the services we already provide internally to SRG even further, as well as to generate more revenue on the market from selected

services. As a result of the COVID-19 pandemic, most aspects of the merger had to be completed "virtually." This meant that the members of the newly-merged teams had to get to know each other on a screen at a distance, at the same time as getting used to working together using new and/or updated procedures. With the exception of our Access Services staff, who need access to bespoke production workstations at our Zurich, Geneva and Comano offices, SWISS TXT worked almost entirely remotely from mid-March 2020 onwards.

When the Swiss Federal Council declared a state of emergency, our parent company SRG was able to switch to "remote mode" extremely quickly thanks to SWISS TXT's stable, scalable IT infrastructure, professional services, and expertise.

SWISS TXT is proud to have played its part in ensuring that programme-makers have been able to carry on producing content in line with their mandate right through the pandemic.

CHAIRMAN'S FOREWORD



Copyright: SRG SSR

SWISS TXT provided a wide range of support to people with sensory impairments across Switzerland during the COVID-19 pandemic, including providing subtitles for all of SRG's TV channels and producing sign-language videos on behalf of the Swiss Federal Office of Public Health (FOPH). Thanks to our work, viewers with sensory impairments were able to gain all-important access to news and information about COVID-19 on TV and via the Internet.

Our contribution included providing capable, reliable, high-performance IT infrastructure for SRG, and providing and operating the systems needed for staff to work from home successfully.

SWISS TXT has successfully positioned itself as a reliable internal service provider as part of the new service governance structure, and supports SRG by acting as its cloud broker and cloud centre of excellence. SWISS TXT is thus making a major contribution to SRG's digital transformation, with a particular focus on cloud strategy.

I would like to take this opportunity to say a heartfelt thank-you to SWISS TXT's executive board, team leaders and staff for their extraordinary commitment, and for the incredible work they have delivered over what has been a hugely demanding year.

Marco Derighetti
Chairman of the Board of Directors

FACTS & FIGURES



ANNUAL REVENUE

CHF 59.5 MILLION

PROFIT

CHF 0.43 MILLION

FOUNDED

23 DECEMBER 1983

OWNER

SRG SSR*

SUBTITLING FOR SRG

GERMAN-SPEAKING SWITZERLAND:

17'295 hours of subtitles, or **70.2%** of SRG's total programme output

FRENCH-SPEAKING SWITZERLAND:

11'983 hours of subtitles, or **71.7%** of SRG's total programme output

ITALIAN-SPEAKING SWITZERLAND:

11'410 hours of subtitles, or **67.0%** of SRG's total programme output

(218 FTE)

279
STAFF

FROM
17
COUNTRIES



66%

MEN

34%

WOMEN

AVERAGE AGE
39,3
YEARS

INCLUDING
10
TRAINEES

LANGUAGES
DE
FR
IT
EN



*Schweizerische Radio- und Fernsehgesellschaft (Swiss Broadcasting Corporation)

HIGHLIGHTS 2020

01

JANUARY

SWISS TXT BECOMES SRG'S NEW CENTRE OF EXCELLENCE FOR ICT AND ACCESS SERVICES

SWISS TXT Corp. merged with SRG's internal IT and infrastructure unit (INIT) on 1 January 2020, creating a new SRG centre of excellence for infrastructure, digital, distribution and access services. The newly-created company will continue to operate as a wholly-owned subsidiary of SRG under the auspices of SWISS TXT Corp.



03

MARCH

SWISS TXT TAKES PART IN SWISS E-GOVERNMENT-FORUM

As an official partner, we were delighted that SWISS TXT was represented in person at this exciting conference. Our colleague Michaela Nachtrab gave an address in the afternoon, explaining the solution SWISS TXT had just developed and deployed for one of Switzerland's parliaments.



02

FEBRUARY

ACCESSIBLE LIVE STREAMS FOR GENEVA'S CANTONAL PARLIAMENT

Geneva's cantonal parliament is the first in Switzerland to broadcast its sessions live on the internet, complete with subtitles and sign-language interpreting. SWISS TXT is responsible for producing the subtitles and interpreting, as well as for the video player application required to watch the live stream.



[WATCH VIDEO](#)

04

APRIL

SIGN-LANGUAGE VIDEOS FOR THE FEDERAL OFFICE OF PUBLIC HEALTH (FOPH)

SWISS TXT produced sign-language videos for the FOPH, ensuring that viewers with sensory impairments could access vital information about the coronavirus.



05

MAY

CONTENT4ALL WINS THE NAB TECHNOLOGY INNOVATION AWARD 2020

SWISS TXT is proud to be part of the EU research project "Content4All", which won the coveted NAB Technology Innovation Award. Content4All will completely automate sign-language interpreting.



[WATCH VIDEO](#)

06

JUNE

SWISS TXT DEVELOPS CIRRUS, THE SWISS SME CLOUD

The SWISS SME CLOUD PORTAL helps companies to control their cloud infrastructure efficiently by giving them a clear system for monitoring resources and controlling costs.



