

2023/24 FINANCIAL YEAR: PEAK PERFORMANCE AND NEW RECORD FIGURES

Zermatt, 20 September 2024

At this year's Annual General Meeting, which took place on 20 September 2024 in the Matterhorn Test Centre on Trockener Steg, Zermatt Bergbahnen was able to look back over the best financial year in its history. For the first time ever, the company posted net operating income of more than CHF 90 million and EBITDA in excess of CHF 50 million. Thanks to the highly successful excursion business in summer 2023 and substantial transport revenue during the 2023/34 winter season, overall results for the fiscal year surpassed the outstanding performance of the previous period.

The basically unfavourable economic environment in Europe was far from conducive to matching or even exceeding last year's record figures, whereas the situation in overseas markets showed a positive trend. High demand from visitors from the Asian region and North America saw the company achieve new record results in its excursion business. The mild and sunny summer of 2023 brought out sustained high visitor numbers from neighbouring regions and more distant markets, resulting in a 22% rise in revenue from summer traffic year on year.

Preparations for the winter season proved really challenging despite relatively early snowfall. As a result of the extended period of bad weather from mid-October to the end of November 2023, the «Matterhorn Cervino Speed Opening» World Cup race had to be cancelled. Snowmaking operations were also affected, requiring a huge effort from the team and their equipment to provide the accustomed number of high-quality slopes within the usual time frame. The adverse weather conditions from mid-March 2024 to the end of the winter season in early May caused a drop in first admissions and a decline in revenues from the winter sports business. Nevertheless, the overall outcome for the reporting year was another record high in terms of results and key figures, as even in the winter of 2023/24 it was possible to achieve substantial earnings in the transportation business, attributable to dynamic pricing and the IKON Pass holder benefits. Partnering with the US IKON Pass system again boosted first-time visitor numbers. During the business year, Zermatt Bergbahnen agreed a medium-term extension of its cooperation arrangement with Alterra Mountain Company.

An 8.8% increase in individual tourist travel and the strong result for snow sport (up 6.7%) helped generate an overall increase of CHF 89.23 million in revenue from passenger traffic, a rise of 7.68% compared with the previous year. Other operating income is also slightly up on the previous year, not least as a result of the excellent results achieved by the Matterhorn Glacier Paradise restaurant and on-site shops. The 2023/24 business year saw net operating income of CHF 94.4 million for the first time, EBITDA at CHF 50.8 million (53.8% of operating income) and cash flow of CHF 47.4 million (50.2% of operating income). Benchmarked against the most important indicators, these figures are among the very best in the sector.

Investing in the future

In the 2023/2024 financial year investments of around CHF 48.7 million were made, the majority going to the Zermatt–Furi replacement cable car, the redevelopment of the visitor area at the Matterhorn Express valley station, and the establishment of a new administrative building. Funds were also allocated to the final stage of work on the Matterhorn Glacier Ride II 3S cableway project. Investment in the maintenance of pistes, snow machines and infrastructure likewise continued. The formal opening of the Matterhorn Alpine Crossing on 30 June 2023 saw the realization of another significant milestone and an important investment in the future of Zermatt Bergbahnen and the resort of Zermatt. The new cross-border cable car link between Zermatt and Cervinia has attracted considerable interest at home and abroad, gaining plenty

of media attention and winning the prestigious Swiss Mountain Award from Seilbahnen Schweiz in 2023. This new premium product is fulfilling its promise and delivering sustainable growth. The planned luggage service between Switzerland and Italy will further improve convenience for travellers and ensure a successful future in the excursion tourism market.

The annual review of the dynamic pricing model led to the introduction of various improvements to the online presence. The growth trend in online sales has continued. These now account for a substantial total of 41.7% of sales in the winter season. The best-price guarantee for early bookings and the publication in the online store of anticipated price changes underpinned the positive development.

Record dividends

On the basis of the excellent key financial figures from the 2023/2024 business year, the Ordinary General Meeting voted to pay shareholders a record dividend of 10%. This corresponds to an increase of 25% over the previous 8% dividend. Board members Jean-Michel Cina, Romy Biner-Hauser, Christian Laesser, Sämi Perren and Patrick Z'Brun were re-elected, as was Franz Julen as Chairman of the Board of Directors. Paul-Marc Julen was elected to the Board of Zermatt Bergbahnen in place of Hermann Biner, who stepped down in accordance with Article 18 of the company's Articles of Association.

For a final time during his term of office, Markus Hasler, CEO of Zermatt Bergbahnen, summarized the progress achieved: «The international character of the Zermatt-Matterhorn resort is proving to be a major success factor and will continue to do so for many years to come.» He added: «Once again, the strategic decision to bolster the summer business proved prescient in the 2023/24 business year.»

In his address, Franz Julen, Chairman of the Board of Directors, added: «The systematic implementation of our Strategy 2023–2027 is driving the continued growth of our company. The strategy focuses on offering top quality, first-class service, investment strength, versatility and innovative action, along with pricing that reflects our mindset.» Franz Julen went on to thank Markus Hasler, who is stepping down as CEO at the end of the year after 13 years of dynamic leadership at Zermatt Bergbahnen, leading the company expertly, resolutely and with great enthusiasm. According to Franz Julen: «ZBAG is a different company today than when Marcus Hasler took over ten years ago. Under his aegis, during a phase of purely organic growth, sales and EBITDA increased by 54% and 88% respectively and cash flow more than doubled. This record of achievement deserves our respect, gratitude and recognition.»

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