

Media Release

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SIX Exchange Regulation AG reaches an agreement with Orascom Development Holding AG

SIX Exchange Regulation AG has concluded an agreement with Orascom Development Holding AG with regard to breaches of IFRS accounting standards in the 2018 annual financial statements. As part of the agreement, the company has undertaken to correct the deficiencies in the 2019 IFRS annual financial statements and to make a donation of CHF 30,000 to the IFRS Foundation.

When accounting for the disposal of a subsidiary in the 2018 IFRS annual financial statements, Orascom Development Holding AG erroneously recognized a revaluation gain in the amount of CHF 8.5 million in profit or loss for the financial year 2018. This revaluation gain resulting from a property previously reclassified from the category “owner-occupied” to “investment property” should have been instead transferred to retained earnings at the time of the disposal of the subsidiary in 2018.

As a result of this error, the loss for the year 2018 was understated by CHF 8.5 million (misstatement by approximately 23%) and the basic/diluted loss per share was understated by CHF 0.21. The cash position of the company and total equity reported in the 2018 IFRS annual financial statements were not affected by this error.

Financial statement position	Amounts as stated in the 2018 IFRS annual financial statements	Amounts after the error correction	Effect
Loss for the year	CHF -37.4 million	CHF -45.9 million	CHF -8.5 million (-22.9%)
Loss per share	CHF -1.05	CHF -1.26	CHF -0.21 (-22.9%)

The CHF numbers presented in the above table represent rounded figures. The percentage effect is based on unrounded figures.

As part of the agreement with SIX Exchange Regulation AG, Orascom Development Holding AG has undertaken to correct and disclose the error as well as to amend the presentation of current and non-current provisions and the disclosures with regard to revenue from contracts with customers and transactions with related parties in the 2019 IFRS annual financial statements. In addition, the

company will make a donation of CHF 30,000 to the IFRS Foundation in accordance with the agreement reached with SIX Exchange Regulation AG.

The investigation initiated by SIX Exchange Regulation AG against Orascom Development Holding AG in connection with the 2018 IFRS annual financial statements was terminated upon completion of said agreement.

Should you have any questions, please contact Julian Chan, Deputy Head Media Relations SIX.

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SIX Exchange Regulation AG is one of the Regulatory Bodies of the SIX trading venues. It performs the functions assigned under Swiss federal law and enforces the rules laid down by the Regulatory Board, and monitors compliance with legal and regulatory requirements. As part of its diverse remit, SIX Exchange Regulation AG submits proposals for sanctions to the Sanctions Commission or can enact sanction notices. SIX Exchange Regulation AG is directly subordinated to the Chairman of the Board of Directors of SIX Group Ltd, guaranteeing the independence of SIX Exchange Regulation AG from the operating business of SIX Swiss Exchange Ltd and SIX Repo Ltd. SIX Exchange Regulation AG consists of the divisions Listing & Enforcement, responsible for regulating issuers, and Surveillance & Enforcement, which monitors trading. www.ser-ag.com

SIX operates and develops infrastructure services in the Securities & Exchanges, Banking Services and Financial Information business units with the aim of raising efficiency, quality and innovative capacity across the entire value chain of the Swiss financial center. The company is owned by its users (122 banks). With a workforce of some 2,600 employees and a presence in 20 countries, it generated operating income of CHF 1.13 billion and Group net profit of CHF 120.5 million in 2019. www.six-group.com