07

JULY

INTERACTIVE VIDEO: CRITICAL INFORMATION ACCESSIBLE IN JUST ONE CLICK

SWISS TXT worked together with the team from the "Stand-Up-Paddle Race around Nidau" to produce a video with interactive elements. The video links directly to the various sponsors' websites. It also serves to tell paddlers about how to register for the event and how to tackle the course.



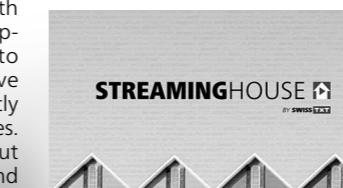
[WATCH VIDEO](#)

08

AUGUST

SWISS TXT ASSUMES RESPONSIBILITY FOR TPC STREAMINGHOUSE

As part of SRF's takeover of tpc, SWISS TXT assumed responsibility for Streaminghouse. Its range of services covers event live streams and a range of on-demand video services. They are available on any end device, so viewers can access them any time, anywhere.



10

OCTOBER

SILAS: SIGN LANGUAGE SERVICE

SWISS TXT worked together with SILAS to develop a tool that allows deaf people to interact directly with companies using sign language.



12

DECEMBER

SWISS TXT SUBTITLES 1'000 VIDEOS IN 4 LANGUAGES FOR PLAY SUISSE

In less than 4 months, SWISS TXT provided subtitles for around 1'000 videos in 4 languages for inclusion on SRG's new Play Suisse streaming platform. We could only handle this enormous volume of material thanks to our machine translation and post-editing platform, which we developed in-house.



11

NOVEMBER

E-ACCESSIBILITY ONLINE CONFERENCE

SWISS TXT provided the live subtitles and sign-language interpreting for the E-Accessibility Online Conference.





ACCESS SERVICES

Under an agreement between SRG and the Association of Swiss Societies for people with Sensory Impairments, SRG was obliged to increase its share of subtitled programming by 5% in 2020, taking the overall percentage to 70%. Across Switzerland, SWISS TXT subtitled 69.7% of television programming, or 40'688 hours of footage. SRF and RTS both exceeded the target. RSI missed it by 3%, primarily due to a significant reduction in the number of repeats being broadcast. The percentage of programmes with subtitles will rise to 80% nationally by 2022. The arrival of the first fully-automatic subtitles for the RSI news programme "Infonotte" was a particularly significant moment for subtitling in Switzerland.

SWISS TXT also further expanded its audio description services. We provide audio description in all three of Switzerland's linguistic regions, with a strong focus on preparing material at short notice for immediate use. We also increased the amount of sign-language interpreting in programmes for SRG, as well as in films for a range of other public bodies. In this exceptional year, perhaps the most important example of this service was the public health information films we produced in sign language for the Swiss Federal Office of Public Health (FOPH) in connection with

the coronavirus pandemic. In addition, this year saw us sell subtitles for the hard-of-hearing, foreign language subtitles and audio description on a number of external markets.

However, two particular projects stand out in 2020: delivering enormous volumes of subtitles for Play Suisse, and setting up our transcription service for Switzerland's parliaments.

- SWISS TXT produced foreign language subtitles for SRG's new Play Suisse on demand service using an innovative new approach. The existing subtitles for each programme's original language were translated automatically into Switzerland's other national languages before being post-edited by translators and proofread before use. All the work was done using a browser-based system, meaning that linguists did not have to be office-based or have access to specialist subtitling software.
- We provided integral transcription in both French and German for the winter session of the Swiss national parliament, working simultaneously into both languages across both houses of parliament. Initial customer feedback has been very positive.

ACCESS SERVICES

SUBTITLE PRODUCTION

BROADCAST	HOURS	% OF TOTAL OUTPUT	+/- (%)
SRF 1	5'713	71.4	14.3
SRF zwei	5'267	63.2	1.3
SRF info	6'315	76.2	8.9
SRF TOTAL	17'295	70.2	8.1
RTS Un	5'232	63.5	12.0
RTS Deux	6'751	79.6	6.7
RTS TOTAL	11'983	71.7	9.0
RSI LA 1	5'896	69.9	12.8
RSI LA 2	5'514	64.3	-1.3
RSI TOTAL	11'410	67.0	5.5
TOTAL HOURS ACROSS SWITZERLAND	40'688	69.7	7.6

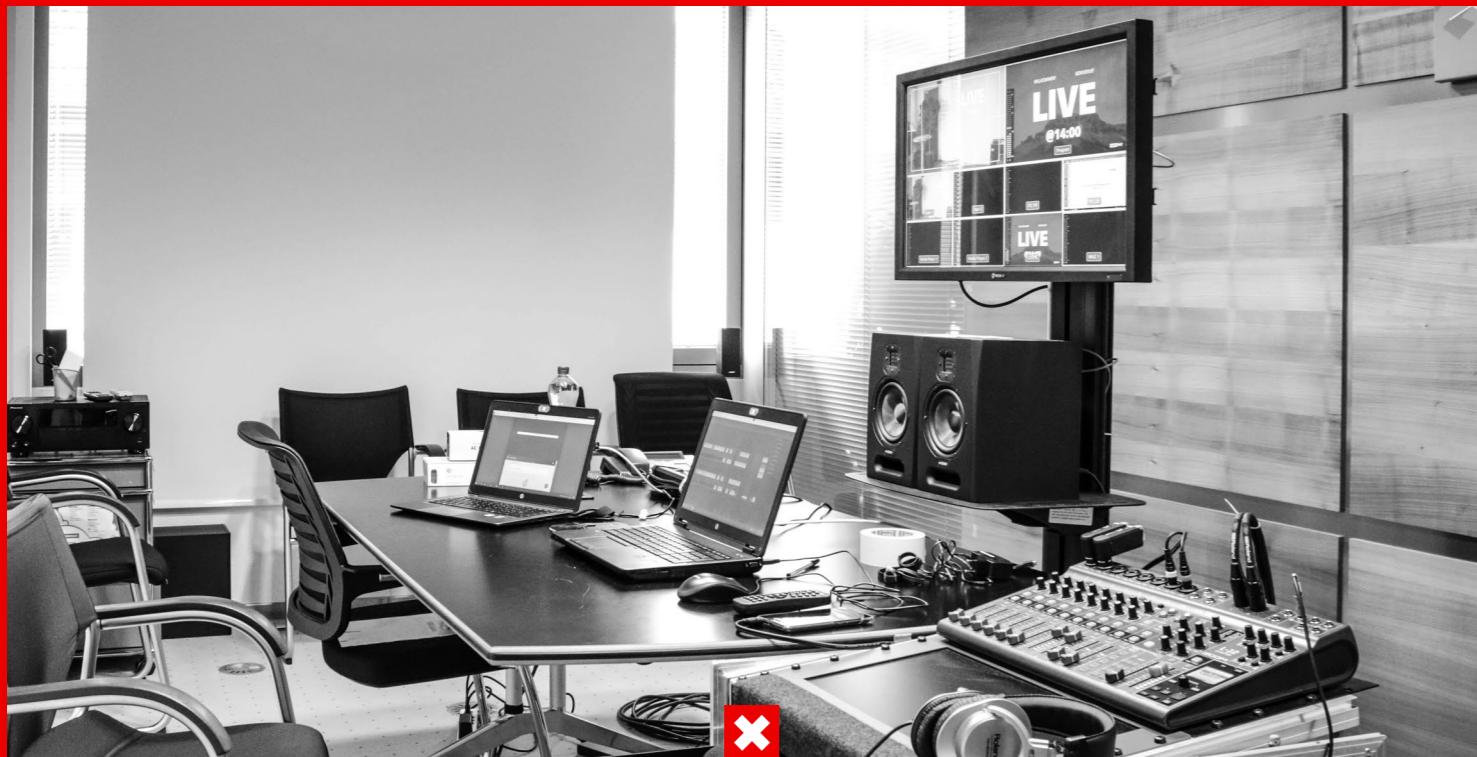
PLAY SUISSE	
German	879
French	772
Italian	1'264
TOTAL HOURS ACROSS SWITZERLAND	2'915

Percentage is based on the total duration of all broadcast output

AUDIO DESCRIPTION

	SRG	EXTERNAL MARKET
German-speaking Switzerland	3'648	430
French-speaking Switzerland	4'018	0
Italian-speaking Switzerland	4'464	0
TOTAL MINUTES ACROSS SWITZERLAND	12'130	430

Figures are in minutes



COMPANY

STAFF DEVELOPMENT

TOTAL NUMBER OF EMPLOYEES: DECEMBER 2020 COMPARED TO DECEMBER 2019 (NOMINAL FIGURES)

	2020 NUMBER	%	FTE*	2019* NUMBER	%	FTE
STAFF	279		218	178		126
- Women	95	34		86	48	
- Men	184	66		92	52	
DIVISIONS						
- Management and Services	24	9	19	22	12	16
- Service Technologies	45	16	42	20	11	18
- Service Operation	80	29	78	26	27	25
- Customer & Service Management	6	2	6	3	2	3
- Access Services	114	41	63	106	60	64
- Apprentices/trainees	10	3	10			
	279			178		

FTE = full-time equivalent, converted to 100% of full-time hours, 2019* incl. 4 trainees/apprentices

COMPANY

FULL-TIME EQUIVALENT (PTE) ANALYSIS

DECEMBER 2020 COMPARED TO DECEMBER 2019 (NOMINAL FIGURES)

SWISS TXT Corp. has established itself as SRG SSR's digital centre of excellence. 95 members of staff (including 8 trainees) transferred from SRG SSR to SWISS TXT Corp. on 1 January 2020. Combined with the expansion of our services (cloud, streaming, speech-to-text interpreting and sub titling), this meant SWISS TXT Corp.'s headcount rose by 101 staff at the end of 2020, representing a 56.7% increase over the previous year.

Despite the large increase in staff numbers, our support functions (services) only had to be expanded slightly. The percentage of female employees at management level is currently 23% (representing a total of 22 senior staff). Transferring the various services from SRG to SWISS TXT Corp. raised the average age of our staff from 37.5 to 39.3 years.

AGE STRUCTURE AS AT 31/12/2020

AGE GROUPS (YEARS OF AGE)	NUMBER OF STAFF
< 20	13
20 – 29	44
30 – 39	83
40 – 49	63
50 – 59	57
> 60	19

TOTAL NUMBER OF EMPLOYEES IN THE REGIONS AS AT THE END OF 2020

LOCATION	NUMBER OF STAFF	FULL-TIME EQUIVALENT (FTE)
Biel	73	63.03
Bern	18	17.70
Comano	32	19.87
Geneva	34	19.88
Lausanne	8	7.80
Zurich	114	89.72

IN 2020, SWISS TXT CORP. EMPLOYED STAFF FROM 17 DIFFERENT COUNTRIES

Switzerland	United Kingdom	Austria
Belgium	Italy	Slovakia
Germany	Kosovo	Spain
Eritrea	Croatia	Togo
France	Liechtenstein	Turkey
Greece	Macedonia	

ORGANIGRAM**CORPORATE BODIES***BOARD OF DIRECTORS*

<i>CHAIRMAN</i>	Marco Derighetti	Director of Operations, SRG SSR
<i>MEMBERS</i>	Carole Ackermann	Entrepreneur, Member of the Board of Directors, Academic (<i>external</i>)
	Daniel Benninger	Entrepreneur, Consultant and Academic (<i>external</i>)
	Larissa M. Bieler	Director and Editor-in-Chief, SWI swissinfo.ch
	Valère Borruat	Head of the Operations Department, RTS
	Gert von Manteuffel	Head of Digital, SRF

EXECUTIVE BOARD

<i>DIRECTORATE</i>	Martin Schneider	CEO
<i>MEMBERS</i>	Reto Casanova	Head of Management Services
	Hansruedi Jucker	Head of Service Technologies
	Fabian Kollros	Head of Customer & Service Management
	Gion Linder	Head of Access Services
	Isabella Stampfli	Head of Human Resources
	Heinz Wildbolz	Head of Service Operation & CTO

AUDITORS

BDO AG

Information correct as at: 31/12/2020

**FINANCIAL STATEMENTS****THE BUSINESS AT A GLANCE**

On 1 January 2020, the INIT (Infrastructure & IT) organisational unit was carved out from SRG and integrated into SWISS TXT Corp. The aim of this merger was to create a centre of excellence for SRG's infrastructure, digital, distribution and access services.

New organisational structures and procedures were drawn up for the new company in line with its strategic objectives, which makes it difficult to compare this year's performance to last year.

At the end of the 2020 financial year, the company recorded profits of CHF 0.43 million. This meant that annual profits rose by about 30%, or by CHF 0.1 million, in comparison to the previous year.

In the year just ended, SWISS TXT generated operating revenue of CHF 59.5 million, which was an increase of around CHF 36 million (or 153%) compared to the previous year.

This increase in revenue can be attributed primarily to the Access Services business area on the one hand – thanks to a combination of existing services like subtitling and its core remit and new services like speech-to-text interpreting for the hearing-impaired and transcription for the Federal Parliament – and the new services from the unit transferred to SWISS TXT from SRG.

Operating expenses were CHF 59.5 million, an increase of around CHF 35.8 million (or 152.8%) over the previous year.

This increase in expenditure came primarily from Access Services, whose expenditure on staffing and external services rose as a result of the increased proportion of programmes being subtitled. The remainder of the increase was caused mostly by new spending on services from the unit transferred to SWISS TXT.

The transfer of the new services led to an increase in depreciations of CHF 6.6 million (or 553%) compared to the previous year.

The innovative projects "Content4all" (online sign language platform) and "Helios" (citizen journalism and social media) as part of the EU's "Horizon 2020" scheme generated an additional CHF 0.4 million as a result of ancillary business.

The company's overall result is slightly better than the previous year.

FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31 DECEMBER 2020

ASSETS			
<i>Amount in CHF</i>	APPENDIX	31/12/2020	31/12/2019
CURRENT ASSETS			
Cash and cash equivalents			
	3.1	5'336'303	6'930'080
Trade receivables	3.2		
Third parties		1'718'683	981'348
- Del credere		-213'176	-138'534
Stakeholders		8'856'756	2'311'601
Other short-term receivables	3.2	26'735	3'384
Deferred expenses	3.3	9'394'262	519'335
TOTAL CURRENT ASSETS		25'119'564	10'607'214
in % of total assets		50%	81%
FIXED ASSETS			
Property, plant and equipment	3.4		
Land and buildings		24'538	0
Means of production		24'715'085	2'106'552
IT		0	28'036
Other fixed assets		32'851	82'414
Assets under construction		1'225	124'580
Intangible assets		169'468	215'716
TOTAL FIXED ASSETS		24'943'167	2'557'297
in % of total assets		50%	19%
TOTAL ASSETS		50'062'730	13'164'511

FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31 DECEMBER 2020

LIABILITIES AND EQUITY			
<i>Amount in CHF</i>	APPENDIX	31/12/2020	31/12/2019
SHORT-TERM LIABILITIES			
Trade payables			
	3.5		
Third parties			2'308'750
Stakeholders			9'639'915
Other short-term liabilities			158'493
Third parties			1'298'571
Stakeholders			0
Deferred income	3.6		249'280
Third parties			3'363'667
Stakeholders			95'095
Provisions for liabilities and charges (short-term)			0
TOTAL SHORT-TERM LIABILITIES		16'705'997	3'728'744
in % of total assets		33%	28%
LONG-TERM LIABILITIES			
Long-term financial obligations parties	3.7	22'544'440	0
Provisions/accruals (long-term)	3.8	949'601	0
TOTAL LONG-TERM LIABILITIES		23'494'042	0
in % of total assets		47%	0%
TOTAL LIABILITIES		40'200'039	3'728'744
in % of total assets		80%	28%
EQUITY			
Share capital		1'000'000	1'000'000
Statutory reserves		1'000'000	1'000'000
Voluntary reserves		7'862'691	7'435'768
Profit brought forward		2'268	3'312
Net income		426'924	328'956
Net profit		429'191	332'268
Other voluntary reserves		7'433'500	7'103'500
TOTAL EQUITY		9'862'691	9'435'768
in % of total assets		20%	72%
TOTAL LIABILITIES		50'062'730	13'164'511

FINANCIAL STATEMENTS

INCOME STATEMENT 2020

Amount in CHF	APPENDIX	2020	2019
PRODUCTION INCOME STATEMENT (TOTAL COST METHOD)			
Net sales revenues	3.10	59'522'614	23'506'897
Cost of materials and services	3.11	17'590'116	6'444'357
Staff expenses	3.12	29'046'183	14'133'461
Other operating expenses	3.13	4'592'949	1'634'854
EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION, AND AMORTISATION (EBITDA)		8'293'365	1'294'225
Depreciation and value adjustments for fixed assets	3.14	7'763'095	1'188'912
EARNINGS BEFORE INTEREST AND TAX (EBIT)		530'270	105'314
Financial expenses	3.15	243'954	28'422
Financial income		38'003	23'391
EARNINGS BEFORE TAX (EBT)		324'318	100'283
Non-operating expenses		11'545	3'499
Non-operating revenues	3.16	359'097	372'095
Extraordinary, non-recurring and off-period expenses	3.17	137'623	58'804
Extraordinary, non-recurring and off-period revenues		0	16'877
ANNUAL RESULT BEFORE TAX		534'248	426'953
Direct taxes		107'324	97'997
NET INCOME		426'924	328'956

FINANCIAL STATEMENTS

CASH FLOW STATEMENT 2020

Amount in CHF	2020	2019
Net income	426'924	328'956
Depreciation / value impairment of fixed assets	7'763'095	1'188'912
Other transactions not significant for funding	949'601	0
Changes to short-term receivables	-7'231'200	-1'231'679
Changes to pre-paid expenses/accrued income	-8'874'926	162'955
Changes to short-term liabilities (excl. financial liabilities)	6'524'350	178'825
Changes to deferred income	1'574'370	-151'602
OPERATING CASH FLOW	1'132'213	476'367
Investments in property, plant and other equipment	-2'725'991	-1'348'955
Investments in intangible assets	0	-110'217
CASH FLOW FROM INVESTING ACTIVITIES	-2'725'991	-1'459'172
Changes to long-term liabilities	0	0
CASH FLOW FROM FINANCING ACTIVITIES	0	0
CHANGE IN NET CASH AND CASH EQUIVALENTS	-1'593'777	-982'806
as at 1 January	6'930'080	7'912'886
as at 31 December	5'336'303	6'930'080
CHANGE IN NET CASH AND CASH EQUIVALENTS	-1'593'777	-982'806

The following transactions were not significant in terms of funding, and are not shown in the cash flow account as connected with the integration of SRG's INIT division: Acquisition of SRG assets worth CHF 27.4 million and assuming a loan worth CHF 22.5 million. These transactions are also reflected in the cash flow statement as changes to short-term liabilities and deferred income.

APPENDIX AS AT 31 DECEMBER 2020

1. PRINCIPLES

The 2020 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).

In January 2020, the INIT (Infrastructure & IT) organisational unit was carved out from SRG and integrated into its wholly-owned subsidiary SWISS TXT Corp. As only wholly-owned Group companies were involved in this transaction, it did not have any effect on the Group balance sheet or income.

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 31.12.2020. 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 5'000 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 5.3 million at the end of the year, representing a decrease against the previous year. As SWISS TXT Corp. is currently heading in a new direction, it is important that the company has a certain amount of financial leeway in order to arrange any investments or shareholdings.

3.2 RECEIVABLES

Trade receivables showed a net increase as at the reporting date. The main reason for this growth is the integration of the newly-merged services.

3.3 PRE-PAID EXPENSES/ACCRUED INCOME

The arrival of the new services led to a rise in the volume of transitory accruals. Accordingly, pre-paid expenses and accrued income rose by around CHF 8.9 million compared with the previous year.

FINANCIAL STATEMENTS

3.4 FIXED ASSETS

As at the end of 2020, total fixed assets amounted to CHF 24.9 million. This represents growth of about CHF 22.4 million compared to the previous year. In the 2020 financial year, SWISS TXT arranged investments in fixed and intangible assets worth around CHF 30.3 million. Most of these investments were in production resources for the services newly transferred to SWISS TXT (such as medem, Cortess, etc.).

STATEMENT OF FIXED ASSETS 2020					
ACQUISITION VALUE	AS AT 1/1	RECLASSIFI-CATIONS	ADDITIONS	DISPOSALS	AS AT 31/12
PROPERTY, PLANT AND EQUIPMENT					
Assets under construction	124'580		1'225	-124'580	1'225
Land and property	801'838				801'838
Means of production and IT	5'799'160	95'667	29'926'308	-32'484	35'788'651
IT	95'667	-95'667			
Other fixed assets	614'595		42'706		657'301
TOTAL FIXED ASSETS	7'435'840		29'970'239	-157'064	37'249'015
INTANGIBLE ASSETS					
Licences/rights	141'731				141'731
Software ownership	1'578'733		316'349		1'895'082
TOTAL INTANGIBLE ASSETS	1'720'464		316'349		2'036'813
TOTAL FIXED ASSETS	9'156'304		30'286'588	-157'064	39'285'829

ACCUMULATED VALUE ADJUSTMENTS	AS AT 1/1	RECLASSIFI-CATIONS	ADDITIONS	DISPOSALS	AS AT 31/12	BOOK VALUE 31/12
PROPERTY, PLANT AND EQUIPMENT						
Assets under construction						1'225
Land and property	736'251		41'049		777'300	24'538
Means of production and IT	3'692'608	67'632	7'313'327		11'073'567	24'715'085
IT	67'632	-67'632			-0	0
Other fixed assets	597'768		26'682		624'450	32'851
TOTAL FIXED ASSETS	5'094'259		7'381'058		12'475'317	24'773'699
INTANGIBLE ASSETS						
Licences/rights	107'025				107'025	141'731
Software ownership	1'397'724		362'596		1'760'320	27'737
TOTAL INTANGIBLE ASSETS	1'504'749		362'596		1'867'345	169'468
TOTAL FIXED ASSETS	6'599'007		7'743'654		14'342'661	
TOTAL BOOK VALUES	2'557'297		22'542'934	-157'064	24'943'167	

FINANCIAL STATEMENTS

3.5 LIABILITIES

The liabilities include all unmet claims against third parties and stakeholders. They are recognised at nominal value. They increased over the course of the year by CHF 11.4 million. The main reason for this increase was the integration of the new services joining SWISS TXT.

3.6 DEFERRED INCOME

The arrival of the new services led to a rise in the volume of transitory deferrals. Accordingly, deferred income rose by around CHF 1.6 million compared with the previous year.

STATEMENT OF LONG-TERM PROVISIONS FOR LIABILITIES AND CHARGES

Amount in CHF	PROVISION FOR PENSIONS LIABILITIES	PROVISION FOR RESTRUCTURING	OTHER PROVISIONS	TOTAL
Book value as at 01/01/2020				0
Creation			291'657	657'944
Use				0
Dispersals				0
Reallocations short/long-term				0
BOOK VALUE AS AT 31/12/2020	0	291'657	657'944	949'601

3.7 LONG-TERM FINANCIAL OBLIGATIONS

The merger led to large quantities of assets being transferred. This was financed with a Group loan of around CHF 22.5 million.

3.8 PROVISIONS FOR LIABILITIES AND CHARGES

The merger led to the formation of long-term provisions worth approximately CHF 0.9 million.

This figure is composed of around CHF 0.3 million for restructuring provisions and around CHF 0.6 million for other provisions, including training for managers and the long-term account (LTA).

FINANCIAL STATEMENTS

3.9 SHAREHOLDERS' EQUITY

Shareholders' equity increased to approximately CHF 9.9 million thanks to the use of profits from the previous year and profits made in 2020. As at the end of 2020, the share of equity amounted to 20 per cent.

Amount in CHF	CAPITAL STOCK	RETAINED EARNINGS	PROFIT BROUGHT FORWARD	PROFIT PERFORMANCE	TOTAL SHAREHOLDER'S EQUITY
BALANCE ON 1 JANUARY 2019	1'000'000	7'913'500	2'184	191'128	9'106'812
Reclassification of 2018 profit		190'000	1'128	-191'128	0
Dividends					0
Company result				328'956	328'956
BALANCE ON 31 DECEMBER 2019	1'000'000	8'103'500	3'312	328'956	9'435'768
Reclassification of 2019 profit		330'000	-1'044	-328'956	0
Dividends					0
Company result				426'924	426'924
BALANCE ON 31 DECEMBER 2020	1'000'000	8'433'500	2'268	426'924	9'862'692

3.10 NET SALES REVENUES

Net operating profit grew in the 2020 financial year by around CHF 36 million. This represents a 153% increase compared to the previous year. This increase is primarily due to the Access Services business area and the new services that have become part of SWISS TXT following the merger. Specifically, Access Services' existing service subtitle the core mandate and the services it provided for the "Play Suisse" project both generated significant revenue, as did its new speech-to-text interpreting service for the hard-of-hearing and transcription for Switzerland's Federal Parliament and Geneva's cantonal parliament.

Amount in CHF	2020	2019
GROSS SERVICE REVENUES	59'588'880	23'960'740
Revenue reductions	-66'267	-453'842
NET SERVICE REVENUES	59'522'614	23'506'897

This is a 52 per cent reduction over the previous year, and can be attributed to the assumption of the loan that was arranged to fund investments in property, plant and equipment in connection with the merger.

3.11 COST OF MATERIALS AND SERVICES

Expenditure on goods and services rose by around CHF 11.1 million, or 173%, compared to the previous year. This was due primarily to the arrival of the new services as a result of the merger.

Amount in CHF	2020	2019
Material costs	5'792'908	868'271
Third-party services costs	11'797'208	5'576'087
COST OF MATERIALS AND SERVICES	17'590'116	6'444'357

FINANCIAL STATEMENTS

3.12 STAFF EXPENSES

Staff expenses increased by approximately CHF 14.9 million, or 106%, compared to the previous year. The main reasons for this increase were the expansion of the average number of full-time posts in the Access Services business area, and the new areas that became part of SWISS TXT following the merger.

SWISS TXT is a service provider, so it is no surprise that staffing accounted for the largest portion of expenses again in 2020. Total staffing costs amounted to CHF 29 million, or around half of all SWISS TXT's operating expenses.

Amount in CHF	2020	2019
Wages and salaries	23'300'636	11'610'036
Social security and allowances	2'296'581	1'049'494
Employee benefits institution	2'648'984	1'168'054
Other staff expenses	799'983	305'877
STAFF EXPENSES	29'046'183	14'133'461

3.13 OTHER OPERATING EXPENSES

Other operating expenses were approximately CHF 3 million higher than in the previous year. The rise was primarily connected to the integration of the new areas and services into SWISS TXT. The provision of additional services results in additional costs, including for buildings and administration, for example.

Amount in CHF	2020	2019
Office space costs	3'515'837	766'200
Maintenance, repairs, replacements and vehicle costs	41'050	73'165
Insurance premiums and duties	28'493	16'809
Administrative and IT costs	593'129	270'963
Advertising and marketing costs	414'439	507'639
Other operational expenses	0	77
OTHER OPERATING EXPENSES	4'592'949	1'634'854

3.14 DEPRECIATIONS

Depreciations amounted to approximately CHF 7.8 million. This represented an increase of CHF 6.6 million, or 553%, compared to the previous year. The increase was due to the additional plant, property and equipment acquired as a result of the merger.

3.15 FINANCIAL EXPENDITURE

Assuming the loan to finance new property, plant and equipment in connection with the merger led to interest expenditure of approximately CHF 0.2 million.

3.16 NON-OPERATING REVENUES

The two innovation projects "Content4All" and "Helios" both remained part of the EU's "Horizon2020" scheme in 2020. The former is an online platform for sign language, while the latter focuses on citizen journalism and social media. Both projects will last around 3 years, and have been designed together with international partners. SWISS TXT's share of revenue for 2020 amounted to approximately CHF 0.4 million.

3.17 EXTRAORDINARY, NON-RECURRING AND OFF-PERIOD EXPENSES

This item covers the de-recognition of three assets under construction. These assets are primarily associated with Access Services.

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 2021.

Amount in CHF	2020	2019
LIABILITIES TOWARDS THE PENSION FUND	427'509	0

4.2 NUMBER OF FULL-TIME POSITIONS

The annual average number of full-time positions was between 50 and 249 FTE in 2020, as it was in 2019.

4.3 LEASING OBLIGATIONS/LONG-TERM RENTAL AND FRAMEWORK AGREEMENTS

As at 31 December 2020, obligations from leases and long-term rental and framework agreements amounted to CHF 19 million. As at 31 December 2019, obligations from leases and long-term rental and framework agreements amounted to CHF 0.8 million.

4.4 RISK ASSESSMENT

At its meeting of 9 November 2020, 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 10 March 2021, 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 2020 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 2020, six non-executive members of the Board of Directors received remuneration amounting to approximately CHF 0.1 million.

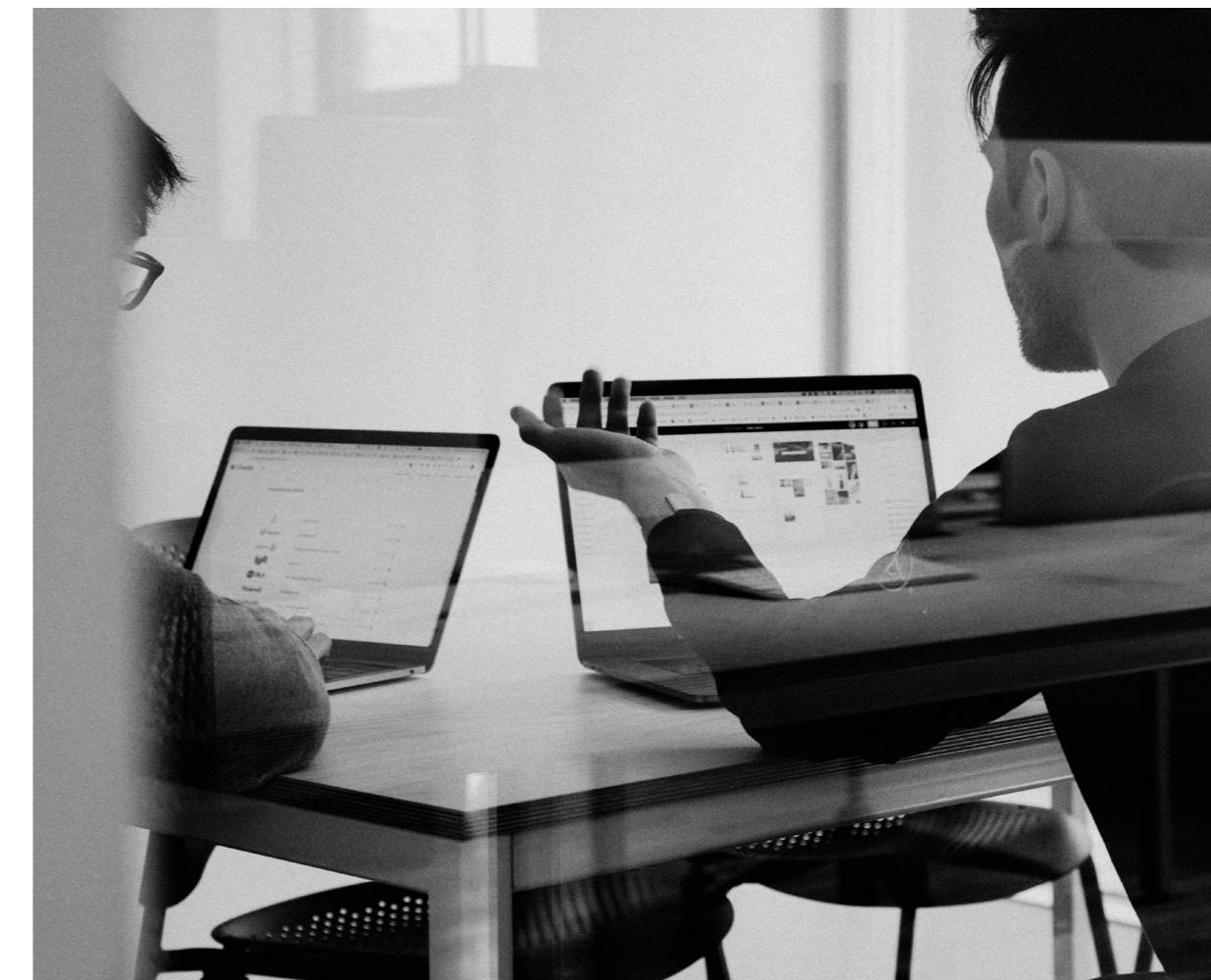
Total annual remuneration for the members of the Executive Board amounted to approximately CHF 1.4 million. This figure includes basic salaries, performance-related pay, and payment for ancillary services.

4.7 OTHER SIGNIFICANT EVENTS

The repercussions of the COVID-19 pandemic are taken into account in SWISS TXT Corp.'s 2020 financial statements, to the extent these repercussions met the recognition criteria as of the reporting date. SWISS TXT Corp.'s Board of Directors and Executive Board are continuing to monitor events, and will take action as necessary in light of any developments. It was not possible to predict the direct and indirect effects of the pandemic on SWISS TXT Corp. with any certainty when the annual financial statements in the present report were approved. There is currently no reason to suspect that SRG's ability to continue as a going concern is in jeopardy.

APPLICATION REGARDING THE APPROPRIATION OF NET INCOME

Amount in CHF	31/12/2020	31/12/2019
Profit brought forward from previous year	2'268	3'312
Annual result after tax	426'924	328'956
NET PROFIT	429'191	332'268
Dividends	0	0
Allocation to the statutory reserve	0	0
Allocation to the voluntary reserve	-429'000	-330'000
PROFIT BROUGHT FORWARD TO NEW ACCOUNT	191	2'268



AUDIT REPORT



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REPORT OF THE STATUTORY AUDITOR To the General Meeting of SWISS TXT Corporation, Biel/Bienne

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the accompanying financial statements of SWISS TXT Corporation (page 14 to 25), which comprise the balance sheet as at 31 December 2020, and the income statement, statement of cash flows and notes for the year then ended.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of these financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2020 comply with Swiss law and the company's articles of incorporation.

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



Report on Other Legal Requirements

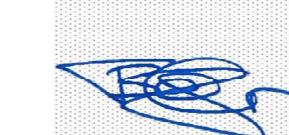
We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 Code of Obligations (CO)) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 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.

Berne, 10 March 2021

BDO Ltd



Thomas Bigler

Auditor in Charge
Licensed Audit Expert



ppa. Fabian Mollet

Licensed Audit Expert



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